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Alaska State Legislature

INTERIM OFFICE:
1024 WEST SIXTH AVENUE
ANCHORAGE, ALASKA 99501
(907) 274-2843

IN SESSION:
POUCH V
JUNEAU, ALASKA 99811
(907) 465-4963



Representative Mitch Abood
CHAIRMAN

House Committee on State Affairs AGENDA

DATE: 2/27/84

TIME: 1:00 P.M., ROOM 102

- I. CALL THE MEETING TO ORDER
 - A. NOTE THE COMMITTEE MEMBERS PRESENT AND WELCOME THOSE OBSERVING THE MEETING.
 - B. REMIND THOSE WHO HAVE NOT SIGNED-IN TO DO WHO WISH TO TESTIFY. AND REMIND THOSE GIVING TESTIMONY TO SPEAK UP AND STATE THEIR NAME, ADDRESS AND PHONE NUMBER BEFORE TALKING.
- II. ANNOUNCE LEGISLATION UNDER CONSIDERATION:

HB 655 LONGEVITY BONUS PROGRAM

OTHER NOTES OR REMINDERS:

STATE OF ALASKA 1984 LEGISLATIVE SESSION
FISCAL NOTE

Revision Date: _____, 1984
Page 1 of 2

<p><u>REQUEST</u> Bill/Resolution No.: <u>HB 655</u> Title: <u>Longevity Bonus Program</u></p>	<p><u>FISCAL DETAIL</u> Agency Affected: <u>Administration</u> Program Category Affected: <u>Social Services</u></p>
<p>Sponsor: <u>Hayes</u> Requestor: _____ Date of Request: _____</p>	<p>BRU, Program of Subprogram(s) Affected: <u>Longevity Bonus Program</u></p>

EXPENDITURES/REVENUES: (Thousands of Dollars)

	FY 84	FY 85	FY 86	FY 87	FY 88	FY 89
OPERATING						
100 PERSONAL SERVICES		85.2	28.7	28.7	28.7	28.7
200 TRAVEL						
300 CONTRACTUAL		85.0	85.5	86.0	86.5	87.0
400 SUPPLIES		1.5	1.0	1.0	1.0	1.0
500 EQUIPMENT						
600 LAND & STRUCTURES						
700 GRANTS, CLAIMS, ETC		55,368.0	18,456.0	18,456.0	18,456.0	18,456.0
800 MISCELLANEOUS						
TOTAL OPERATING	0	55,539.7	18,571.2	18,571.7	18,572.2	18,572.7
CAPITAL	0	0	0	0	0	0
REVENUE	0	0	0	0	0	0

FUNDING: (Thousands of Dollars)

GENERAL FUND		55,539.7	18,571.2	18,571.7	18,572.2	18,572.7
FEDERAL FUNDS						
OTHER						
TOTAL	0	55,539.7	18,571.2	18,571.7	18,572.2	18,572.7

POSITIONS:

FULL-TIME	0	1.0	1.0	1.0	1.0	1.0
PART-TIME	0	2.7	0	0	0	0
TEMPORARY	0	0	0	0	0	0

SOURCE OF FUNDS TO OFFSET FISCAL IMPACT OF BILL:

Not identified by sponsor.

ANALYSIS: Attach a separate page for any Analysis.

Prepared By: E. Louis Keller, Director
 Division: Pioneers' Benefits

Phone: 465-4400
 Date: 2/16/84

Approved by Commissioner: Lisa Rudd
 Agency: DEPARTMENT OF ADMINISTRATION

Date: 2/22/84

Distribution (by Agency preparing fiscal note):
 Legislative Finance
 Legislative Sponsor
 Requestor
 Office of Management and Budget
 Impacted Agency(ies)

12/1/83

HB 655
Fiscal Note Analysis
Prepared by Division of Pioneers' Benefits
Department of Administration
February 16, 1984

This bill will change eligibility requirements for the Longevity Bonus Program to allow all one-year residents of Alaska who are age 65 or older to participate. In 1990 the age for eligibility will be advanced to 66 years, and each year thereafter it will be increased one additional year.

