

ALASKA STATE LEGISLATURE
HOUSE STATE AFFAIRS STANDING COMMITTEE

February 8, 2007

8:06 a.m.

MEMBERS PRESENT

Representative Bob Lynn, Chair
Representative Bob Roses, Vice Chair
Representative John Coghill
Representative Kyle Johansen
Representative Craig Johnson
Representative Andrea Doll
Representative Max Gruenberg

MEMBERS ABSENT

All members present

COMMITTEE CALENDAR

HOUSE BILL NO. 79

"An Act relating to reapplications for the Alaska longevity bonus program; and providing for an effective date."

- MOVED CSHB 79(STA) OUT OF COMMITTEE

HOUSE BILL NO. 75

"An Act relating to driver's licenses and alcohol awareness testing."

- MOVED CSHB 75(STA) OUT OF COMMITTEE

HOUSE BILL NO. 88

"An Act relating to televisions, monitors, portable computers, and similar devices in motor vehicles; and providing for an effective date."

- SCHEDULED BUT NOT HEARD

PREVIOUS COMMITTEE ACTION

BILL: HB 79

SHORT TITLE: LONGEVITY BONUS REAPPLICATIONS

SPONSOR(S): REPRESENTATIVE(S) LYNN, THOMAS, GUTTENBERG, KERTTULA

01/16/07 (H) PREFILE RELEASED 1/5/07

01/16/07 (H) READ THE FIRST TIME - REFERRALS
01/16/07 (H) STA, FIN
02/08/07 (H) STA AT 8:00 AM CAPITOL 106

BILL: HB 75

SHORT TITLE: DRIVERS LICENSE: ALCOHOL AWARENESS/MINOR
SPONSOR(S): REPRESENTATIVE(S) RAMRAS

01/16/07 (H) PREFILE RELEASED 1/5/07
01/16/07 (H) READ THE FIRST TIME - REFERRALS
01/16/07 (H) STA, FIN
02/06/07 (H) STA AT 8:00 AM CAPITOL 106
02/06/07 (H) Heard & Held
02/06/07 (H) MINUTE(STA)
02/08/07 (H) STA AT 8:00 AM CAPITOL 106

WITNESS REGISTER

MICHAEL SICA, Staff
to Representative Bob Lynn
Alaska State Legislature
Juneau, Alaska

POSITION STATEMENT: On behalf of Representative Lynn, joint
prime sponsor of HB 79, reviewed the changes made in Version M.

ELLIE FITZJARRALD, Acting Director
Division of Public Assistance
Department of Health and Social Services (DHSS)
Juneau, Alaska

POSITION STATEMENT: Answered questions during the hearing on HB
79.

STACIE KRALY, Chief Assistant Attorney General - Statewide
Section Supervisor
Civil Division (Juneau)
Department of Law
Juneau, Alaska

POSITION STATEMENT: Answered questions during the hearing on HB
79.

TAMARA COOK, Director
Legislative Legal and Research Services
Juneau, Alaska

POSITION STATEMENT: Addressed the legal aspects of HB 79.

PAT LUBY, Advocacy Director
AARP Alaska

Anchorage, Alaska

POSITION STATEMENT: Testified in support of HB 79.

HERB SIMON

Nelchina, Alaska

POSITION STATEMENT: Testifying on behalf of himself, offered remarks regarding the State of Alaska's SeniorCare Program, during the hearing on HB 79.

REPRESENTATIVE JAY RAMRAS

Alaska State Legislature

Juneau, Alaska

POSITION STATEMENT: As prime sponsor of HB 75, reviewed the changes made in Version M.

DUANE BANNOCK, Director

Division of Motor Vehicles

Department of Administration

Anchorage, Alaska

POSITION STATEMENT: Answered a question during the hearing on HB 75.

ROBERT MYERS, JR.

Juneau, Alaska

POSITION STATEMENT: Testified on behalf of himself during the hearing on HB 75.

ACTION NARRATIVE

CHAIR BOB LYNN called the House State Affairs Standing Committee meeting to order at [8:06:26 AM](#). Representatives Roses, Coghill, Johansen, Johnson, Gruenberg, Doll, and Lynn were present at the call to order.

HB 79-LONGEVITY BONUS REAPPLICATIONS

[8:07:34 AM](#)

CHAIR LYNN announced that the first order of business was HOUSE BILL NO. 79, "An Act relating to reapplications for the Alaska longevity bonus program; and providing for an effective date."

[Before the committee was CSHB 79, Version 25-LS0359\C, Cook, 2/5/07.]

[8:07:48 AM](#)

REPRESENTATIVE ROSES moved to adopt the committee substitute (CS) for HB 79, Version 25-LS0359\M, Cook, 2/7/07, as a work draft.

REPRESENTATIVE COGHILL objected.

