

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

February 18, 2025

10:15 a.m.

MEMBERS PRESENT

Representative Ted Eischeid, Chair
Representative Andrew Gray
Representative Carolyn Hall
Representative Zack Fields
Representative Jamie Allard
Representative David Nelson

MEMBERS ABSENT

Representative Dan Saddler

COMMITTEE CALENDAR

HOUSE BILL NO. 17

"An Act relating to retirement benefits and military service."

- HEARD & HELD

PREVIOUS COMMITTEE ACTION

BILL: HB 17

SHORT TITLE: DISABLED VETERANS: RETIREMENT BENEFITS

SPONSOR(S): REPRESENTATIVE(S) RAUSCHER

01/22/25	(H)	PREFILE RELEASED 1/10/25
01/22/25	(H)	READ THE FIRST TIME - REFERRALS
01/22/25	(H)	MLV, FIN
02/18/25	(H)	MLV AT 10:15 AM BARNES 124

WITNESS REGISTER

REPRESENTATIVE GEORGE RAUSCHER

Alaska State Legislature

Juneau, Alaska

POSITION STATEMENT: As prime sponsor, introduced HB 17 to the committee.

CRAIG VALDEZ, Staff

Representative George Rauscher

Alaska State Legislature

Juneau, Alaska

POSITION STATEMENT: On behalf of Representative Rauscher, prime sponsor, presented HB 17 to the committee.

MARK WHISENHUNT, representing self

Anchorage, Alaska

POSITION STATEMENT: Gave invited testimony in support of HB 17.

ACTION NARRATIVE

[10:15:34 AM](#)

CHAIR EISCHEID called the House Special Committee on Military and Veterans' Affairs meeting to order at 10:15 a.m. Representatives Eischeid, Hall, Allard, Gray, Nelson, and Fields were present at the call to order.

CHAIR EISCHEID offered the committee to introduce themselves and their military backgrounds.

[As offered by Chair Eischeid, committee members introduced themselves and their military backgrounds.]

HB 17-DISABLED VETERANS: RETIREMENT BENEFITS

[10:20:11 AM](#)

CHAIR EISCHEID announced that the only order of business would be HOUSE BILL NO. 17, "An Act relating to retirement benefits and military service."

[10:20:43 AM](#)

REPRESENTATIVE GEORGE RAUSCHER, Alaska State Legislature, as prime sponsor, introduced HB 17 to the committee. He read from the sponsor statement [included in committee packet] which read as follows [original punctuation provided]:

House Bill 17 allows Veterans who are totally and permanently disabled to access their accrued PERS retirement benefits without penalty. HB 17 also allows military service, which has been purchased in accordance with the PERS standards to count towards the credited service requirements for normal retirement.

Veterans who are totally and permanently disabled struggle to work and keep gainful employment due to their service-connected disabilities. As such, this class of veterans often struggles with income stability. If HB 17 becomes law, it will provide disabled veterans with access to their PERS retirement benefits at a time when they need it most.

HB 17 does not provide any additional benefits beyond those rightfully earned by veterans through their dedicated public service.

By passing HB 17, the Legislature will help provide stability to our disabled veterans when they need it most.

[10:22:50 AM](#)

CRAIG VALDEZ, Staff, Representative George Rauscher, Alaska State Legislature, on behalf of Representative Rauscher, prime sponsor, presented HB 17 to the committee. He read from the sectional analysis for HB 17 [included in committee packet] which read as follows [original punctuation provided]:

Section 1: AS 39.35.370(a)

This section amends AS 39.35.370(a) to add additional language related to eligibility requirements when a terminated employee is eligible for a normal retirement benefit. Specifically adding new subsections, A and B to section 1, lines 7 through 10.

Section 2:

Repeals three statutes.

[10:24:07 AM](#)

REPRESENTATIVE ALLARD asked Representative Rauscher if he had a legal definition for disabled and totally disabled.