Assumptions

- a. All persons who are age 65 and older who have been residents of Alaska for at least one year will be eligible for payments in FY 85-90. On July 1, 1990, the age for eligibility will be increased to 66 years, and each year thereafter on July 1, it will be increased one year.
- b. It is believed that there are approximately 16,500 persons now living in Alaska who will qualify under new eligibility requirements, and that there will be approximately 10,348 persons on the program by July 1, 1984. Therefore, it is assumed that an additional 6,152 persons will be enrolled on the program in FY 85 under the bill.
- c. The amount of the bonus will be \$250 per month.
- d. The program will continue to grow at the rate of approximately 50 per month, after the initial group of persons are enrolled who will be made eligible by the one-year residency requirement.
- e. Retroactive payments in the amount of \$250 per month will be made to persons who would have been eligible as of July 1, 1982.
- f. All costs will be paid from the State General Fund.
- g. An increase in the Longevity Bonus staff will be needed to process the flood of new applications.
- h. The Act takes effect 30 days after a final decision by the Alaska Supreme Court if that decision affirms the findings of the Superior Court in the existing law suit by Rodney Vest. For lack of a definite date, it is assumed for the purposes of computing this fiscal note, that the effective date will be July 1, 1984.

MEMORANDUM

State of Alaska

TO: Ray Gillespie
Director
Legislative Relations


DATE: February 16, 1984

FILE NO:

TELEPHONE NO: 465-3600

FROM: Norman C. Gorsuch
Attorney General

SUBJECT: SB 474, HB 655, HB 656
Longevity Bonus
Stairstep Bills

By: Deborah Vogt 
Assistant Attorney General

Deputy Commissioner of Administration Eleanor Andrews has asked that I pass on to you my comments on the legal issues implicated by the bills proposing the stair-stepping approach to the longevity bonus program. These bills (the three are identical) propose that the program be opened to all who are 65 and have lived in the state one year, and that starting in 1990 the requisite age for eligibility be raised one year each year. The bills have the effect of allowing any person who reaches the age of 65 by 1990 to participate in the program for the rest of his or her life (if the residency requirement is met) and excluding every person who has not reached age 65 by 1990 from ever participating in the program.

The basic concept of stair-stepping will be subject to an equal protection challenge. The bills remove any right-to-travel questions raised by the present program and some suggested alternatives: a person who moves to the state will be eligible (after one year) so long as that person meets the age requirement. But the bills do discriminate between those persons who are 65 or older in 1990 and those who are not. The question will be whether there is a legitimate, rational basis for making the distinction. The legislature certainly may end a program which it has begun; the question will be whether it can end it by continuing to benefit a closed class. An argument can be made that when the fiscal concerns of the state are balanced against the reliance interest of those who have planned their lives around receiving the bonus, this approach is a legitimate means to deal with those competing objectives. But the bills do describe a closed class: those who reach 65 by 1990.

The drafters of the bills have apparently looked to the recent amendments of the Social Security Act as authority for the stair-stepping approach. Those amendments provide that "retirement age" will go up in the years to come. But those amendments cannot be viewed as direct authority for these bills.

Ray Gillespie, Director
Legislative Relations
Office of the Governor

February 16, 1984
Page 2

The eligibility age under social security goes up about six months every seven years. Thus, although younger people wait a little longer for benefits, no one is foreclosed. The proposed bills would completely exclude anyone who had not reached 65 by 1990. On the other hand, the bonus program is clearly a mere grant, while social security is based on individual payments into the program. In sum, it is not clear whether a stair-step approach which completely excluded those who were not 65 in 1990 would survive an equal protection challenge. The approach would be much more clearly valid if the stair-stepping were slower - for example if the age requirement went up one year every two years - so that people would have to wait longer, but would not be excluded entirely.

The one year residency requirement can probably be successfully defended. The purpose of the requirement would be to separate bona-fide residents from visitors, and since the program does not deal with fundamental rights (like voting) or with basic necessities of life (like welfare), a one year period would seem to be a rational short-hand for distinguishing between those who actually are Alaska residents and those who are not. Retired persons often spend months at a time away from their primary place of residence, and a shorter period undoubtedly would result in some persons receiving benefits who are not actually residents.

