

COMMITTEE REPORT

HOUSE

2/24

FURTHER: FINANCE

(5)

2/5/82

Date: 2/17/82

Mr. Speaker:

The Committee on STATE AFFAIRS has had HB 725

"An Act relating to the effect of absences from the state on receipt of the Alaska Longevity Bonus; and providing for an effective date."

under consideration and ~~(a majority of the committee)~~ ~~(the committee)~~ reports it back with the following recommendations:

- do pass do not pass
- do pass with attached amendments(s)
- replace with CS for HB 725 (SA) same title new title
- and recommends do pass
- AND attaches a "Letter of Intent" New Fiscal Note
- reports it back without recommendation
- referred to the _____ Committee

MEMBERS SIGNING

DO PASS

[Signature] Metcalfe, ch
[Signature] Ahood
[Signature] Miller

MEMBERS HAVING

OTHER RECOMMENDATIONS:

[Signature] Fanning No Rec

[Signature]
CHAIRMAN

asper

Original sponsors: Bettisworth and
Grussendorf

Offered: 2/24/82
Referred: Finance

1 IN THE HOUSE

BY THE STATE AFFAIRS COMMITTEE

2 CS FOR HOUSE BILL NO. 725 (State Affairs)

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 TWELFTH LEGISLATURE - SECOND SESSION

5 A BILL

6 For an Act entitled: "An Act relating to the effect of absences from the
7 state on receipt of the Alaska longevity bonus; and
8 providing for an effective date."

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

10 * Section 1. AS 47.45.030 is amended to read:

11 Sec. 47.45.030. ABSENCE FROM THE STATE. A recipient shall notify
12 the commissioner of administration when he expects to be absent from the
13 state if the absence is for a continuous period that exceeds 90 [30]
14 days. After that notification, the recipient shall no longer receive
15 bonuses from the Department of Administration after his last regularly
16 approved monthly application. Upon his return to the state he may again
17 make application for a bonus and, if the application is accepted, shall
18 receive a maximum of three monthly bonuses for the period of absence
19 from the state. Whenever the absence is for a continuous period that
20 exceeds 180 days the recipient shall be disqualified from receiving
21 bonuses for the next 12 calendar months after his return to the state.
22 However, when the commissioner of administration determines a period of
23 absence is beyond the control of the recipient, he may not be disquali-
24 fied, if he still otherwise qualifies upon his return to the state.
25 Continual absences from the state, even though reported, and failure to
26 notify the commissioner of an expected absence may be grounds for dis-
27 qualification.

28 * Sec. 2. AS 47.45.080 is amended to read:

29 Sec. 47.45.080. ACCRUAL OF BONUSES. A [NO] recipient may not, for

1 any reason, receive an accrual of bonuses in excess of three [TWO]
2 monthly payments. No interest may be paid on accrued bonuses. Upon the
3 death of a recipient the commissioner of administration shall pay to the
4 beneficiary of the recipient any accrued bonuses not to exceed two
5 monthly payments.

6 * Sec. 3. This Act takes effect immediately in accordance with AS 01.10.-
7 C70(c).
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12-2444
Asper

Introduced: 2/5/82
Referred: State Affairs and
Finance

1 IN THE HOUSE

BY BETTISWORTH AND GRUSSENDORF

2 HOUSE BILL NO. 725

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 TWELFTH LEGISLATURE - SECOND SESSION

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27 070(c).

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COMMITTEE COPY

ALASKA STATE LEGISLATURE

TWELFTH Legislature SECOND Session

HOUSE BILL NO. 725

By BETTISWORTH AND GRUSSENDORF

"An Act relating to the effect of absences from the state on receipt of the Alaska Longevity Bonus; and providing for an effective date."

Absences from the state/
Alaska Longevity Bonus

Introduced in the House 2/5, 19.82

HISTORY IN THE HOUSE

19 82		Read first time and referred to Committee on State Affairs and Finance												
Feb	5	Reported back with recommendation that												
		Read second time and												
		Read third time and												
		<table border="0"> <tr> <td>PASS</td> <td>Effective Date</td> </tr> <tr> <td>Yeas</td> <td>Yeas</td> </tr> <tr> <td>Nays</td> <td>Nays</td> </tr> <tr> <td>Absent</td> <td>Absent</td> </tr> <tr> <td>Excused</td> <td>Excused</td> </tr> </table>	PASS	Effective Date	Yeas	Yeas	Nays	Nays	Absent	Absent	Excused	Excused		
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		Reported correctly engrossed												
		Signed by Speaker												
		Sent to Senate												
CHIEF CLERK OF THE HOUSE														

HISTORY IN THE SENATE

19		Read first time and referred to Committee on												
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SECRETARY OF THE SENATE														

HISTORY IN THE HOUSE

19		Received from Senate
		Concurred in Senate amendment thus adopting: VOTE
		Failed to concur in Senate amendment; asked Senate to recede VOTE
		Senate receded from amendment VOTE
		Senate failed to recede from amendment VOTE
		CC appointed by House
		CC appointed by Senate
		CC adopted by House VOTE
		CC adopted by Senate VOTE
		To enrolling Reported correctly enrolled Sent to Governor by Governor
		Filed with Lt. Governor
		Chapter No.

