

ALASKA STATE LEGISLATURE
SENATE HEALTH, EDUCATION & SOCIAL SERVICES COMMITTEE

January 28, 2002

1:33 p.m.

MEMBERS PRESENT

Senator Lyda Green, Chair
Senator Loren Leman, Vice Chair
Senator Gary Wilken
Senator Jerry Ward
Senator Bettye Davis

MEMBERS ABSENT

All Members Present

COMMITTEE CALENDAR

HOUSE BILL NO. 162

"An Act relating to absences from the state under the longevity bonus program."

PREVIOUS COMMITTEE ACTION

HB 162 - See HESS minutes dated 4/20/01.

WITNESS REGISTER

Representative Gretchen Guess
Alaska State Capitol
Juneau, AK 99801-1182
POSITION STATEMENT: Presented HB 162

Representative Fred Dyson
Alaska State Capitol
Juneau, AK 99801-1182
POSITION STATEMENT: Commented on HB 162

Ms. Alison Elgee, Deputy Commissioner
Department of Administration
PO Box 110200
Juneau, AK 99811-0200
POSITION STATEMENT: Addressed the fiscal note for HB 162

ACTION NARRATIVE

TAPE 02-3, SIDE A

CHAIRWOMAN LYDA GREEN called the Senate Health, Education & Social Services Committee meeting to order at 1:33 p.m. Present were Senators Ward, Davis and Green. Chairwoman Green introduced Janey Wineinger, staff to the Senate HESS Committee, and announced that she will be the first point of contact for anyone wishing to work with the committee. Senators Leman and Wilken arrived at 1:34 p.m. and the committee took up HB 162.

#HB 162

HB 162-ABSENCES UNDER LONGEVITY BONUS PROGRAM

REPRESENTATIVE GRETCHEN GUESS offered the following information about HB 162 on behalf of the House HESS Committee.

HB 162 changes two longevity bonus date clauses. It increases the allowable paid absence from 30 to 60 consecutive days. She requested that change after a constituent contacted her who wanted to leave the state to visit family. The constituent had to drive to three places in the Lower 48 and could not make the trip within 30 days. She could find no reason in the record for a 30-day limit. The second change extends the unpaid sabbatical from 90 days to five years. Under the 90-day limit, many seniors must fly back to Alaska during their sabbaticals for the sole purpose of maintaining eligibility for the longevity bonus. The longevity bonus is not provided to seniors while they are out of the state. She noted Representative Dyson and a representative from the Department of Administration were available to answer questions.

REPRESENTATIVE DYSON commended Representative Guess for bringing this legislation forward and called committee members' attention to its negative fiscal note. The Department of Administration anticipates that the changes made in HB 162 will save the state about \$100,000 per year. He said that all seniors' groups that he has heard from support this legislation and that some of his constituents, as soon as they retire, go on short-term mission projects around the world. This bill will allow them to remain qualified for the longevity bonus while they are working on those projects. He noted that quite a few of Alaska's seniors find their lives dominated by the 90-day limit even though they are legitimate residents.

SENATOR LEMAN asked why a five-year timeframe was chosen for the sabbatical.

REPRESENTATIVE GUESS said that timeframe was suggested by the Department of Administration.

MS. ALISON ELGEE, Deputy Commissioner of the Department of Administration, explained that the department wanted a time certain that would allow it to purge the rolls so that the department could track the number of eligible recipients. She noted, "In truth there is no magic to five years, we just felt that that was a timeframe where we could safely assume that people were not coming back or had perhaps passed away."

SENATOR LEMAN asked if it would do anyone a disservice to make that time period three years.

DEPUTY COMMISSIONER ELGEE said it is truly a judgment call but the Department of Administration is quite comfortable with the five-year timeframe.

CHAIRWOMAN GREEN asked if the new language on page 2, lines 26-31, is necessary to conform to the changes made in Section 1.

DEPUTY COMMISSIONER ELGEE said that is correct.

CHAIRWOMAN GREEN confirmed that the bill contains new language that permanently disqualifies a recipient who is continuously absent for more than five years. She then asked Ms. Elgee to comment on the fiscal note.

DEPUTY COMMISSIONER ELGEE said the fiscal note is made up of two parts. The first part reflects the eligibility of individuals to receive a check if they are out of state up to 60 days instead of 30 days. The department actually counted the number of absent seniors in calendar year 2000 to determine how many of those individuals would have been paid an extra longevity bonus check and came up with an additional cost of \$288,400. The second part of the fiscal note shows the big savings will come from allowing people to be out of state for longer periods of time. The department estimates that 10 percent of longevity bonus recipients will be absent for 30 days more than they are today if HB 162 passes, saving the program \$435,000 per year. The net savings to the state will be \$146,700 per year.

SENATOR WARD asked if the first number will increase if HB 162 passes.

DEPUTY COMMISSIONER ELGEE said the department quantified the people who are out of state right now that are now receiving the longevity bonus check (those absent between 30 and 60 days). Because the pool is a closed pool, the other recipients are in Alaska so the costs will not go up.

SENATOR WARD moved HB 162 from committee with individual recommendations and its most recent fiscal note.

CHAIRWOMAN GREEN announced that the motion carried with no objection.

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CHAIRWOMAN GREEN informed members the committee will hear SB 250 on Wednesday and that the House HESS Committee will hear an overview by the Department of Education and Early Development on the regulations for correspondence study tomorrow at 9:30 a.m. She then adjourned the meeting at 1:40 p.m.