Any longevity bonus bill should be sensitive to the interplay between the bonus program and Alaska's adult public assistance program. Adult public assistance benefits are granted on the basis of available income, and income is defined under federal regulations (since federal money is involved in the program). Benefits under the present bonus program are exempt under a federal statute, which does not count as income any payments made by a state on a regular basis to persons "solely on attainment of age 65 and duration of residence in such state." (Another section exempts benefits under a program which bases benefits on income, but, of course, that exemption would have no application to these bills.) Thus, presently a person can receive full adult public assistance benefits plus the longevity bonus. Without the exemption, adult public assistance would be reduced by the amount of the bonus.

Since the bills would change, beginning in 1990, the age of eligibility from 65 to 66 and then 67 and so on, it would appear that the proposed program would not come within the exemption. It is possible that the existing statute could be interpreted to mean "at least 65," and apparently Senator Stevens has expressed the opinion that this might be the case.

Ray Gillespie, Director
Legislative Relations
Office of the Governor

February 16, 1984
Page 3

Alternatively, it would be possible to change the federal statute. Finally, it would also be possible, if neither of the first two alternatives were to succeed, for our legislature to separately provide needy persons with the lost benefits from state funds.

I was surprised to note that the bills contain a provision that benefits are retroactive to July 1, 1982. Last year, when the lawsuit was stayed through the legislative session, there was an agreement between the state and counsel for Vest that a bill with retroactive benefits to that date would settle the lawsuit. Since no bill was passed, the settlement, in effect, fell apart. The state had agreed to seek retroactive legislation to that date, and Vest and his class had agreed not to seek benefits between the time the original act was passed (1972) and that date. Since the settlement was not accomplished, neither side is bound by that agreement. Thus, retroactive payments this year will have no effect on the lawsuit.

Finally, it would be a good idea, in any longevity bill, to include a provision to the effect that any person who is presently qualified to receive the bonus is automatically qualified under the new program. Since, once qualified, a person may spend up to 180 days per year out of the state, it is possible that some presently qualified recipients would have trouble meeting the one year continuous residence requirement, notwithstanding that they are bona-fide residents.

cc: Eleanor Andrews



Alaska State Legislature

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Speaker of the House of Representatives

Pouch V
State Capitol
Juneau, Alaska 99811
(907) 465-3720

Official Business

February 22, 1984

MEMORANDUM

TO: Members of the House State Affairs Committee

FROM: Representative Joe Hayes, Speaker *JAH*
House of Representatives

Representative Adams, Chair *RA*
House Finance Committee

SUBJ: HB 655, "An act relating to the longevity
bonus program and providing for an effective
date"

Today you will be considering HB 655, the "stair stepping" proposal for the longevity bonus program that we have sponsored. Since most of you have joined us as co-sponsors, you are familiar with the legislation. We will, however, review the main issues at hand, for your information.

HB 655 accomplishes the following:

1. Makes the longevity bonus program constitutionally defensible by opening it up to all persons 65 and over with one year of Alaskan residency.
2. Increases the age of eligibility for the program by one year, each year, beginning in July, 1990.
3. Provides one time retroactive payments back to July 1, 1982, for all members of Mr. Vest's class; i.e. those who were residents of at least one year in July, 1982. This one time check would be up to \$6,000 (\$250 x 24 months of retroactive monthly payments) for each person in the class.
4. Includes a backstop clause making the new stair-stepping program effective only if the Alaska Supreme Court rules the present program unconstitutional.

We introduced HB 655 for the following reasons:

1. We feel it is the best option available to the legislature to protect the present recipients. A look at the legislative history of the longevity bonus program shows that it is the present recipients, i.e. long time Alaskans who were born or came here before statehood, who the program was originally designed for.

2. The concept of increasing the age of eligibility over time is constitutionally defensible. A similiar approach was taken recently in federal social security legislation. Under the federal amendments, the age of eligibility increases by six months every seven years.