[8:08:23 AM](#)

MICHAEL SICA, Staff to Representative Bob Lynn, Alaska State Legislature, on behalf of Representative Lynn, joint prime sponsor of HB 79, reviewed the changes made in Version M. First, he noted that Section 1 had been reworded to make it easier to read. Added to Section 1 is another compliance requirement, AS 47.45.030(a), which read as follows:

(a) After qualification, a recipient shall notify the commissioner of health and social services when the recipient expects to be absent from the state if the absence is for a continuous period that exceeds 60 days. After that notification, the recipient may no longer receive bonuses from the Department of Health and Social Services after the last regularly approved monthly application. Upon returning to the state, the recipient may again make application for a bonus. Failure to notify the commissioner of an expected absence may be grounds for disqualification.

MR. SICA relayed that Section 1(a) and 1(b) include technical changes that would replace the Department of Administration with the Department of Health and Social Services [as the administrator of the reapplication forms].

[8:09:51 AM](#)

REPRESENTATIVE COGHILL removed his objection to Version M. There being no further objection, Version M was before the committee as a work draft.

CHAIR LYNN emphasized that HB 79 would not restore funding for the Alaska Longevity Bonus Program; however, it would make reapplication possible for previously qualified bonus recipients. No applications will be issued, unless both the legislature and governor agree to refund the Alaska Longevity Bonus Program.

[8:10:56 AM](#)

CHAIR LYNN stated that back in 2002, he made a campaign promise to do his best to protect the Alaska Longevity Bonus Program. He revealed, as a manner of disclosure, that neither he nor anyone else in his family has ever qualified for the longevity bonus. He offered a history of the legislature's past actions, which led to the demise of the Alaska Longevity Bonus Program, as follows:

On [May 8, 2003,] the then commissioner of [the Department of] Administration came before ... [the House] State Affairs Committee and presented House Bill 158, the previous governor's bill to eliminate the [Alaska Longevity Bonus Program]. I told the then commissioner, among other things, that I believed the [Alaska Longevity Bonus Program] was a de facto contract between Alaska and its senior citizens. ...

The previous governor's bill did pass out of the [House] State Affairs Committee, with five out of seven "do not pass" recommendations. A similar bill in the Senate to eliminate the bonus - Senate Bill 117 - came to the House floor for a final vote on May 20, 2003. The bill was defeated in the House on May 20, with a vote of 25 to 13, with 2 excused absences, and as a result, the [Alaska Longevity Bonus Program] was ... saved. Thirteen of the legislators who voted against the governor's bill to eliminate the [longevity] bonus are in today's Twenty-Fifth [Alaska State] Legislature, and that happens to be eight Republicans and five Democrats - plus the two who were excused.

Then, on June 12, 2003, the then governor line item vetoed funding for the [Alaska Longevity Bonus Program] that the legislature had ... restored. On January 12, the first day of the next session, an attempt to call a Joint Session of the Legislature to override the governor's veto funding failed. As a result, there has been no funding of the [Alaska Longevity Bonus Program] since the governor's veto. However, ... and this is the important part, the longevity bonus statutes have never ... been taken off the books. In other words, to restore the [Alaska Longevity Bonus Program] as it was requires only that the program be funded. ... Governor [Sarah] Palin has

included that funding in her budget, and, along with many others, I do thank her for that.

... If the administration and the legislature agree to fund the bonus - as I personally hope that they do - legislation that permits formerly eligible persons to re-apply is required. And that's all this bill is about, and nothing else. It is my desire, if possible, to pass this fairly simple bill out of committee today.

[8:13:40 AM](#)

MR. SICA explained that when the Alaska Longevity Bonus Program shut down, people stopped filing their required monthly applications, and "thereby violated continuous eligibility procedures for future payments." The result was that those former recipients were disqualified from the program for violating statutes that were impossible to follow. He emphasized that the purpose of the bill is to ensure that the remaining recipients who qualified for the program before it was shut down in 2003 are not disqualified from future payments due to circumstances beyond their control. He related that Governor Palin has included \$33 million in a budget request to restore the program "for" fiscal year 2008 (FY 08). Without a bill such as HB 79, he said, the State of Alaska could have a funded Alaska Longevity Bonus Program with no one eligible to receive monthly payments.

[8:16:04 AM](#)

MR. SICA relayed that the Department of Law has said reapplication legislation is necessary in order to [reinstate] the program if it is restored. He reviewed that Section 1(a) would require the commissioner of the Department of Health and Social Services to accept reapplication from people under the following circumstances: they were qualified to receive a monthly longevity bonus payment for January 1, 1997 - the day after admission to the program was closed; they were eligible for the bonus in June of 2003 - when the program stopped being funded; and they have maintained continuous state residency between June 20, 2003, and the date on which the reapplication is filed. Section 1(b), he said, would require that the reapplication be filed before January 1, 2008, and it directs the Department of Health and Social Services to prepare a reapplication form and require evidence of eligibility for the bonus.

