

# ALASKA STATE LEGISLATURE

*Interim – May-December:*  
**1292 Sadler Way Rm. 323**  
**Fairbanks, AK 99701**  
**907-452-1088**



*Session – January-April:*  
**State Capitol Rm 500**  
**Juneau, AK 99801**  
**907-465-3004**

## Representative Will Stapp

District 32: East Fairbanks, Fort Wainwright, Badger

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### 1. “Where does this raffle fit philosophically in senior support?”

**Asked by:** Rep. Ky Holland

The raffle is not the purpose of the program – it’s an incentive mechanism. The core policy goal is to create a voluntary, self-funded revenue stream for senior services. The raffle simply encourages broader participation, similar to the existing education PFD raffle, while preserving individual choice and avoiding any mandatory contribution.

While Alaska does fund senior and disability services through the Department of Health, the current operating budget is **not keeping pace with demand** and relies heavily on **unstable funding sources**.

As shown in the FY2025–FY2027 Senior and Disabilities Services budget:

- Total funding ranges from **~\$73M to \$77M annually**
- A **large share is federal funding** (roughly one-third of the total, see chart)
- **Unrestricted General Funds (UGF)** are relatively flat
- COVID-era federal funds have expired, removing temporary capacity

At the same time:

- Alaskans **age 60+ now make up over 20% of the population**
- This is the **fastest-growing demographic in the state**
- Demand for meals, transportation, and supportive housing is growing faster than appropriations

**HB 255 does not replace or reduce existing funding.**

It creates a **voluntary, Alaska-driven supplemental funding stream** that:

- Does not compete with UGF
- Does not supplant federal funds
- Helps stabilize core services that already exist but are stretched thin

In short, **the budget shows why HB 255 is needed**: existing funding maintains baseline services, but it is **not sufficient to meet rising demand**, especially in rural and high-cost areas.

**2. “Why does the endowment require a \$1 billion threshold before distributions?”**

**Asked by:** Rep. Ky Holland

The \$1 billion threshold is a policy placeholder rather than a prediction. It reflects a conservative, long-term endowment model designed to protect principal and ensure sustainability. The sponsor is open to adjusting the threshold to a more realistic level once contribution and participation data are better understood.

**3. “Can you provide real numbers instead of estimates?”**

**Asked by:** Rep. Ky Holland

The bill intentionally mirrors existing PFD raffle infrastructure to minimize administrative costs. The Department of Revenue already administers similar programs. As participation data becomes available, more precise fiscal modeling will be provided, and the sponsor welcomes working with DOR to refine those estimates.

DOR has submitted an indeterminant fiscal note for this legislation. The Division’s application system is currently being updated to a new system and is unable to forecast what the programming costs for this requested program logic will require at this time.

There were programming costs associated with the initial 2018 implementation of the raffle, including the purchase of a raffle drum and other start up materials. Since then, annual expenses have been limited to ticket purchasing and printing, advertising, auditing, and a few other minor costs.

The total for startup and ongoing material costs since 2020 is \$43,070.31, paid for from the two percent allowed for administration and promotion under AS 43.23.230(a). This price does not reflect the number of hours put in by DOR staff to plan and administer the raffle process.

**6. “How are funds distributed geographically and demographically?”**

**Asked by:** Rep. Rebecca Himschoot

The Department of Health distributes funds through existing grant formulas designed to ensure statewide access. Services are delivered by local organizations familiar with community needs, including rural and remote areas.

**7. “Are services limited to what’s listed, or is it broader?”**

**Asked by:** Rep. Rebecca Himschoot

The statutory categories set funding priorities, not service limits. Within those categories, providers may deliver a range of services including congregate meals, home delivery, case management, and supportive services, depending on community needs.

**8. “What qualifies as ‘supportive housing’?”**

**Asked by:** Rep. Carolyn Hall

Supportive housing includes services that help seniors remain stably housed and independent – such as service coordination, in-home supports, accessibility modifications, and housing-related assistance – not just bricks-and-mortar construction.

**9. “How were the 50/25/25 percentages determined?”**

**Asked by:** Rep. Garret Nelson

The percentages reflect existing data on senior service demand in Alaska. When seniors are surveyed, Food Insecurity, Transportation Services & Supportive Housing Services are consistently in the top-5 needs identified. These needs were identified by the Alaska Commission on Aging and the last 10 years of surveys completed with our senior population throughout Alaska. Meals and nutrition represent the most widespread need, followed by transportation and supportive housing. The split aligns with current service utilization and expert input, while remaining flexible for future adjustment.

HB 255 is intended to align with how seniors experience aging in Alaska, and the 50% / 25% / 25% split is consistent with best practices and aging trends.

Nutrition is the most universal and immediate need, particularly in rural and Interior communities, and are programs and services seniors often qualify for first. Meals are preventative care and reduce Medicaid, emergency room use, and long-term care costs. Allocating half the funding here maximizes reach and stabilizes seniors earliest, which prevents costlier downstream spending. The high elasticity also means dollars immediately convert to services.

Transportation unlocks access to other services such as healthcare and can bridge social connection.

Supportive housing is critically important but cost-intensive, so the bill responsibly caps that share to ensure stability across all programs. This balanced approach maximizes reach, preserves flexibility, and prevents any single service from crowding out the others.

**10. “Have specific programs already been chosen?”**

**Asked by:** Rep. Mike Prax

No. The bill establishes eligibility categories, not specific recipients. Program selection would occur through existing DOH grant processes using objective criteria and statewide formulas.

**11. “Why does eligibility start at age 60?”**

**Asked by:** Rep. Rebecca Himschoot

Age 60 aligns with federal Older Americans Act definitions and existing state senior services eligibility, ensuring administrative consistency and avoiding confusion.

**12. “How much does the education raffle currently raise?”**

**Asked by:** Co-Chair Donna Mears

In total, the Raffle has generated \$6,555,200 since its inception. Of that amount, \$3,277,600 has gone directly to the Department of Education and Early Development’s Supplemental Grants, \$1,638,800 to the Education Endowment Fund, and \$1,638,800 to the Raffle Fund/prize pool.

**13. “Should the endowment be removed entirely?”**

**Asked by:** Co-Chair Donna Mears

The endowment is intended to supplement, not replace, direct grants. It provides long-term stability while allowing immediate services through the 50% distribution. The sponsor is open to continued discussion about structure while preserving sustainability.