3. Stair-stepping is not a needs based, welfare-type program. The authors of the original program fought long and hard for a program without any income constraints and we wish to continue their objective because we believe this is what the majority of today's elders want. In our conversations with seniors, individually and in organized groups, and in our constituent mail, we detect a strong feeling against a needs based program. Our seniors wish to be rewarded because of their contribution to Alaska, not because of how much income they bring in each year.

4. The costs of the program parallel the State's revenue curve, i.e. the costs increase during the years revenues are up and decrease when revenues are expected to go down. Because we do not start increasing the age of eligibility until the start of FY 91 (July, 1990), all seniors who have lived in Alaska for at least one year and who are 60 or older in 1984 will receive a longevity bonus check each month for the rest of their lives. We can afford to do this because our revenues are predicted to be fairly high until 1990. After that time, we decrease the number of new entrants to the program by increasing the entrance age. Thus, the program is affordable as well as fair to our current elders --- those whom the program was originally designed for.

Some additional comments on the program's fiscal impact are in order. We have commissioned the House Research Agency to work with our own staff to develop cost estimates for our proposal that are independent of the administration's fiscal note process. Our current estimates range from \$48 to \$62 million in total costs (including administration) each year for the years before stair stepping begins. After that time, the cost decreases \$3 to \$5 million each year. Additionally, our estimate for the cost of the retroactive payments is \$30 million.

Our cost estimates will probably differ slightly from the administration estimates because of slightly different assumptions about the total number of elders and their mortality and migration patterns. However, we use the same administrative cost percentages as the executive branch.

In conclusion, we urge you to favorably consider HB 655 since we believe that it provides the best option for the future of the longevity bonus program given the fact of constitutional constraints.

Attachments

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(3) "department" means the Department of Health and Social Services. (§ 1 ch 136 SLA 1970; am § 2 ch 210 SLA 1970; am § 55 ch 71 SLA 1972)

Legislative history report. — For report on ch. 71, SLA 1972 (HCSSB 383 am H), see 1972 House Journal, p. 898.

Chapter 45. Alaska Longevity Bonus.

Section	Section
10. Persons who may qualify for longevity bonus	110. Custody of funds
20. Corrective eligibility procedures	120. Exemption from taxation and process
30. Absence from the state	130. Death or cessation of residency
40. Disqualification	140. Penalty for false statements
50. Department hearing	150. Definitions
60. Legal remedy	160. Applicability of Administrative Procedure Act
70. Unqualified persons	170. Purpose
80. Accrual of bonuses	
90. Alaska longevity bonus fund	
100. Powers and duties of the administrator	

Editor's note. — Section 2, ch. 205, SLA 1972, provides: "AS 01.10.030 does not apply to this Act. If any provision of this Act, or the application of a provision of this Act to any person or circumstance is held invalid,

this entire Act shall be considered invalid." Legislative history report. — For report on ch. 205, SLA 1972 (FCCS HCS CSSB 211), see 1972 House Journal, p. 751.

Sec. 47.45.010. Persons who may qualify for longevity bonus. (a) A person who is 65 years of age or over, who was domiciled in the territory on or before January 3, 1959 and who has maintained a continuous domicile in the territory or state for 25 years may apply to the commissioner of administration for qualification to receive a monthly bonus of \$150.

(b) When the commissioner of administration determines that an applicant qualifies under this chapter he shall immediately begin payment of the bonus.

(c) A person who otherwise qualifies to receive a bonus provided for in this chapter may continue to do so only as long as he continuously retains a domicile in the state. (§ 1 ch 205 SLA 1972; am § 1 ch 33 SLA 1976; am § 1 ch 89 SLA 1978)

Effect of amendments. — The 1976 amendment increased the monthly bonus in subsection (a) from \$100.00 to \$125.00.

The 1978 amendment increased the monthly bonus in subsection (a) from \$125.00 to \$150.00.

Legislative history report. — For report on ch. 33, SLA 1976 (SB 476 am), see 1976 Senate Journal, p. 160.

