

**ALASKA STATE LEGISLATURE  
HOUSE SPECIAL COMMITTEE ON MILITARY AND  
VETERANS' AFFAIRS**

March 18, 2004  
1:10 p.m.

**MEMBERS PRESENT**

Representative Nick Stepovich, Chair  
Representative Beverly Masek, Vice Chair  
Representative Nancy Dahlstrom  
Representative Bob Lynn  
Representative Bruce Weyhrauch  
Representative Sharon Cissna  
Representative Max Gruenberg

**MEMBERS ABSENT**

All members present

**COMMITTEE CALENDAR**

HOUSE BILL NO. 440

"An Act relating to the Alaska Pioneers' Home, and the Alaska Veterans' Home; relating to eligibility for admission to the Alaska Pioneers' Home and Alaska Veterans' Home; relating to state veterans' home facilities; making conforming amendments; and providing for an effective date."

- MOVED CSHB 440(MLV) OUT OF COMMITTEE

**PREVIOUS COMMITTEE ACTION**

BILL: HB 440

SHORT TITLE: PIONEERS' HOMES/VETERANS' HOMES

SPONSOR(S): RULES BY REQUEST OF THE GOVERNOR

02/05/04	(H)	READ THE FIRST TIME - REFERRALS
02/05/04	(H)	MLV, HES, FIN
03/04/04	(H)	MLV AT 3:00 PM CAPITOL 120
03/04/04	(H)	Heard & Held
03/04/04	(H)	MINUTE(MLV)
03/18/04	(H)	MLV AT 1:00 PM CAPITOL 124

**WITNESS REGISTER**

DENNIS DeWITT, Special Staff Assistant

Office of the Governor  
Juneau, Alaska  
POSITION STATEMENT: Reviewed HB 440.

BOB HUFFMAN, Legislative Committee  
Grand Igloo  
Fairbanks, Alaska  
POSITION STATEMENT: Testified on HB 440.

LEON BERTRAM, State Service Officer  
American Legion  
Anchorage, Alaska  
POSITION STATEMENT: Testified in support of HB 440.

JOHN KELLEY, Service Officer  
Veterans of Foreign Wars  
Anchorage, Alaska  
POSITION STATEMENT: Testified in support of HB 440.

RIC DAVIDGE, Vice President  
Vietnam Veterans of America;  
Chairman, Legislative Affairs;  
Chairman, Alaska Veterans Foundation  
Anchorage, Alaska  
POSITION STATEMENT: Testified in support of the creation of the  
Palmer Veterans' Home as a first step.

JOHN VOWEL, Director  
Division of Longevity Programs  
Department of Health and Social Services (DHSS)  
Juneau, Alaska  
POSITION STATEMENT: During discussion of HB 440, answered  
questions.

JIM VAN HORN, State Commander  
American Legion  
Fairbanks, Alaska  
POSITION STATEMENT: During discussion of HB 440, testified in  
support of the establishment of the Palmer Veterans' Home.

DONALD DINKEL  
Wasilla, Alaska  
POSITION STATEMENT: During discussion of HB 440, encouraged the  
state to negotiate funding [for veterans] that can be used in  
all the pioneers' homes.

RON ELLER, Post Commander  
Veterans of Foreign Wars;  
Member, Alaska Veterans Advisory Council  
Kodiak, Alaska

POSITION STATEMENT: Testified that the veterans support and request passage of HB 440.

RYAN COLGAN, Staff  
to Representative Stepovich  
Alaska State Legislature  
Juneau, Alaska

POSITION STATEMENT: During discussion of HB 440, spoke on Amendments 1 and 2.

### **ACTION NARRATIVE**

#### **TAPE 04-2, SIDE A**

Number 0001

**CHAIR NICK STEPOVICH** called the House Special Committee on Military and Veterans' Affairs meeting to order at 1:10 p.m. Representatives Stepovich, Masek, Weyhrauch, Dahlstrom, Lynn, and Cissna were present at the call to order. Representative Gruenberg arrived as the meeting was in progress.

#### HB 440-PIONEERS' HOMES/VETERANS' HOMES

CHAIR STEPOVICH announced that the only order of business would be HOUSE BILL NO. 440, "An Act relating to the Alaska Pioneers' Home, and the Alaska Veterans' Home; relating to eligibility for admission to the Alaska Pioneers' Home and Alaska Veterans' Home; relating to state veterans' home facilities; making conforming amendments; and providing for an effective date."

