

Original sponsor: Tillion, Banfield,  
Boardman, et al

Offered: 4/15/70  
Referred: Finance

1 IN THE HOUSE

BY THE HEALTH, WELFARE  
AND EDUCATION COMMITTEE

2 SENATE CS FOR CS FOR HOUSE BILL NO. 282  
3 IN THE LEGISLATURE OF THE STATE OF ALASKA  
4 SIXTH LEGISLATURE - SECOND SESSION

5 A BILL

6 For an Act entitled: "An Act relating to "senior citizens", the needy  
7 disabled, blind persons and children; and providing  
8 for an effective date."

9 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF ALASKA:

10 \* Section 1. AS 47.25.430 - 47.25.610 are repealed.

11 \* Sec. 2. AS 47.25 is amended by adding new sections to read:

12 ARTICLE 4. SENIOR ALASKAN SUPPLEMENTAL  
13 INCOME PROGRAM.

14 Sec. 47.25.431. POLICY AND PURPOSE. (a) It is the policy of  
15 the state and the purpose of secs. 431 - 561 of this chapter to cooperate  
16 and coordinate with the United States government and its agencies in  
17 providing for and administering the laws of the federal and state  
18 governments having for their purpose the payment of supplemental incomes  
19 to elderly residents.

20 (b) The purpose of these sections is to pay a supplemental income  
21 as a matter of right, sufficient to enable qualified residents to live  
22 in dignity and pride, in order to insure their continued participation  
23 in and contributions to the vitality and health of this state.

24 Sec. 47.25.441. PERSONS ENTITLED TO SUPPLEMENTAL INCOME. A  
25 supplemental income shall be paid under secs. 431 - 561 of this chapter  
26 to every qualified resident of the state who has attained the age of  
27 65 years.

28 Sec. 47.25.451. AMOUNT OF SUPPLEMENTAL INCOME. (a) The payment  
29 shall be in an amount which will provide the recipient with a reasonable

1 quality of life compatible with decency and health, and shall reflect  
2 the relative cost and hardship of life in the area in which the re-  
3 cipient resides. Except as provided in (b) of this section, payments  
4 from all sources may not be less than \$200 nor more than \$367 per month  
5 for a single person, or less than \$300 nor more than \$467 per month  
6 for a married couple.

7 (b) Payments shall be decreased by the amount of additional  
8 income received, except that the first \$20 of earned income and one-  
9 half of the next \$60, not to exceed \$50 per month, shall be disregarded;  
10 should federal law or regulation regarding additional income be changed,  
11 payments shall be adjusted accordingly, subject to legislative review  
12 and approval. Direct payments for medical services and remedial care  
13 may not be included in earned income.

14 (c) The payment may not be decreased or denied if the recipient  
15 or his spouse (1) owns in whole or in part the dwelling in which they  
16 reside, or (2) has cash, securities, or other assets convertible into  
17 cash up to \$3,000, or (3) owns any furniture, clothing, heirlooms,  
18 works of art, or an automobile or boat used for transportation or  
19 recreation.

20 (d) Notwithstanding any other provision of this section, the  
21 total payment of supplemental income and income from other sources  
22 may not exceed \$4,404 a calendar year in the case of any recipient,  
23 or \$5,604 a calendar year if the recipient is living with his  
24 spouse.

25 Sec. 47.25.461. APPLICATION FOR SUPPLEMENTAL INCOME. (a) A  
26 person entitled to supplemental income shall apply for it, either by  
27 himself or by another in his behalf, by affidavit or declaration as to  
28 the truth of facts, upon forms furnished by the department, sufficient  
29 to enable the department to determine the eligibility of the applicant.

1 (b) Eligibility shall be determined, and supplemental income shall  
2 be paid, on the basis of the application in which the facts establish  
3 the entitlement of the applicant to supplemental income. The department  
4 may at any time thereafter investigate the circumstances of each recipi-  
5 ent to verify the accuracy of the facts which supported the application.

6 (c) The department shall require annual redetermination of eligi-  
7 bility for each recipient, but the supplemental income payment shall  
8 not be reduced or terminated unless required by a change in circumstance  
9 as determined from the re-application. Each recipient is required to  
10 report any change in circumstances which would increase or decrease  
11 the amount of supplemental income to be paid.

12 (d) All applications shall contain appropriate and conspicuous  
13 notice to the applicant informing him of the penalties for fraud.