§ 47.45.010

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§ 47.45.020 WELFARE, SOCIAL SERVICES AND INSTITUTIONS § 47.45.060

Sec. 47.45.020. Continuous eligibility procedures. After qualification, monthly applications for bonuses may be made in person to any office of the Department of Administration. Mailed monthly applications shall also be considered by the Department of Administration. In-person or mailed applications shall be made on forms provided by the Department of Administration and shall conform to the conditions as provided by regulation. The commissioner may make exceptions for those residents who are isolated in rural areas and cannot mail a monthly application; however, they shall mail an application at least once every six months. (§ 1 ch 205 SLA 1972)

Sec. 47.45.030. Absence from the state. A recipient shall notify the commissioner of administration when he expects to be absent from the state if the absence is for a continuous period that exceeds 30 days. After that notification, the recipient shall no longer receive bonuses from the Department of Administration after his last regularly approved monthly application. Upon his return to the state he may again make application for a bonus. Whenever the absence is for a continuous period that exceeds 180 days the recipient shall be disqualified from receiving bonuses for the next 12 calendar months after his return to the state. However, when the commissioner of administration determines a period of absence is beyond the control of the recipient, he may not be disqualified, if he still otherwise qualifies upon his return to the state. Continual absences from the state, even though reported, and failure to notify the commissioner of an expected absence may be grounds for disqualification. (§ 1 ch 205 SLA 1972)

Sec. 47.45.040. Disqualification. Disqualification under this chapter shall rest solely with the commissioner of administration and shall be outlined in the regulations promulgated under AS 47.45.100(1). (§ 1 ch 205 SLA 1972)

Sec. 47.45.050. Department hearing. The Department of Administration may hold a departmental hearing upon the request of an applicant or recipient who has been disqualified. Previous to this hearing the department shall by certified mail notify an applicant or recipient in plain and comprehensive language the exact reason for his disqualification. Form letters using only referral to state statutes or department regulations, or otherwise vague in detail, shall not be considered compliance by the department with this section. (§ 1 ch 205 SLA 1972)

Sec. 47.45.060. Legal remedy. Legal remedy from disqualification may be sought by an applicant or recipient in any court of competent jurisdiction in the state. The burden of proof shall rest solely upon the applicant or recipient and any costs related to a disqualification verdict determined against the applicant or recipient may be recoverable by the attorney general from that person, or from any agency representing that person supported in whole, or in part, with state appropriations. (§ 1 ch 205 SLA 1972)

Sec. 47.45.070. Unqualified persons. An unqualified person is one who

(1) does not meet the age or residence requirements as provided for under this chapter;

(2) meets the age and residence requirements of this chapter but is confined in a state or federal mental health institution or facility and is certified by the state as unable to manage his own affairs; however, if that person, at the time of his commitment, provided the principal support of a spouse, the commissioner of administration may determine to pay the confined person's bonus to his spouse until the spouse is qualified for a bonus;

(3) is otherwise qualified but confined in a penal or correctional institution or facility; upon completion of sentence or upon the conferral of a pardon, parole or probation, the person may make application; confinement outside the state shall be considered as residence in the state if a person was convicted and sentenced from a court in Alaska; revocation of parole or probation shall be cause for immediate disqualification until release from confinement is again effected;

(4) leaves the state of his own volition and remains absent from the state for a continuous period of more than 180 days. (§ 1 ch 205 SLA 1972)

Sec. 47.45.080. Accrual of bonuses. No recipient may, for any reason, receive an accrual of bonuses in excess of two monthly payments. No interest may be paid on accrued bonuses. Upon the death of a recipient the commissioner of administration shall pay to the beneficiary of the recipient any accrued bonuses not to exceed two monthly payments. (§ 1 ch 205 SLA 1972)

Sec. 47.45.090. Alaska longevity bonus fund. (a) There is the Alaska longevity bonus fund created for the purpose of paying the monthly bonuses provided for in this chapter. The fund consists of all money made available by appropriations of the state legislature, and from other appropriated funds, all contributions from whatever source, and income and interest derived from the investment of money.