[Before the committee is CSHB 440, Version 23-GH2085\D, Mischel, 3/1/04.]

Number 0223

DENNIS DeWITT, Special Staff Assistant, Office of the Governor, reminded the committee this legislation will allow the Palmer Pioneers' Home to be converted into a veterans' home. The legislation includes transition language, which ensures that no one will be moved without his or her consent. Therefore, no one will be forced to move due to passage of this legislation. Mr. DeWitt explained that this legislation includes language allowing the collection of per diem from the Veterans

Administration during that transition period. Only a few nonsubstantive issues remain to be "hammered out" with the Veterans Administration. The legislation repeals many statutes that have been put in place over the years as attempts to develop a veterans' home have arisen.

MR. DeWITT recalled from the prior hearing of HB 440, the question regarding whether Merchant Marines would be eligible as veterans to enter the Alaska Veterans' Home. A memorandum dated March 6, 2004, from Mr. DeWitt is included in the committee packet. That memorandum specifies that Merchant Marines are considered veterans, and therefore are eligible for veteran's benefits if active, ongoing service occurred from December 7, 1941, to August 15, 1945. Such individuals would be able to enter a state veterans' home as a veteran.

Number 0536

REPRESENTATIVE LYNN requested that Mr. DeWitt review the matter of smoking at this facility.

MR. DeWITT explained that this facility, as is any other public building, would be covered by the statutes relative to smoking. Therefore, smoking would be limited to congregate areas. He specified that there are and will continue to be areas designated for smokers.

Number 0676

BOB HUFFMAN, Legislative Committee, Grand Igloo, said that he understands the desire to bring additional funding into the pioneers' home system in the interest of offsetting state costs of operational maintenance. He indicated that this proposal would address an underutilized facility and the possibility of future rate adjustments. He further indicated that senior protection is reasonably protected [in Version D]. However, fees to others [who aren't pioneers] should be reasonably compatible with existing home use.

Number 0935

LEON BERTRAM, State Service Officer, American Legion, reminded the committee that two years ago the American Legion, the Veterans of Foreign Wars, and the Disabled American Veterans jointly petitioned the legislature to appropriate \$250,000 in order to complete the study of the State Veterans' Home. Mr. Bertram informed the committee that the aforementioned

organizations selected him to report the activities of the ongoing study. Upon the completion of the first phase of the study, the three organizations met with the McDowell Group, who was performing the study, and the state director of veterans affairs as well as the Veterans Administration personnel. The entities reviewed the three options recommended by the state. At the time, the service organizations unanimously selected the option to support making the Palmer Pioneers' Home the Alaska Veterans' Home. Therefore, "we" fully support HB 440.

Number 1030

JOHN KELLEY, Service Officer, Veterans of Foreign Wars, related that the Veterans of Foreign Wars fully supports HB 440, which he hoped would be dealt with expeditiously.

Number 1084

RIC DAVIDGE, Vice President, Vietnam Veterans of America; Chairman, Legislative Affairs; Chairman, Alaska Veterans Foundation, said that most Americans are aware of the fact that by the end of the Vietnam War 50,000 American soldiers were killed. However, most Americans are unaware that since the end of the Vietnam War over 60,000 Vietnam Veterans have committed suicide. He explained that the aforementioned happened because America failed to embrace its Vietnam Veterans as they came home. Slowly, that has changed over the last 30 years. Mr. Davidge said he was delighted to see movement in Alaska to heal those wounds. As mentioned earlier, the veterans' organizations in the state have worked together and independently in support of the establishment of a veterans' home. Mr. Davidge related that although the Vietnam Veterans of America would still prefer to see the veterans' home located in Anchorage, it does support the creation of the first home in Palmer. He reminded the committee that the Vietnam Veterans of America put forth a proposal to consolidate Veterans Administration facilities and programs into a single location across from the Alaska Native Hospital. However, he reiterated support of the creation of the Palmer Veterans' Home as a first step. Mr. Davidge specified that one of the overwhelming concerns is that although there have been many assurances made with regard to the continuing operation and maintenance funding for the veterans' home, future legislatures can't be constrained. He expressed further concern with regard to the possibility of creating a veterans' home and then slowly chip away at the base funding for it. Mr. Davidge noted that the Vietnam Veterans of America has provided the state with information regarding alternative mechanisms for

operation and maintenance funding in Alaska. He concluded by noting that the committee packet should contain a letter from the president of the Vietnam Veterans of America in support of the Palmer Veterans' Home, although there is concern with regard to the operation and maintenance funding.