MR. SICA noted that Section 1(c) would give the department the right to determine if a person who reapplies meets the requirements set forth in subsection (a), and it would set the amount of the person's monthly bonus, based on what that person received before the funding was eliminated. Section 2, he said, sets an effective date of July 1, 2007, which was requested by the Department of Law.

[8:19:31 AM](#)

ELLIE FITZJARRALD, Acting Director, Division of Public Assistance, Department of Health and Social Services (DHSS), noted that there are three fiscal notes included in the committee packet: one addressing Alaska Longevity Bonus Program grants; one addressing funds that are used to replace the federal social security supplemental income (SSI) received by some recipients of the longevity bonus; and one addressing the administrative component to administer the program. She explained that SSI is a federal, needs-based program that counts the Alaska Longevity Bonus Program as income, thus there is an Alaska Longevity Bonus (ALB) "Hold Harmless" Program to replace those lost benefits "so people aren't harmed from it."

MS. FITZJARRALD, in response to a question from Representative Coghill, said the food stamp program, which is 100 percent federally funded, would also count the Alaska Longevity Bonus as income; however, "the other programs would not count the Alaska Longevity Bonus as income."

[8:22:08 AM](#)

REPRESENTATIVE DOLL surmised, "That would be counted on your eligibility to get senior care."

MS. FITZJARRALD said the SeniorCare Program is scheduled to sunset June 30, [2007], and the governor is working on a proposal to "introduce legislation," after which time it will be possible to discuss the relationship between SeniorCare Program and the Alaska Longevity Bonus Program.

[8:22:54 AM](#)

MS. FITZJARRALD, in response to a question from Representative Johnson, explained that the SSI program counts all income, but allows a \$20 deduction from income. For example, if a person receives social security retirement benefits and the Alaska

Longevity Bonus, those two benefits would be added together and the \$20 would be subtracted from that. She said, "If they don't have any income at all, and are receiving only needs based benefits, and the Alaska Longevity Bonus was their only source of income, then that \$20 would be reduced from their Alaska Longevity income amount." In response to a follow-up question from Representative Johnson, she confirmed that the Alaska permanent fund dividend (PFD) is also counted as income by the federal SSI program. She added that there is a separate PFD hold harmless program set up to replace those lost benefits.

[8:24:30 AM](#)

REPRESENTATIVE ROSES asked which fiscal note would reflect the cost of reopening the application process.

[8:24:50 AM](#)

MS. FITZJARRALD explained that the governor's FY 08 budget request already includes funds for the reinstatement of the Alaska Longevity Bonus Program; the previously mentioned fiscal notes represent changes to what is in the governor's request.

REPRESENTATIVE ROSES stated that he supports the concept of the bill but will reserve final support until he sees the final budget.

[8:27:02 AM](#)

MS. FITZJARRALD, in response to a request from Chair Lynn, directed attention to the fiscal note with the component named, "Longevity Bonus Grants," and noted that the \$2.7 million savings reflected on it is compared to the governor's budget. She continued:

Essentially, what's occurred [are] two things. This legislation phases in the program between July 1 and January 1. ... What we've taken into consideration is that ... there may be staggered applications. In addition, the current law only allows an accrual of two months of longevity bonus checks from the point of application. So, these savings are a result of those two considerations. The governor's budget was estimated, assuming that all recipients would be eligible for a full twelve months. So, the savings that are generated are here, taking the two

considerations of the reapplication and the accrual of only two months of benefits.

8:28:19 AM

REPRESENTATIVE GRUENBERG asked Ms. Fitzjarrald to clarify whether she is saying that the governor did not fund the hold harmless provision when she included funding for the Longevity Bonus program in the budget.

MS. FITZJARRALD said that is not what she is saying. She said there are over \$1 million in the governor's budget request for "Longevity Bonus hold harmless." She continued:

What this \$350,000 fiscal note is: Since the time that the governor's budget was prepared, we've done some further analysis about recipients and what would be needed. We know that [there are] approximately 970 or so individuals getting the federal SSI check. So, we've recalculated what would be needed for [the] Longevity Bonus hold harmless program, and there's about \$350,000 that is needed to fully fund that.

8:29:21 AM

REPRESENTATIVE GRUENBERG concluded, "So, this is not really a fiscal note on this bill; it's a recalculation of your figures on the governor's budget."

MS. FITZJARRALD responded, "... It takes in consideration both: what's currently in the governor's request, and the reapplication in ... HB 79."

8:29:40 AM

REPRESENTATIVE GRUENBERG expressed concern because Alaska law "limits fiscal notes to the additional cost resulting from this legislation." He said he wants to know what the additional cost for the hold harmless provision would be only resulting from the proposed legislation, not from the recalculation of the governor's figures. He added, "That is a discussion that should be reserved for that issue in the budget."

MS. FITZJARRALD said she wants to hold comment and defer to Janet Clark, who is a budget expert.

REPRESENTATIVE GRUENBERG requested that before HB 79 reaches the House Finance Committee for consideration, the department generate an amended fiscal note "on this hold harmless," reducing it to reflect only the effect of the proposed legislation.