(b) The commissioner of administration is the administrator of the fund. (§ 1 ch 205 SLA 1972)

Sec. 47.45.100. Powers and duties of the administrator. The commissioner of administration shall

(1) promulgate regulations necessary to carry out the provisions of this chapter;

(2) make expenditures from the fund necessary to administer this chapter;

(3) establish and maintain an adequate system of accounts for the fund;

(4) publish annually a report showing the financial condition of the fund. (§ 1 ch 205 SLA 1972)

§ 47.45.110 WELFARE, SOCIAL SERVICES AND INSTITUTIONS § 47.45.170

Sec. 47.45.110. Custody of funds. The commissioner of revenue is the treasurer of the system and has powers and duties for this purpose including but not limited to the following:

(1) to act as official custodian of the cash and securities belonging to the fund;

(2) to receive all items of cash belonging to the fund. (§ 1 ch 205 SLA 1972)

Sec. 47.45.120. Exemption from taxation and process. Bonuses received under this chapter are exempt from all state and political subdivision taxes except sales and use taxes and are not subject to execution, attachment, garnishment or other process. No bonus received under this chapter may be exempt from a federal tax requirement. (§ 1 ch 205 SLA 1972)

Sec. 47.45.130. Death or cessation of residency. The commissioner of administration shall establish procedures to stop a bonus when a recipient under this chapter no longer qualifies. When a recipient dies or discontinues his residency in the state his qualification for a bonus shall stop at the time of his last approved monthly application. (§ 1 ch 205 SLA 1972)

Sec. 47.45.140. Penalty for false statements. A person who wilfully or knowingly makes a false statement, or falsifies or permits to be falsified any record required by this chapter, is guilty of a misdemeanor and, upon conviction, is punishable by a fine of not more than \$500, or by imprisonment for not more than six months, or by both, forfeits all rights under this chapter, and shall make adequate restitution for any bonuses illegally received. (§ 1 ch 205 SLA 1972)

Sec. 47.45.150. Definitions. In this chapter

(1) "bonus" means a monthly Alaska longevity bonus payment made to a person or his beneficiary who qualifies under this chapter;

(2) "domicile" means the place with which a person has a settled connection for determination of his civil status or other legal purposes because it is actually or legally his permanent and principal home. (§ 1 ch 205 SLA 1972)

Sec. 47.45.160. Applicability of Administrative Procedure Act. The Administrative Procedure Act (AS 44.62) does not apply to this chapter. (§ 1 ch 205 SLA 1972)

Sec. 47.45.170. Purpose. The sole purpose of this chapter is to offer and provide all law-abiding Alaskans capable of managing their own affairs who have maintained a domicile in the state for at least 25 years and have reached a retirement age of 65, an incentive to continue uninterrupted residency in the state. Under no circumstances shall this chapter be considered a form, type, or manner, of public relief. Bonuses made under this chapter are not predicated on need even though they

may appear to provide supplemental income to some qualified persons who would otherwise be forced to become responsibilities of the state. The legislature further finds and states that this legislation recognizes the economic hardships suffered by many elderly Alaskans, Alaskans who through their tenacity and perseverance molded Alaska as we know it through skillful application of their talents. These pioneers are the same Alaskans, who in the prime of their life were in effect treated as second-class citizens by the federal government and who paid much of their hard-earned income to a government in which they did not have the right to participate through the power of the ballot. The legislature also is aware of the fact that many of these pioneers have been forced to live out their retirement years in areas far away from the land they loved and nurtured and thereby also suffering, in many cases, the loss of familial relationship with their own kin, an experience that is sad and frustrating to them as well as depriving new generations of Alaskans of the benefits of their wisdom and experience. This legislation hopefully will provide our pioneers with the economic means to remain in and continue to serve their state and to enjoy the opportunity of aiding the new Alaskan in making this state truly "The Great Land." (§ 1 ch 205 SLA 1972)

Chapter 50. Office of Child Advocacy.

Section

- 10. Office of Child Advocacy
- 20. Board of directors for the Office of Child Advocacy
- 30. Compensation and expenses

Section

- 40. Powers and duties of board and director
- 50. Departments to assist Office of Child Advocacy

Editor's note. — For legislative findings, see § 1, ch. 189, SLA 1972, in the 1972 Temporary and Special Acts.