REPRESENTATIVE LYNN asked if assisted living plans be part of the plan at the Palmer Veterans' Home.

Number 1353

JOHN VOWEL, Director, Division of Longevity Programs, Department of Health and Social Services (DHSS), replied yes, and stated that all the provisions of assisted living will apply to the residents.

REPRESENTATIVE LYNN recalled an interim meeting of this committee in which definitive evidence of a care plan was implemented without the approval of and over the objection of a veteran's legal representative and physician. The ombudsman substantiated the aforementioned. Therefore, Representative Lynn inquired as to the assurances available that care plans for veterans will be complied with at the Palmer facility.

MR. VOWEL said that the same care plan development and approval process used in all of the [pioneers' homes] will continue. In further response to Representative Lynn, Mr. Vowel specified that the regulations for assisted living will be followed. Those regulations include the development, approval, and modification of care plans throughout the stay of the resident. Mr. Vowel said that [the division] believes it is in compliance with regulations, and therefore those regulations will continue to be used as a guideline for plan development.

Number 1562

JIM VAN HORN, State Commander, American Legion, testified in support of the establishment of the Palmer Veterans' Home. He informed the committee that the per diem rate the veterans will receive from the Veterans Administration is about \$26.95 a day. With the approximately 82 [beds], it amounts to approximately \$800,000 in federal funds that would come to the state. The aforementioned would help offset the cost of operating the [Palmer] facility. Mr. Van Horn noted that he had the opportunity to tour the Palmer facility, which he characterized as a very nice facility.

MR. VAN HORN highlighted the fact that Alaska has the largest amount of veterans per capita, 17.1 percent, in the nation. In fact, Anchorage is one of 10 cities with a population over 100,000 with a high population, 7.3 percent, of Vietnam Veterans. Although Alaska is the only state without a veterans' home, Alaska has the largest veteran population in the nation. Mr. Van Horn concluded by reiterating the American Legion's endorsement of this concept of the Palmer Veterans' Home.

Number 1730

DONALD DINKEL informed the committee that he is representing the veterans and the Pioneers of Alaska. Mr. Dinkel expressed his disappointment with the Veterans Administration, which he charged hasn't been taking care of its veterans. He also expressed his confusion with regard to the Veterans Administration insisting on a separate facility for veterans. He questioned why the Veterans Administration hasn't supported the needs of veterans in the facilities, the five pioneers' homes, that are available. Mr. Dinkel informed the committee that he went to school under the GI Bill and he didn't have to attend a special school to obtain the benefits of the GI Bill. Mr. Dinkel concluded by encouraging the state to negotiate funding [for veterans] that can be used in all the pioneers' homes.

Number 1872

RON ELLER, Post Commander, Veterans of Foreign Wars; Member, Alaska Veterans Advisory Council, said that the veterans support and request passage of HB 440. However, he noted that it has taken more than 20 years to get to this point, which is only 80 beds. Mr. Eller related that veterans want to have their own home. He noted that veterans have questioned whether the management of the [Palmer Veterans' Home] would be at the state level or the Veterans Administration level. In fact, Mr. Eller said that [veterans] in the Bush feel as if they are treated as second-class citizens as far as concerns regarding veteran's issues and health issues. Mr. Eller then expressed the need to look to the future for veterans. To that end, he suggested that the Alaska Advisory Council could present some ideas. He related that he read there were approximately 200 veterans on the waiting list for the 82 beds in Palmer.

MR. DeWITT informed the committee that at the end of February there were three people on the active waiting list in the Palmer Pioneers' Home.

MR. ELLER said his figures were from information provided at an Alaska Veterans Advisory Council meeting.

CHAIR STEPOVICH, upon determining there was no one else who wished to testify, closed public testimony.

The committee took an at-ease from 1:43 p.m. to 1:45 p.m.