MS. FITS responded, "We'll take that under consideration."

REPRESENTATIVE GRUENBERG asked what efforts will be made to notify seniors.

MS. FITZJARRALD indicated that, as has been done for past programs, the department would make significant efforts to do public outreach, and contact senior centers and AARP, for example.

CHAIR LYNN remarked that senior citizens have "quite a communication network."

[8:32:46 AM](#)

REPRESENTATIVE GRUENBERG clarified that he is concerned about "the people who will fall through the cracks." He asked that the department mail notice to the last known address of each surviving former recipient of the Alaska Longevity Bonus.

[8:33:39 AM](#)

MS. FITZJARRALD confirmed that the department plans to do that. She named other past outreach efforts that have been made. In response to a question from Representative Gruenberg, she indicated that the cost of [the outreach efforts] is planned for in the governor's budget request.

[8:34:47 AM](#)

REPRESENTATIVE JOHNSON suggested the committee "zero out" the fiscal note [with the component, "Longevity Bonus Hold Harmless"] and let the House Finance Committee rework it. He indicated the understanding of the committee is that "the cost won't be there."

REPRESENTATIVE GRUENBERG suggested that the fiscal note related to grants is also speculative and would need to be reworked.

MS. FITZJARRALD replied that the fiscal note reflects the departments fair assumptions of what has occurred since 2003.

She said it is difficult to predict how many former recipients may have died or moved out of state, for example. However, she stated that using the estimations from the information available in the department, along with the projections from the time the program was unfunded to the present, the department estimates that there are 12,000 seniors who would still qualify. Of those, she added, some may have left the state or gone into long-term care and will not qualify, or perhaps will have passed away before the bill takes effect.

[8:37:01 AM](#)

REPRESENTATIVE GRUENBERG suggested a letter be sent to the House Finance Committee, which may serve to address Representative Johnson's concern, and which might read as follows:

The [House] State Affairs [Standing] Committee would like the [House] Finance Committee to take a careful look at the fiscal notes, because the number of recipients cannot be determined precisely, and the governor's proposed budget for the reinstatement of the [Alaska] Longevity Bonus is somewhat speculative.

[8:37:46 AM](#)

CHAIR LYNN said that if the bill is passed out of committee, he, as one of the [joint prime sponsors] of the bill, could then discuss with Representative Gruenberg the possibility of sending a letter.

REPRESENTATIVE JOHNSON asked a question pertaining to whether or not the time requirement [in the amendment] is consistent with a similar time requirement for PFD applications.

MS. FITZJARRALD said she would get back to Representative Johnson with an answer.

[8:38:35 AM](#)

REPRESENTATIVE DOLL mentioned the possibility of a legal challenge and asked for feedback on that issue.

CHAIR LYNN clarified that that possibility could occur if the Longevity Bonus was refunded, and this bill does not refund it.

[8:39:29 AM](#)

STACIE KRALY, Chief Assistant Attorney General - Statewide Section Supervisor, Civil Division (Juneau), Department of Law, addressed Representative Doll's request. Upon clarifying that Representative Doll was referring to a memorandum [from Tamara Cook, Director, Legislative Legal and Research Services, dated September 22, 2006], she stated the following:

I've reviewed that memo, and I agree with Tam Cook's analysis that there are potential legal challenges that could be brought, relative to the program, should it be funded eventually. That being said, as has been ... discussed here, from the fiscal aspect of the bill, it's kind of difficult to predict what may or may not happen, or the likelihood or the success of any constitutional challenge that might be brought.

... When the Longevity Bonus Program was brought forth, it was challenged, and a lawsuit was brought forward in the superior court, at which time the state superior court found the program constitutional. And ..., as I understand it, ... that case was not appealed any further to the Alaska Supreme Court. But that superior court decision was based on very narrow grounds, relative to the ... way that the legislation had been originally drafted. And so, the concerns that Ms. Cook outlined in her memo, [are] significant concerns for any future longevity bonus program, because that narrow ground will no longer exist. And so, there is the potential for a legal challenge, regardless of how it's funded or how it's organized, or what have you, as you can imagine. People will challenge it for any reason or for whatever reason.

MS. KRALY, in response to remark from Chair Lynn, confirmed that the challenges that may happen would be in regard to the original program, not for HB 79.

REPRESENTATIVE COGHILL noted that the bill addresses not only reinstatement issues, but also qualification issues, which he predicted will open up a new discussion.

MS. KRALY confirmed that's correct. She said that is a point made in Ms. Cook's memo. If the bill passes and individuals are once again made eligible for the program, some of the narrow grounds that were challenged in the past will no longer be legitimate.

[8:42:28 AM](#)

REPRESENTATIVE COGHILL asked for clarification regarding "those that would have been eligible and are not eligible any more."

MS. KRALY responded that she has not done a comprehensive analysis of that question, but it is something that the department will continue to look at, should HB 79 pass, in order to advise the governor regarding potential constitutional and legal questions.