Sec. 47.50.010. Office of Child Advocacy. There is created in the Office of the Governor the Office of Child Advocacy to act as a coordinating body for services for children from prenatal to age 18. The Office of Child Advocacy is administered by a director appointed by the board of directors with the approval of the governor. Staff may be employed in accordance with appropriate budgets. (§ 2 ch 189 SLA 1972)

Sec. 47.50.020. Board of directors for the Office of Child Advocacy. There is created a board of directors for the Office of Child Advocacy. The board consists of the Alaska State Council on the Coordination of Community Child Care plus four members not more than 18 years of age appointed by the governor for a term of two years each, or until the youthful member attains the age of 19 years. (§ 2 ch 189 SLA 1972)

From: (Mrs.) Vivian G. Ayerst
1226 East 16th, #6
Anchorage, Alaska 99501
Phone - 279-5330

Senator Pat Rodey AND OTHERS INTERESTED
Pouch V, Mail 3100
Juneau, Alaska 99811

REF: LONGEVITY BONUS PROGRAM

Dear senator and other Friends:

I very positively favor the continuation of the Longevity Bonus Program; however I am NOT IN FAVOR of discriminating in favor of the "needy". To determine a TRUE and HONEST qualification of "needy" would be judgmental, often inaccurate and practically impossible. It would also discriminate against those who have worked hard all their lives in order to retain independence and not become a burden on family, city, state or government. Compare these folks with those who have been content to sit back and take it easy, let relatives or governmental agencies foot their bills and who--of course--would be first in line to secure money being "needy". This concept would be totally unfair to the aforementioned thrifty, hard working, conservative seniors.

To give up this Program entirely would spell TRAGEDY. Many seniors have managed to take care of themselves due to the bonus. Now if the rug is suddenly jerked out from under them with no bonus coming they would no longer be able to care for themselves. If you think the "street people" in our larger cities is a problem, that's MINIMAL compared to the necessity of finding food, clothing and shelter for all those seniors no longer able to be independent and function WITHOUT the Longevity bonus.

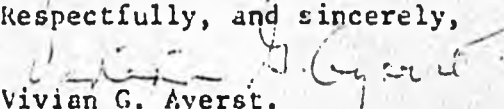
I know a lady who has worked and brought in a modest income all her life--the last 30 years in Alaska. She will be 77 next birthday and continues working. When securing a mortgage to purchase their home, this couple listed their joint Soc. Security and Longevity Bonus funds as dependable income. The husband has since died, and the wife continues to work and live at home though she no longer has his Soc. Security nor Longevity Bonus income. Imagine her predicament should the Bonus be terminated? She'd become another statistic on official welfare rolls!!!! By retaining the Bonus Program, however, she can manage until death.

How to pay for this program? According to law, residency must not enter into the picture. Some say money is available...some say NO MONEY is available...others say a NEW SOURCE OF REVENUE must be found. If the latter is true, I suggest that you raise the retirement age by ONE YEAR. Yes, this is discriminatory towards those of age 65, but so is the age cut-off on drivers, fishermen, drinkers, voters, school students and countless others whose licenses require that you be a certain age to qualify. By making only seniors AGE 66 AND OVER (proven by birth certificates or other legal means) eligible for the Longevity Bonus might help make the Program more palatable to some and more financially feasible to others.

WHATEVER you do, please do not scrap the LONGEVITY BONUS PROGRAM!!!!!!!

Copies enclosed.

Respectfully, and sincerely,


Vivian G. Ayerst.