Number 2247

REPRESENTATIVE MASEK moved that the committee adopt Amendment 1, labeled 23-GH2085\D.1, Mischel, 3/17/04, which read:

Page 6, line 31, following "at":  
Insert "Sitka and at other"

RYAN COLGAN, Staff to Representative Stepovich, Alaska State Legislature, explained that Amendment 1 is in response to the concern voiced by pioneers because the language in current statute specifying that the department shall maintain pioneers' homes in Sitka and other locations wasn't included in HB 440. Therefore, Amendment 1 was introduced.

There being no objection, Amendment 1 was adopted.

Number 2360

REPRESENTATIVE MASEK moved that the committee adopt Amendment 2, labeled 23-GH2085\D.2, Mischel, 3/18/04, which read:

Page 8, line 7, following "space"  
Insert ", up to 50 percent of the total floor space in a home,"

REPRESENTATIVE WEYHRAUCH objected for discussion purposes.

MR. COLGAN explained that Version D removed the portion of the language regarding the potential for the department to sale space in the pioneers' home, while language allowing the department to lease bed space remains. There was concern that under that section, an entire home could be leased. Many people want to maintain the integrity of the pioneers' home system. Therefore, Amendment 2 was proposed to limit the total amount of floor space that could be leased in a home to 50 percent, which would allow 50 percent of the floor space to continue under the original intent of the home.

REPRESENTATIVE WEYHRAUCH asked if the language "space" refers to useable space, leaseable space, or all space, including halls and bathrooms.

MR. COLGAN pointed out that Amendment 2 refers to "total floor space".

REPRESENTATIVE WEYHRAUCH withdrew his objection.

CHAIR STEPOVICH, upon determining there was no further objection, announced that Amendment 2 was adopted.

Number 2507

REPRESENTATIVE LYNN moved that the committee adopt Amendment 3.

REPRESENTATIVE MASEK objected.

REPRESENTATIVE LYNN explained that Amendment 3 would require that the department perform an unannounced inspection of the Alaska Veterans' Home no less than twice annually. This inspection would determine the facility's compliance to all applicable laws and regulations. Representative Lynn informed the committee that one of his assignments in the military was being part of the Inspector General's team. He explained that there were two types of inspections, a noticed inspection and a no notice inspection. The no notice inspection better enables the inspector to have a true picture with regard to what may or may not be going on. Representative Lynn expressed the need to be sure that regulations and care plans are being followed.

CHAIR STEPOVICH objected to Amendment 3. He pointed out that the next committee of referral for HB 440 is the House Health, Education and Social Services Standing Committee, which could address the health and social issues as those fall under its purview. Furthermore, inspections are already occurring and thus he questioned how much [such inspections] will cost.

REPRESENTATIVE MASEK turned attention to a letter in the committee packet from Commissioner Gilbertson. The letter points out that effective July 1, 2004, the Assisted Living Licensing will move from the Division of Senior and Disability Services to the Division of Public Health. Furthermore, the agency's sole focus will be on the enforcement of licensing laws. She also noted that the [Division of Public Health] has a larger certification and licensing unit, which will provide more

continuity and backup. If the Division of the Alaska Pioneers' Home contests a licensing report violation, she related that there would be a prompt and independent appeal process. Representative Masek opined that the commissioner of DHSS will work hard on this issue, and therefore she objected to Amendment 3. Furthermore, she felt that the matter would be best addressed in the House Health, Education and Social Services Standing Committee.

Number 2745

REPRESENTATIVE LYNN addressed some of the concerns. He related that regardless of the agency under which this falls, there should be a no notice inspection. In regard to the concern of the cost of a no notice inspection, Representative Lynn said he didn't see any increase in cost because inspections are already being done. Representative Lynn also highlighted the need for this committee to take care of its responsibilities rather than passing it on to the next committee of referral. He emphasized that until there is a stand-alone veterans' facility, he would strongly support this proposal. However, he expressed the need to be assured that care plans are administered properly and regulations followed, which he didn't see how could be accomplished without appropriate inspections. Representative Lynn surmised that there must be some disagreement between Mr. Vowel and the ombudsman with regard to whether the regulations are being followed because although there was testimony that the regulations are being followed, he had documentation from the ombudsman to the contrary.