[8:43:56 AM](#)

TAMARA COOK, Director, Legislative Legal and Research Services, said that when the Longevity Bonus Program was being phased out - a "stair-stepping" process - there was a challenge at the superior court level. She added, "Even the stair-stepping part has not been blessed by the supreme court." She opined that there is an outside possibility that the supreme court would not agree with the superior court on the phase-out issue. Furthermore, the time lapsed since the phasing out of the program creates a complication, she said.

REPRESENTATIVE COGHILL said he is trying to understand what the ramifications of "changing some of the criteria" are.

MS. COOK said she would be happy to meet with legislators to offer a more in-depth briefing of the legal aspects of the situation.

REPRESENTATIVE COGHILL suggested that because the committee has been addressing legal issues, the bill should perhaps be referred to the House Judiciary Standing Committee. He said those [legal] questions should be on the record. He asked Ms. Fitzjarrald how many people from the SeniorCare Program would "fall inside the qualifications of this program."

MS. FITZJARRALD replied that there are approximately 2,500-2,600 seniors currently receiving assistance from the SeniorCare Program who were also former recipients of the Alaska Longevity Bonus.

REPRESENTATIVE COGHILL asked if Ms. Fitzjarrald has any idea how many seniors outside of the needs-based category would also qualify "for this."

[8:47:49 AM](#)

MS. FITZJARRALD said she does not, because that is "a very difficult number to get to with the information available."

REPRESENTATIVE COGHILL stated that he wants to know how many seniors in Alaska won't qualify. He indicated that he finds it difficult to support a bill where there may be people with great need who will not qualify and many with no need who will.

MS. FITZJARRALD said she would try to get those answers for Representative Coghill.

REPRESENTATIVE COGHILL offered his opinion that the original reason for the [Alaska Longevity Bonus Program] was "to honor those who had settled the land." He indicated that the court cases changed the dynamic of the program, shifting it to a one-year eligibility requirement. Soon, he said, "it was not then so much about how old they were, but what year they applied." Now, many of those who did settle the land are not eligible, he indicated.

[8:50:41 AM](#)

MR. SICA noted three pages of background information included in the committee packet: a history of the Alaska Longevity Bonus Program; a statistical [summary]; and a population projection by age, produced by the Alaska Department of Labor and Workforce Development's Research and Analysis Section. He suggested that the population projection page may answer Representative Coghill's questions.

[8:51:54 AM](#)

REPRESENTATIVE COGHILL commented on the projections shown in the handout.

[8:52:35 AM](#)

REPRESENTATIVE GRUENBERG asked Ms. Cook to provide copies of the "Maggard opinion" to the committee. Next, he directed attention to the reference to AS 47.45.030(a) on page 1, line 13. He cited the statute, which read as follows:

(a) After qualification, a recipient shall notify the commissioner of health and social services when the recipient expects to be absent from the state if

the absence is for a continuous period that exceeds 60 days. After that notification, the recipient may no longer receive bonuses from the Department of Health and Social Services after the last regularly approved monthly application. Upon returning to the state, the recipient may again make application for a bonus. Failure to notify the commissioner of an expected absence may be grounds for disqualification.

REPRESENTATIVE GRUENBERG stated:

It seems to me that if the purpose of this bill is to get around that statute, the application of that statute just wouldn't apply in this case, where the program was "defunded" on a ... more-or-less permanent basis. Nobody would or should be expected to have notified the commissioner when the program was out, and it seems to me the department has the administrative discretion to waive that notification for disqualification because of the final sentence [of the aforementioned statute].

REPRESENTATIVE GRUENBERG said he does not think any court would apply AS 47.45.030(a) to this situation, and he urged Ms. Kraly, Ms. Fitzjarrald, and Ms. Cook to see if the issue could be solved administratively, instead of through passing HB 79.

[8:55:43 AM](#)

REPRESENTATIVE ROSES said the discussions put forth thus far are interesting and need to be held either in the House Finance Committee or the House Judiciary Standing Committee. However, the proposed legislation before the House State Affairs Standing Committee, he said, simply asks whether or not to reestablish the application process.

[8:57:07 AM](#)

MS. FITZJARRALD emphasized the department's position is that the bill, as well as policy guidance, is needed in regard to reestablishing eligibility for the application process. She said, "We may need to look at some of the residency provisions because of some of the things Representative Gruenberg has pointed out that apply to people who have left the state, but the monthly reporting requirement applied to everybody."

[8:57:48 AM](#)

CHAIR LYNN said one of the purposes of the bill is to assist the administration "in their side of this equation."

[8:58:07 AM](#)

REPRESENTATIVE COGHILL directed attention to page 1, line 14, through page 2, line 1, which read as follows:

(3) is a resident and has maintained continuous state residency during the period between June 30, 2003, and the date the reapplication is filed.

REPRESENTATIVE COGHILL indicated that he would like a clear definition of "continuous state residency".