14 (e) The department shall grant to a person claiming or receiving  
15 any supplemental income, and who is aggrieved by action or inaction of  
16 the department, reasonable notice and an opportunity for a fair hearing  
17 according to federal regulations. Pending the decision of a hearing  
18 officer denying a claim, or reducing or terminating supplemental  
19 income, no person who is being paid a supplemental income may have such  
20 supplemental income decreased.

21 (f) If a recipient has been paid a greater amount of supplemental  
22 income than entitled by law, the department may recover the excess  
23 amounts in a lawful manner. The attorney general is authorized to  
24 institute and maintain actions for the recovery of these amounts on  
25 behalf of and at the request of the department. In every case, the  
26 department shall attempt to accomplish such recovery by negotiating  
27 with the recipient. If an overpayment of supplemental income results  
28 from the negligence or mistake of the department, no recovery may be had  
29 unless the recipient knew or should reasonably have known of the mistake

1 or negligence.

2 Sec. 47.25.471. PAYMENT OF SUPPLEMENTAL INCOME. (a) Each payment  
3 of supplemental income shall be made monthly. If it is impracticable  
4 by reason of slow or interrupted means of communication for a warrant  
5 covering a month's payment to reach the recipient in due course, the  
6 department may transmit warrants covering payments for more than one  
7 month and may deliver all of them to the recipient at one time. All  
8 warrants shall be registered in a book kept for that purpose.

9 (b) If a person receiving supplemental income is incapable of  
10 taking care of himself or of the amounts paid under secs. 431 - 561 of  
11 this chapter, the department may direct the payment of the supplemental  
12 income to his legally appointed guardian or, if none, to another person  
13 designated by the department for his benefit.

14 Sec. 47.25.481. CANCELLATION OF WARRANTS. (a) Warrants issued  
15 to a recipient of supplemental income after the date of his death shall  
16 be returned to the Department of Administration and cancelled.

17 (b) Supplemental income warrants issued before the death of the  
18 recipient but not negotiated at his death shall be returned to the  
19 Department of Administration, and shall be cancelled, unless claimed by  
20 the authorized representative of the estate of the recipient within 90  
21 days of the date of death.

22 (c) The state is not liable to the estate, heirs, or creditors  
23 of the deceased recipient of supplemental income for payment on  
24 warrants cancelled under (a) and (b) of this section.

25 Sec. 47.25.491. DEPARTURE FROM STATE. A recipient of supplemental  
26 income who voluntarily leaves the state for a period in excess of 30  
27 days may not thereafter receive supplemental income unless he returns  
28 and satisfies the requirements of secs. 431 - 561 of this chapter.  
29 This section does not apply to a person who, under the instructions

1 of a physician licensed to practice in the State of Alaska, leaves the  
2 state for temporary medical treatment with the intention to return to  
3 the state.

4 Sec. 47.25.501. REPORTS BY DEPARTMENT. The department shall make  
5 reports in detail which are required of it by the governor of the state  
6 or by the federal government or a federal agency.

7 Sec. 47.25.511. ANNUAL REPORTS. Within 90 days after the close  
8 of each fiscal year the department shall make a report to the governor  
9 and to the legislature for the preceding year stating

- 10 (1) the total number of recipients;
- 11 (2) the total amount disbursed in cash;
- 12 (3) the total number of applications;
- 13 (4) the number granted;
- 14 (5) the number denied;
- 15 (6) the number cancelled or decreased during the year; and
- 16 (7) other information which it considers advisable.

17 Sec. 47.25.521. ALIENATION, ATTACHMENT, AND TAXATION. Supplemental  
18 income paid under sec. 431 - 561 of this chapter is inalienable by an  
19 assignment or transfer and is exempt from garnishment, levy, or execution  
20 under the laws of this state, and is exempt from all state and political  
21 subdivision taxes except sales and use taxes.

22 Sec. 47.25.531. OBTAINING SUPPLEMENTAL INCOME BY FRAUD. A person  
23 is guilty of a misdemeanor, and upon conviction is punishable by a fine  
24 of not more than \$1,000, or by imprisonment in a jail for not more than  
25 six months, or by both, if he by a false statement, representation, or  
26 impersonation, or other fraudulent device, wilfully obtains or attempts  
27 to obtain or aids or abets another to obtain

- 28 (1) supplemental income to which he is not entitled;
- 29 (2) greater supplemental income than he is entitled to; or

1 (3) payment of a void warrant for supplemental income.