MR. VALDEZ, on behalf of Representative Rauscher, answered that the federal government sets the definition and standard of what it means to be disabled or totally disabled.

[10:25:13 AM](#)

REPRESENTATIVE GRAY asked for confirmation regarding the bill language surrounding age qualifications that a person would be qualified "at age 60" or [emphasis on "or"] "permanently and totally disabled"; therefore, they would not need a disability rating because they could qualify with five years of service at age 60.

MR. VALDEZ confirmed that is correct. In response to another question, he offered his understanding that the bill would affect only Tiers I, II, and III, not those who began working in 2006 or later. To a follow-up question, he said he did not have an answer as to how many would be able to take advantage of the provisions of the bill; however, he noted that the numbers of those who retired reported for 2023 were two for Tier II and two for Tier III.

[10:27:42 AM](#)

REPRESENTATIVE ALLARD asked why the bill would benefit only those disabled at 100 percent and whether the bill sponsor would be open to an amendment that would qualify all disabled veterans for the proposed benefits of HB 17.

REPRESENTATIVE RAUSCHER said that he is unsure as to how a proposed amendment like the one Representative Allard mentioned would work but would be open to suggestions.

[10:30:15 AM](#)

REPRESENTATIVE FIELDS asked what the word "terminated" referred to as it is used in HB 17 and asked if there is a legal reason for not allowing employees to have early access to their defined contribution 401(k).

MR. VALDEZ clarified that the term "termination" means "employment ending" and said that the work requirement of someone who is totally disabled is going to be less than someone who is still able to work. He said that the office of the bill sponsor would follow up with more information later with regard to the legality of 401(k) spending.

[10:32:10 AM](#)

CHAIR EISCHEID added his understanding that the term "termination" does refer to people who were separated from state service.

[10:32:49 AM](#)

MARK WHISENHUNT, representing self, gave invited testimony in support of HB 17. He said that disabled veterans often face challenges such as limited employment opportunities, difficulties in accessing quality healthcare, and higher rates of mental health issues such as post-traumatic stress disorder (PTSD). He said that many service members transition from military service by working for the state and

explained that there is an entire class of veterans who are totally disabled that struggle with income stability. He said that HB 17 would support the unique needs of disabled veterans in Alaska and said that the proposed legislation would provide a means for totally disabled veterans to access retirement benefits that they earned "at a time they need it most."

[10:36:54 AM](#)

REPRESENTATIVE ALLARD asked Mr. Whisenhunt if he is currently employed by the U.S. Department of Veterans Affairs (VA) or the State of Alaska. She asked if he was 100 percent disabled.

MR. WHISENHUNT answered that he is not representing any affiliation and said that he would not be comfortable answering her second question.

[10:37:50 AM](#)

CHAIR EISCHEID questioned the statistics that Mr. Whisenhunt shared regarding disabled veterans.

MR. WHISENHUNT affirmed that disabled veterans do on average live 15 years shorter than other Americans.

[10:39:05 AM](#)

REPRESENTATIVE ALLARD shared information that she found on her phone and asked where Mr. Whisenhunt's expertise lies with regard to disabled veterans' affairs.

MR. WHISENHUNT responded that he is not an expert on veterans' affairs and remarked that he was simply calling in as an invited testifier.

[10:40:43 AM](#)

REPRESENTATIVE RAUSCHER thanked the committee for hearing HB 17 and said that his office would be available for questions and amendments regarding HB 17.

[10:41:07 AM](#)

REPRESENTATIVE FIELDS suggested the bill sponsor consider veterans who are currently covered by the 401(k) defined contribution system.

[10:41:41 AM](#)

CHAIR EISCHEID announced that HB 17 was held over.

[10:41:59 AM](#)

ADJOURNMENT

There being no further business before the committee, the House Special Committee on Military and Veteran's Affairs meeting was adjourned at 10:42 a.m.