[8:59:33 AM](#)

REPRESENTATIVE JOHNSON declared for the record a conflict of interest, in that his mother was a former recipient [of the longevity bonus] and probably would qualify under the program proposed by the bill.

CHAIR LYNN asked that Representative Johnson continue participating in the bill process.

REPRESENTATIVE COGHILL noted that his father qualifies.

[9:00:44 AM](#)

PAT LUBY, Advocacy Director, AARP Alaska, testified in support of HB 79. He said many AARP members who previously received the longevity bonus were pleased when Governor Sarah Palin indicated her intent to reinstate the bonus. The proposed bill, he relayed, is the first technical step in that process and would allow previous bonus recipients to be eligible for the bonus if it is reinstated.

[9:01:24 AM](#)

HERB SIMON, testifying on behalf of himself, noted that his family has been in Alaska since 1945, and none of its members have qualified for the longevity bonus. He indicated that the Alaska Longevity Bonus Program, while well-intentioned, "missed a lot of the pioneers" who built up Alaska. He noted that when former Governor [Frank Murkowski] did away with the Alaska

Longevity Bonus Program, he replaced it with [the SeniorCare Program]. Mr. Simon opined that the SeniorCare Program: appears to be more equitable; doesn't have the "hangnails" that are attached to reestablishing the Alaska Longevity Bonus Program; and is helping many "old-timers" make ends meet.

MR. SIMON talked about the rising cost of Medicaid and Medicare. He said it is honorable to trim a declining budget and he said he thinks it is incumbent upon the state not to commit itself to "fiscal dedication." He said most of the folks he has spoken to about the SeniorCare Program readily accept it. He added, "In that regard, that would make a good future adjustment for some of these Medicaid requirements that we're facing in the future."

MR. SIMON continued:

I think that you folks have hit on just about every high spot, and I compliment you for your effort on it, but I think that, at the present time, I wouldn't vote for ... reinitiating the [Alaska Longevity Bonus Program], and [would] more or less put our beans, shall we say, in the SeniorCare Program, which has a wider applicability, and it does have a [needs-based provision] attached [to it].

CHAIR LYNN stated that he, too, thinks the [SeniorCare Program] is a good one, and he indicated that there has been some discussion as to how the SeniorCare Program might be integrated, should the Alaska Longevity Bonus Program be refunded. He reminded everyone that HB 79 is not about the funding of the Alaska Longevity Bonus Program. That issue, he said, should bring up spirited debate.

[9:06:53 AM](#)

MR. SICA emphasized that the intent is not to replace "the needs-based SeniorCare Program with the promised-based [Alaska Longevity Bonus Program]"

[9:08:11 AM](#)

CHAIR LYNN closed public testimony.

[9:08:19 AM](#)

REPRESENTATIVE COGHILL said he understands the scope of bill; however, because of all of the references made [in the bill to

statutes relating to] "all the qualification issues and all the legal ramifications," he reiterated his desire that the bill be heard by the House Judiciary Standing Committee. He said chances are that although he will not hold the bill back in committee, he may not support it on the House floor.

[9:09:28 AM](#)

REPRESENTATIVE DOLL echoed that she will not hold her vote in committee; however, she emphasized her concern that the SeniorCare Program could be lost.

[9:09:44 AM](#)

REPRESENTATIVE GRUENBERG stated for the record that he supports HB 79, but he said he would like his legal questions answered. He noted that there are unfair provisions in the Alaska Longevity Bonus Program statutes that need to be addressed.

[9:10:21 AM](#)

REPRESENTATIVE JOHNSON said he also will not hold the bill back, but encourages a referral to the House Judiciary Standing Committee. He stated he does not have a lot of confidence that, at some point, the court will not decide that everyone over the age of 65 qualifies [for the Alaska Longevity Bonus Program], which would result in the state having to take away the program once again.

[9:11:37 AM](#)

REPRESENTATIVE ROSES moved to report HB 79, Version 25-LS0359\M, Cook, 2/7/07, out of committee with individual recommendations and the accompanying fiscal notes.

REPRESENTATIVE COGHILL objected to state for the record that the fiscal note is in need of scrutiny and he would put "amend" on his recommendation.

REPRESENTATIVE COGHILL removed his objection.

CHAIR LYNN announced that [there being no further objection], CSHB 79(STA) was reported out of the House State Affairs Standing Committee.

The committee took an at-ease from [9:13:07 AM](#) to [9:18:21 AM](#).

HB 75-DRIVERS LICENSE: ALCOHOL AWARENESS/MINOR

9:18:40 AM

CHAIR LYNN announced that the next order of business was HOUSE BILL NO. 75, "An Act relating to driver's licenses and alcohol awareness testing."

[Before the committee was CSHB 75, Version 25-LS0348\E, Luckhaupt, 1/26/07.]

9:18:42 AM

REPRESENTATIVE GRUENBERG moved to adopt CS HB 75, Version 25-LS0348\M, Luckhaupt, 2/7/07, as a work draft.

