

# National Association of State Chief Administrators

## Nomination for Award for Creative Excellence Category: E-government

### On-line Dividend Application

Alaskans no longer have to fill out paper forms in order to apply for an Alaska Permanent Fund dividend. Now, they can do it over the Internet.

In March 2000, the Alaska Department of Revenue introduced an on-line application that allows Alaska residents to provide all the information required to apply for the dividend quickly and conveniently from their home or office computer. In what we believe to be a first of its kind government program, applicants fill out an on-screen form with the exact look and feel of the more familiar paper version. The Department captures this information in both electronic imaging and database forms, eliminating more cumbersome hand processing and providing a more reliable, efficient and cost-effective service to the public.

Approximately 8,200 residents took advantage of the program when it debuted in March, the last month of the three-month application period, or 1.3 percent of the approximately 613,000 applications filed. That number is expected to increase dramatically in coming years as the program operates for the entire application period, and as the percentage of Alaskans using the Internet - already among the highest in the nation - increases.

***Internet forms technology*** - To our knowledge, the Permanent Fund Dividend On-line Application is the first public program to fully integrate Internet forms and automated data transfer technologies. The on-line application uses the Internet Forms Commerce System (ICSJ) developed by PureEdge (formerly UWI.com). This system, through Extensible Markup Language (XML) technology, allows the user to view a screen with the same general appearance, including layout and typeface, as the familiar paper forms, and to enter information directly into that screen. Extensible Forms Description Language (XFDL) provides the ability to securely send and receive legally binding XML documents. XFDL is the world's first open protocol for secure, legally binding XML documents.

The ICS form features editing and computational logic behind the form's data fields. The editing function checks for valid formats, for example, that Social Security numbers are all numeric. The computational logic checks that fields are complete and all questions are answered. By immediately telling applicants whether or not they have provided all the necessary information in the correct formats, the editing and logic capabilities eliminate the need for department staff

to contact applicants for further information. Every year, the department has to contact approximately 5% of applicants for more information.

***Automated data transfer technology.*** The on-line application communicates directly with the division's database and image server. Software developed by **SAGA** Software, Inc. parses and saves application data to the department's dividend application database and also indexes and stores the image of the application to the department's image server. Automated data transfer eliminates the manual processing associated with paper forms, from physical handling to data capture.

***Benefits and savings.*** The department projects that eventually up to half of all dividend applications will be filed over the Internet, yielding significant savings in labor costs associated with processing applications. In the short-term (next 2 years), the department expects to reduce data entry positions by 10% (from 38 to 34 part-time positions). In the long-term, the department expects to reduce data entry and mail handling part-time positions by half, a significant savings to the state. Although only in use for the last month of the filing period, the program has already realized significant efficiencies.

While the department will see benefits of reduced labor costs, it will simultaneously provide a higher level of service to the public. The editing and logic capabilities embedded in the Internet help residents file a complete application. Applicants also receive instant confirmation that the department has received their application, thus reassuring applicants and reducing the number who file a duplicate application because their application had not yet been processed at the end of the filing season.