Original sponsors: Bettisworth and
Grussendorf

Offered: 2/24/82
Referred: Finance

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Introduced: 2/5/82
Referred: State Affairs and
Finance

1 IN THE HOUSE

BY BETTISWORTH AND GRUSSENDORF

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4 TWELFTH LEGISLATURE - SECOND SESSION

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THE LEGISLATURE OF THE STATE OF ALASKA
TWELFTH LEGISLATURE

REVISED FISCAL NOTE

I. REQUEST
Bill/Resolution No. H.B. 725
Title An Act relating to the effect of absences from the State on receipt
Requested by _____ Date _____
of the Alaska Longevity Bonus.

II. FISCAL DETAIL
Agency Affected Administration
Program Category Affected Social & Economic Assistance for the Aged.
BRU, Program, Or Subprogram(s) Affected Longevity Bonus Program
(Note: If more than one budget component is affected, separate line-item amounts and funding for each component in the analysis section.)

EXPENDITURES (Thousands of Dollars)

	FY 82	FY 83	FY 84	FY 85	FY 86	FY 87
100 PERSONAL SERVICES	14.6	16.1	17.7	19.4	21.4	23.5
200 TRAVEL						
300 CONTRACTUAL						
400 COMMODITIES						
500 EQUIPMENT						
600 LAND & STRUCTURES						
700 GRANTS, CLAIMS, ETC.	1015.3	1015.3	1015.3	1015.3	1015.3	1015.3
TOTAL	1029.9	1031.4	1033.0	1034.7	1036.7	1038.8

FUNDING (Thousands of Dollars)

	1029.9	1031.4	1033.0	1034.7	1036.7	1038.8
GENERAL FUND						
FEDERAL FUNDS						
OTHER (Specify Source)						

POSITIONS

	.5	.5	.5	.5	.5	.5
FULL TIME						
PART TIME						
TEMPORARY						

III. ANALYSIS (See Fiscal Note Preparation Instruction, Section III)

This bill would allow Longevity Bonus recipients to remain outside of Alaska for 90 days without loss of benefits. Present law provides for absences not exceeding 30 days.

A recent sampling of Longevity Bonus recipients for the past year revealed that 355 persons were absent from the State for 31-60 days, and 1,853 additional persons were absent for 31-90 days.

The cost for bonuses in this fiscal note is based on the above information and was computed as follows:

Absence	No. Persons		Bonus		No. Payments	=	
31-60 days	355	x	\$250	x	1	=	\$ 88,750
31-90 days	1,853	x	\$250	x	2	=	926,500
					TOTAL		\$1,015,250

IV. DATE 4/2/82 PREPARED BY George T. Michael, Administrative Officer
AGENCY Administration
Original: Legislative Finance PHONE 465-4401
cc: Budget and Management
Prime Sponsor (First Legislator Named)
33-001 (Rev. 12/81)

The Longevity Bonus Program continues to grow at the rate of approximately 60 persons per month. It is believed that the number of persons who absent themselves from the State will increase in direct proportion to growth of the program. Since the increase is unquantifiable, no estimate of increase is included above.

Having to track payments to recipients outside of Alaska would require a half-time Clerk IV to initiate correspondence and/or otherwise make contact to verify their whereabouts and continuing eligibility, update their files, and initiate computer input to generate their monthly warrants.

Inflation at the rate of 10% per year on salary and benefits costs is included for years beyond FY 83.

This revised fiscal note supersedes one submitted on February 22, 1982. That original fiscal note was predicated on the assumption that House Bill 725 would require no additional budget due to the method which was used in computing the Longevity Bonus operating budget. The budget was based on the estimated number of eligible recipients (9,648). However, each year a varying number of these eligible people spend some months outside of Alaska, thereby losing bonus payments. This causes a surplus of budgeted Longevity Bonus grant funds each year, which are lapsed to the general fund.

In an effort to stay within Alaska's FY 83 spending limitation, the Longevity Bonus grants budget has been reduced by one million dollars. This amount of reduction leaves no cushion to pay Longevity Bonus to all eligible recipients should the rate of persons leaving Alaska for vacations change or for greater than usual growth in the number of recipients.

Therefore, the estimated impact of House Bill 725 on Longevity Bonus grants (\$1,015,300) must be considered.

THE LEGISLATURE OF THE STATE OF ALASKA
TWELFTH LEGISLATURE

FISCAL NOTE

I. REQUEST Bill/Resolution No. HB 725
 Title An ACT relating to the effect of absences from the State of Alaska of the
 Requested by _____ Date _____
 Alaska Longevity Bonus

II. FISCAL DETAIL Agency Affected Administration
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FUNDING (Thousands of Dollars)

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FEDERAL FUNDS							
OTHER (Specify Source)							

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IV. DATE 2/22/82 PREPARED BY George Michael
 AGENCY Administration
 Original: Legislative Finance PHONE 465-4401
 cc: Budget and Management
 Prime Sponsor (First Legislator Named) Rep. Bettisworth
 33-001 (ReOffice of the Governor: Keith Specking)