9:19:19 AM

REPRESENTATIVE JOHNSON objected for discussion purposes.

9:19:25 AM

REPRESENTATIVE JAY RAMRAS, Alaska State Legislature, as prime sponsor of HB 75, reviewed the changes made in Version M. He said the language, "and a person 21 years of age or older applying for a new license", was removed from page 1, beginning on line 7, at the recommendation of the Division of Motor Vehicles "and others," because it would require someone who is much older than 21 to take the alcohol and drug awareness safety test upon renewing a license. Representative Ramras indicated that the population he was trying to capture were [younger] and "perhaps more socially active and more vulnerable to consumption issues just by virtue of their activity."

REPRESENTATIVE RAMRAS noted that on page 1, line 9, and anywhere else applicable in the bill, after the words "alcohol" were inserted the words, "and drug". At the request of the director of the DMV, the time a person who has turned 21 has to go to the DMV before his/her license expires has been increased to 90 days after that person's twenty-first birthday. He said he thinks this element of the bill may need perfecting to accommodate those young people who go Outside for a semester of school or to serve in the military. He noted that the bill has a referral to the House Finance Committee.

9:23:09 AM

REPRESENTATIVE RAMRAS directed attention to page 1, lines 11-12, and said the following language is redundant and he would like to see it deleted from Version M:

The license issued to a person after the person has passed this test must state that the person has passed the alcohol and drug awareness and safety test.

[9:24:12 AM](#)

REPRESENTATIVE RAMRAS suggested he may have a conflict of interest pertaining to HB 75, because he is a proprietor of a facility that serves alcoholic beverages. He spoke of the nature of youth being to try to drink at less than 21 years of age. He shared an anecdote about a group of 7 who were asked to leave his establishment because two members of the group were under 21. He said the bill will not change the actions of young people trying to drink before 21, but it will create a brighter line [in identifying] adults and minors.

[9:28:14 AM](#)

REPRESENTATIVE RAMRAS offered a scenario:

... If we took a 20-year-old "staffer" over to the Baranof for lunch today, and they lost their driver's license between here and the walk over there, and they went to the DMV at age 20 to get a new driver's license, they would be issued a minor's driver's license that would now be valid until the year 2012. And so, what we have created is this pool of minors between the ages of 20 and 25 that we're not clear on whether they're an adult or whether they're a minor.

REPRESENTATIVE RAMRAS noted that the size of the type on a driver's license showing a person's date of birth is small, which makes it difficult to read for those who have to check the identification (ID). He said there are five other states that have the automatic expiration of the driver's license [when a minor becomes of age]. He reiterated that HB 75 would more clearly show who is a minor, while currently, much of the burden falls on the those checking IDs.

REPRESENTATIVE RAMRAS said he believes that at the time when the person comes in for the new license, he/she should be given a new test regarding drug and alcohol awareness as a sort of "booster shot of education." He said although many charges of

driving under the influence (DUI) do not result from a person causing an accident, the effect of receiving one is considerable. For example, a person with a DUI pays a large fine, cannot apply for a commercial driver's license (CDL), and is often barred from many types of jobs. He said the cost to the person renewing his/her license is "small potatoes" compared to the good that can come from having to take the test. He indicated that he, the Department of Public Safety, the [Division] of Motor Vehicles, and Mothers Against Drunk Drivers concur that "this will be an excellent tool to limit underage drinking and the purchase of alcohol in retail establishments and on premise establishments." He said he does not want to prevent anyone from renewing his/her license, thus, he would like the DMV to allow repeated, same-day testing. He acknowledged that the bill should address those students and active military who are away from Alaska and whose licenses expire while away.

[9:33:46 AM](#)

REPRESENTATIVE JOHNSON removed his objection to the committee substitute (CS) for HB 75, Version 25-LS0348\M, Luckhaupt, 2/7/07. There being no further objection, Version M was before the committee as a work draft.

[9:34:02 AM](#)

REPRESENTATIVE COGHILL said he likes Representative Roses' idea of having the education component at 16 and again at first renewal. He emphasized that he likes Representative Ramras' idea of a drawing bright line at age 21, as well as the 90-day issue.

[9:34:55 AM](#)

REPRESENTATIVE RAMRAS reiterated that consideration of the population of young people in the military must happen in order that they do not lose their rights to hold valid driver's licenses. He pointed out that that group is the one most at risk [for getting DUIs]. He said one issue to consider is whether or not it is a good idea to teach 14-year-olds about alcohol and drugs when they are not legally allowed to consume an alcoholic beverage until age 21.

REPRESENTATIVE COGHILL said, "The reality is they are on the road, and they need to be aware of what the responsibilities and

the cost of irresponsibility are." He added that the sooner those driving receive education, the better.