2 Sec. 47.25.541. VIOLATIONS. A person who violates a provision of  
3 secs. 431 - 561 of this chapter is guilty of a misdemeanor and if no  
4 other penalty is provided, the person, upon conviction, is punishable  
5 by a fine of not more than \$500, or by imprisonment in a jail for not  
6 more than six months, or by both.

7 Sec. 47.25.551. DEPARTMENT REGULATIONS. The department shall,  
8 after notice and an opportunity to interested persons to be heard,  
9 promulgate regulations for the efficient conduct and administration of  
10 secs. 431 - 561 of this chapter, including guidelines and tables for  
11 the payment of supplemental income under these sections.

12 Sec. 47.25.561. SHORT TITLE. Secs. 431 - 561 of this chapter  
13 may be cited as the Senior Alaskan Supplemental Income Program.

14 \* Sec. 3. AS 29.10.336(a) is amended to read:

15 (a) Property owned by the city or the state, the real property  
16 of certain residents of the state to the extent and subject to the  
17 conditions provided in (e) of this section, the household furniture of  
18 the head of a family or a householder not exceeding \$200 in value, all  
19 property used exclusively for nonprofit religious, charitable, cemetery,  
20 hospital, or educational purposes, the property of an organization, not  
21 organized for business purposes, whose membership is composed entirely  
22 of the veterans of a war of the United States, or the property of the  
23 auxiliary of any such organization, and all money on deposit are exempt  
24 from taxation.

25 \* Sec. 4. AS 29.10.336 is amended by adding new subsections to read:

26 (e) The real or personal property owned and actually occupied  
27 as a home by a resident of the state 65 years of age or older is exempt  
28 from taxation to an amount not exceeding \$500. The owner shall pay  
29 any amount over \$500 in real or personal property tax on the property.

1 (f) The claimant must file written application for the exemption  
2 upon a form prescribed by the state assessor no later than January 15 of  
3 the assessment year for which the exemption is sought and must file  
4 a separate application for each assessment year in which the exemption  
5 is sought. If an application is filed within the required time and  
6 is approved by the assessor, he shall allow an exemption in accordance  
7 with the provisions of this section. The assessor may at any time re-  
8 quire proof in the form he considers necessary of the right and amount  
9 of an exemption claimed under this section.

10 (g) The state shall reimburse the borough or city, as the case  
11 may be, for all the real and personal property tax revenues lost to it  
12 by the operation of (e) of this section.

13 \* Sec. 5. AS 07.12.200 is amended to read:

14 Sec. 07.12.200. LIMIT ON HOME RULE TAXING POWER. (a) AS 29.30.200,  
15 relating to the collection of penalties on property taxes and interest  
16 on property and sales taxes, applies to home rule boroughs.

17 (b) In assessing, levying and collecting taxes on real and personal  
18 property, home rule boroughs are prohibited from taxing the real and  
19 personal property of certain residents of the state to the extent and  
20 subject to the conditions specified for first class cities under  
21 AS 29.10.336(a) and (e).

22 \* Sec. 6. AS 43.20.020(a) is amended by adding a new paragraph to read:

23 (4) The first \$3,750 of income if the taxpayer has attained  
24 the age of 65 before the close of his taxable year; an additional  
25 exemption of \$3,750 of income is allowed for the spouse of the taxpayer  
26 if the spouse has attained the age of 62 before the close of the taxable  
27 year. The exemption provided is cumulative and is not intended to  
28 replace existing exemptions; the exemption may be allowed only in the  
29 proportion that the number of months the taxpayer is physically present

1 in the state bears to 12 months.

2 \* Sec. 7. AS 43.45.020 is amended to read:

3 Sec. 43.45.020. PERSONS EXEMPT FROM TAX. Persons in the active  
4 military or naval service of the United States, persons 65 years of  
5 age or older, paupers, insane persons, persons cared for by the state  
6 and persons permanently injured, infirm, maimed or crippled so as to  
7 be disabled from earning a livelihood are exempt from the payment of  
8 the school tax.

