

FISCAL NOTE

STATE OF ALASKA
2003 LEGISLATIVE SESSION

Fiscal Note Number: 3
 Bill Version: _____
 (S) Publish Date: 5/14/03
 Dept. Affected: Health & Social Services
 BRU Public Assistance
 Component OAA-ALB Hold Harmless

Revision Date/Time (Note if correction): 5/14/2003
 Title ELIMINATE LONGEVITY BONUS

Sponsor SENATE (RLS) BY REQUEST OF THE GOVERNOR

Requester _____ Component No. 223

Expenditures/Revenues (Thousands of Dollars)

Note: Amounts do not include inflation unless otherwise noted below.

OPERATING EXPENDITURES	FY 2004	FY 2005	FY 2006	FY 2007	FY 2008	FY 2009
Personal Services						
Travel						
Contractual						
Supplies						
Equipment						
Land & Structures						
Grants & Claims	(291.9)	(583.8)	(875.7)	(1,167.6)	(1,459.5)	(1,459.5)
Miscellaneous						
TOTAL OPERATING	(291.9)	(583.8)	(875.7)	(1,167.6)	(1,459.5)	(1,459.5)

CAPITAL EXPENDITURES

CHANGE IN REVENUES (0)

FUND SOURCE (Thousands of Dollars)

1002 Federal Receipts						
1003 GF Match						
1004 GF	(291.9)	(583.8)	(875.7)	(1,167.6)	(1,459.5)	(1,459.5)
1005 GF/Program Receipts						
1037 GF/Mental Health						
Other(Specify Type-do not abbreviate)						
TOTAL	(291.9)	(583.8)	(875.7)	(1,167.6)	(1,459.5)	(1,459.5)

Estimate of any current year (FY2003) cost: _____

Mark this box (X) if funding for this bill is included in the Governor's FY 2004 budget proposal:

POSITIONS

Full-time						
Part-time						
Temporary						

ANALYSIS: (Attach a separate page if necessary)

This legislation phases out the Alaska Longevity Bonus Program (ALB) over a five-year time period. Longevity bonus payments will be reduced by 20% in FY05, by 40% in FY05, by 60% in FY06, by 80% in FY07, and by 100% in FY08.

Federal SSI eligibility rules require that the ALB must be counted as income when determining SSI eligibility. This results in the loss of all or a portion of SSI benefits to approximately 1000 ALB/SSI recipients. To mitigate the loss of SSI income, the ALB Hold harmless program replaces these lost SSI benefits. As the ALB payments are phased out, the amount needed to replace lost SSI benefits will be reduced by the same percentage as the longevity bonus.

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 Division Public Assistance Date/Time 04/29/2003
 Approved by: Joel S. Gilbertson, Commissioner Date 05/14/2003
 Agency Department of Health and Social Services