CHAIR STEPOVICH said that he has full confidence that the House Health, Education and Social Services Standing Committee will review the matters related to nursing and social concerns.

Number 2877

REPRESENTATIVE CISSNA said that although there may be some merit to Amendment 3, it seems to slightly micromanage the division that should run the program. The aforementioned seems to be a separate issue than this legislation.

A roll call vote was taken. Representatives Lynn, Weyhrauch, and Gruenberg voted in favor of Amendment 3. Representatives Masek, Dahlstrom, Cissna, and Stepovich voted against it.

**TAPE 04-2, SIDE B**

Therefore, Amendment 3 failed by a vote of 3-4.

REPRESENTATIVE WEYHRAUCH said that he would be willing [to support] some unannounced inspections, but he felt that two was too many. "But I do think that salvation of the state is the watchfulness of its citizens, and sometimes doing a sneak peak in the dark is worthwhile," he commented.

CHAIR STEPOVICH indicated his agreement that the care of veterans and pioneers is important.

Number 2916

REPRESENTATIVE GRUENBERG moved that the committee adopt Conceptual Amendment 4.

The committee took a brief at-ease.

[Due to technical difficulties the recording stops at this point.]

[Not on tape, but taken from the Gavel to Gavel recording on the Internet, was the following:

REPRESENTATIVE GRUENBERG explained that this amendment would make certain that the term "veteran" includes Merchant seaman.

REPRESENTATIVE WEYHRAUCH objected.

REPRESENTATIVE GRUENBERG clarified that the term "veteran" would include, but not be limited to, those Merchant seaman who served in active, oceangoing service during World War II, December 7, 1941 - August 15, 1945, as well as civil service crew members who served on U.S. Army transport service and U.S. Naval transport service vessels and on oceangoing service.

REPRESENTATIVE GRUENBERG asked if the folks in the U.S. Army and U.S. Navy transport service had to serve between certain dates [to qualify for this].

MR. DeWITT replied yes, adding that he believes the dates are the same.

REPRESENTATIVE GRUENBERG amended Conceptual Amendment 4 such that it referred to the dates of December 7, 1941 - August 15, 1945, for the service of those in the U.S. Army and Navy transport.

REPRESENTATIVE GRUENBERG pointed out that the other branches of military are well defined in law.

REPRESENTATIVE WEYHRAUCH pointed out that Merchant seaman is already included in the Veterans Administration definition of "veteran".

REPRESENTATIVE GRUENBERG expressed the need to be sure that Merchant seaman aren't left out. He inquired as to whether Conceptual Amendment 4 is necessary.]

[A new tape was inserted at this point.]

**TAPE 04-3, SIDE A**

Number 0081

MR. DeWITT said that the Veterans Administration's definition of veteran would be utilized. Mr. DeWitt turned to Representative Weyhrauch's point, which he believes leads to be the real concern. That concern is if there is another group that is determined, for special reasons, by the Veterans Administration to be considered veterans, then one would have to review the law to determine whether those individuals would be subsumed by the definition of veterans.

REPRESENTATIVE GRUENBERG said that perhaps this isn't the way to craft this. Representative Gruenberg explained that he had wanted to be sure that [the state] is defining "veterans" the same way in which the Veterans Administration does.

MR. DeWITT remarked that he believes the definition of "veteran" includes veterans as described by the Veterans Administration. The term "veteran" for purposes of this veterans' home is driven by the federal definition of "veteran."

Number 0156

REPRESENTATIVE GRUENBERG withdrew Conceptual Amendment 4.

REPRESENTATIVE WEYHRAUCH remarked, "To define the specific, excludes the general ... sometimes, and so ... I agree with the sponsor of the amendments' intent ...." He noted his belief that it's part of the record now that the Veterans Administration definition is being included.

REPRESENTATIVE GRUENBERG requested that Mr. DeWitt's letter be made part of the record.

Number 0228

REPRESENTATIVE MASEK moved to report CSHB 440, Version 23-GH2085\D, Mischel, 3/1/04, as amended, out of committee with individual recommendations and the accompanying fiscal note. There being no objection, CSHB 440(MLV) was reported from the House Special Committee on Military and Veterans' Affairs.

**ADJOURNMENT**

There being no further business before the committee, the House Special Committee on Military and Veterans' Affairs meeting was adjourned at 2:10 p.m.