9 \* Sec. 8. AS 28.10.200(b)(2) is amended to read:

10 (2) for a motor vehicle not designed, used, or maintained  
11 primarily for the transportation of passengers or property for hire,  
12 and owned and principally operated

13 (A) by a resident 65 years of age or older..... \$ 5

14 (B) by any other person..... 30

15 \* Sec. 9. AS 16.05.340(a)(1) through (5) is amended to read:

16 (1) Resident sport fishing license [..... \$ 5]

17 (A) [HOWEVER, THE FEE IS \$1] for a resident who is  
18 blind[.] or 65 years of age or older..... \$ 1

19 (B) for all other residents..... 5

20 (2) Resident hunting license

21 (A) for a resident 65 years of age or older..... 1

22 (B) for all other residents..... 7

23 (3) (A) Resident hunting and trapping license..... 10

24 (B) Resident trapping license..... 3

25 (4) Resident hunting and sport fishing license

26 (A) for a resident 65 years of age or older..... 2

27 (B) for all other residents..... 12

28 (5) Resident hunting, trapping, and sport fishing

29 license [..... 15]

(A) [HOWEVER, THE FEE IS 25 CENTS] for the head of a family or a dependent member of his family or one solely dependent upon himself for support, upon proof presented by the applicant that he [THE APPLICANT (A)] is obtaining or has obtained assistance during the preceding six months under any state or federal welfare program, [TO AID THE INDIGENT] or [(B)] has an annual family gross income of less than \$3,600 for the year preceding application..... \$ .25

(B) for a resident 65 years of age or older..... 3.00

(C) for all other residents..... 15.00

\* Sec. 10. AS 47.25.810 is amended to read:

Sec. 47.25.810. AMOUNT OF ASSISTANCE. The amount of assistance for a permanently and totally disabled person shall be determined by the department with regard to the resources and needs of the person and the conditions existing in each case. Where possible, assistance shall be sufficient to provide reasonable subsistence compatible with decency and health and according to the standards of assistance established by the department. Payments from all sources may not be less than \$200 nor more than \$367 per month for a single person, or less than \$300 nor more than \$467 per month for a married couple. [HOWEVER, THE AMOUNT OF ASSISTANCE MAY NOT EXCEED \$200 A CALENDAR MONTH.] Direct payments for medical services and remedial care may not be considered in determining the maximum amount payable.

\* Sec. 11. AS 47.25.640 is amended to read:

Sec. 47.25.640. AMOUNT OF ASSISTANCE. The department shall determine the amount of assistance granted for a needy blind person with due regard to the resources and needs of the person and the conditions existing in each case. Assistance shall be sufficient to provide the applicant with reasonable subsistence compatible with decency and health

1 and according to the standards of assistance established by the depart-  
2 ment. Payments from all sources may not be less than \$200 nor more  
3 than \$367 per month for a single person, or less than \$300 nor more  
4 than \$467 per month for a married couple [HOWEVER, ASSISTANCE MAY NOT  
5 EXCEED \$200 A MONTH]. Direct payments for medical services and  
6 remedial care may not be considered in determining the maximum amount  
7 payable.

8 \* Sec. 12. AS 47.25.725 and 47.25.900 are repealed.

9 \* Sec. 13. AS 47.25.320(a) is amended to read:

10 (a) The department shall determine the amount of assistance for  
11 a dependent child and the relative with whom the dependent child is  
12 living, with regard to the resources and necessary expenditures of the  
13 family and the condition existing in each case. However, the amount  
14 of assistance shall not exceed the amount paid for the care of a  
15 dependent child in a foster family home and in no event shall the amount  
16 exceed a sum which, when added to all other income and support avail-  
17 able to the child, provides reasonable subsistence for the child and  
18 relative compatible with decency and health. The amount paid to the  
19 adult caretaker should not exceed the amount paid to a child over 13  
20 years of age [ASSISTANCE IS SUFFICIENT IF, WHEN ADDED TO ALL OTHER  
21 INCOME AND SUPPORT AVAILABLE TO THE CHILD, THE CHILD AND RELATIVE HAVE  
22 REASONABLE SUBSISTENCE COMPATIBLE WITH DECENCY AND HEALTH. HOWEVER,  
23 THE AMOUNT OF ASSISTANCE SHALL NOT EXCEED \$105, WHEN THERE IS A RELATIVE  
24 AND ONE CHILD. IF THERE IS MORE THAN ONE CHILD, THE AMOUNT ALLOWED  
25 FOR THE RELATIVE AND FIRST CHILD SHALL NOT EXCEED \$105, AND THE AMOUNT  
26 FOR EACH ADDITIONAL CHILD SHALL NOT EXCEED \$40].

27 \* Sec. 14. AS 47.25.320(b) is repealed.

28 \* Sec. 15. This Act takes effect on July 1, 1970.