[9:39:37 AM](#)

REPRESENTATIVE RAMRAS indicated that his opinions nearly match those of Representative Coghill on the issue. He said the current test is comprised of 16 questions out of a possible 1,000, and of those 16, about half relate to insurance and alcohol awareness. He said he would like to see a test in which 10 questions are dedicated to the subject of drugs and alcohol. He said the awareness is being pushed after the point at which someone gets a DUI, and he thinks it should happen sooner.

[9:41:25 AM](#)

REPRESENTATIVE ROSES related that as a former teacher, he knows that children about to take a driving test are more likely to study the driver's manual diligently than they are to bring their math books to study math. He reminded Representative Ramras that he had previously raised the concern about having the alcohol and drug awareness test "upon first renewal." However, he said he also appreciates the concern that that may complicate things for others getting renewed licenses through the DMV. He stated, "So, I'm going to remove that concern and just hope that having the adequate number of questions on the test, regardless of the age of the person who takes it the first time will, hopefully, accomplish our objective."

[9:43:15 AM](#)

REPRESENTATIVE RAMRAS returned to Representative Coghill's concern and suggested that through regulation, the DMV could change the test from 16 questions to 24, and to add an element to the test that is more specific to drugs and alcohol.

[9:43:56 AM](#)

CHAIR LYNN, in response to a question from Representative Gruenberg, said the period of a driver's license to be valid is five years.

[9:44:19 AM](#)

REPRESENTATIVE JOHNSON, regarding the proposed 90-day period within which someone would have to get a renewed license after his/her twenty-first birthday, stated concern that some people

could be deployed in Iraq and may not have enough time to meet that requirement.

9:44:53 AM

REPRESENTATIVE RAMRAS offered some statistics. He said he is continuing to work with the director of DMV and will most likely provide him with this problem to solve.

CHAIR LYNN offered his recollection that while he served in the military, his license stayed active as long as he remained on active duty.

9:46:36 AM

DUANE BANNOCK, Director, Division of Motor Vehicles, Department of Administration, confirmed that an active duty military personnel's driver's license does not expire, and that person, after coming off active duty has 90 days until his/her license would expire.

9:48:15 AM

ROBERT MYERS, JR. stated that although he is an intern in the office of Representative Peggy Wilson, he is testifying on behalf of himself. He said the discussion he has heard thus far has addressed cost and limitation, but not whether or not the bill would work. He said he does not object to the driver's license expiring at 21, but he does object to the test being required. He explained:

Common practice for high school and college students is to learn enough for the test and then forget it all. Knowledge is retained only when there is a chance to put it into practice. Unfortunately, in this case there are two groups of individuals that do so: the first is the group that is already aware of the effects of alcohol and drugs and [does] not need this test to remind them. The second group puts this knowledge into practice when [it uses] these substances. Either way, this test will have no effect on people's habits.

9:50:30 AM

REPRESENTATIVE COGHILL said he challenges the premise of Mr. Meyers, Jr., because the bill is intended to give a clear line

of information about driving while under the influence, not necessarily to change people's habits. The bill would give them a "clear line of responsibility," he said.

CHAIR LYNN proffered that most of the bills that are heard would be hard pressed to change lifestyles, but they can make people more accountable or aware by "pointing them in a different direction."

[9:51:45 AM](#)

MR. MYERS, in response to a question from Representative Johnson, said he finds it highly unlikely that any individual would change his/her choices based on simply taking another test at the DMV at the age of 21.

[9:52:22 AM](#)

REPRESENTATIVE JOHNSON said if the proposed legislation, with its fiscal note of \$5,000, can affect the actions of one person, it would be worth it.

[9:52:51 AM](#)

REPRESENTATIVE ROSES stated that he does not think it is the intent of bill to change behavior, but rather to raise awareness.

[9:53:16 AM](#)

REPRESENTATIVE ROSES moved to report CSHB 25-LS0348\M, Luckhaupt, 2/7/07, out of committee with individual recommendations and the accompanying fiscal notes.

REPRESENTATIVE COGHILL objected to thank Mr. Meyers for his testimony and to point out that the sponsor had mentioned an amendment he would like adopted.

[9:53:52 AM](#)

REPRESENTATIVE ROSES withdrew his motion.

[9:53:59 AM](#)

REPRESENTATIVE COGHILL moved to adopt Amendment 1, as follows:

On page 1, beginning on line 11:

Delete: "The license issued to a person after the person has passed this test must state that the person has passed the alcohol and drug awareness and safety test."

CHAIR LYNN asked if there was any objection to Amendment 1. There being none, it was so ordered.

[9:54:25 AM](#)

REPRESENTATIVE ROSES moved to report CSHB 75, Version 25-LS0348\M, Luckhaupt, 2/7/07, as amended, out of committee with individual recommendations and the accompanying fiscal notes. There being no objection, CSHB 75(STA) was reported out of the House State Affairs Standing Committee.

ADJOURNMENT

There being no further business before the committee, the House State Affairs Standing Committee meeting was adjourned at [9:55:43 AM](#).