P

MSG 84-00012784 PRTY 1 02/13/84 10:57:28 ORIG: LA09 IN= 0005 OUT= 0047
FROM: PAT/ANCH LIO TO: JUNEAU.INFO/POB
TARGET: LJHK SUBJ: 23

TO: SENATORS BENNETT, ELIASON, FAHRENKAMP, FAIKS, FERGUSON, V. FISCHER,
JOSEPHSON, KERTTULA, MOSS, RODEY, AND SACKETT;
AND REPRESENTATIVES ABOOD, ADAMS, RUSSELL, CATO, COWDERY, FULLER,
FURNACE, M.M. MILLER, RINGSTAD, TISCHER, AND UEHLING
FROM: ROSE PALMQUIST; 2805 DAWSON; ANCHORAGE, AK 99503
(H)376-2274 (W)561-5280

AT MEETING AND TELECONFERENCE LAST FRIDAY NIGHT OF MORE THAN 65 PERSONS,
ALL BUT TWO INDICATED SUPPORT FOR THE PROPOSED BILL INITIATED BY SENATORS
RODEY, FISCHER, FAIKS, AND OTHERS, REGARDING LONGEVITY BONUS. THIS POSITION
MAY BE BASED ON BELIEF THAT BILL SPONSORED BY MIKE MILLER MAY NOT FLY.



ALASKA STATE LEGISLATURE
HOUSE OF REPRESENTATIVES
RESEARCH AGENCY

Pouch Y, State Capitol
Juneau, Alaska 99811
(907) 465-3991

August 31, 1983

MEMORANDUM

TO: Representative Hugh Malone

FROM: Gretchen Keiser *G. Keiser*
Legislative Analyst

RE: Basic Information on Alaska's Elderly Population
Research Request 83-203

Cliff Groh, on your behalf, requested that we answer a number of questions regarding Alaska's aged population. The information requested can be subdivided into the following four topics:

- I. Alaska's Elderly Population: Present and Future
- II. Elderly Public Assistance and Social Security Recipients
- III. Longevity Bonus Program Recipients
- IV. Life Expectancies of Alaska's Elderly

This memorandum presents the information we obtained regarding older Alaskans. We initially provide a summary of findings then present detailed information on each of the above topics in four separate sections. Specific questions you asked are reiterated at the beginning of each section.

SUMMARY OF FINDINGS

The number of older persons residing in Alaska cannot be definitely estimated because of the inherent biases and limitations of the population data available from ~~the Alaska Department of Labor and the Permanent Fund Dividend Program~~ sources: the Alaska Department of Labor and the Permanent Fund Dividend Program. We conclude that ~~the number of older persons in Alaska in July 1, 1983 probably falls between 14,500 and 15,500.~~ Estimates in this range are higher than the 13,500 population figure used by Senate supporters of the proposed modification to the Longevity Bonus Program under CSSB 215 but lower than the 16,500 figure used by the Department of Administration in its preparation of fiscal notes for a modified Longevity Bonus Program earlier this year (pages 4 - 8).

On the basis of rather limited data, we suggest that approximately 96 to 98 percent of older Alaskans have resided in the state more than one year. The available data indicate that in recent years at least 2 to 4 percent of the elderly, on an annual basis, are new entrants with less than one year of residency. Therefore, assuming that persons who move to the state within the last year, we estimate that between 14,015 and 15,580 older Alaskans are residents of at least one year. If we assume a greater in-migration of 4 percent annually, between 14,020 and 15,265 elderly would be eligible for a longevity bonus under a one-year residency requirement (pages 5 and 6).

During the period 1970 - 1982, the elderly population growth rate (5.6 percent average annual growth) was considerably greater than that of the total population in Alaska (3.4 percent), mirroring a nationwide pattern. In 1982, the elderly represented approximately 3 percent of Alaska's population. The elderly population is expected to continue growing between 4 and 6 percent annually, while the total population growth rate is projected to rise to between 1 and 2 percent annually through the remainder of this century (pages 9 and 10).

We projected Alaska's elderly population in the year 2000 under a series of average annual growth rates. If we assume a 1983 population of 15,250 (midpoint of the 14,600 to 15,900 range previously discussed), the elderly population in the year 2000 would equal 30,100 (at 4.0 percent average annual growth), 32,170 (4.5 percent), 35,680 (5.0 percent), 38,845 (5.5 percent), and 42,290 (6.0 percent) in the year 2000. By the turn of the century, Alaska's elderly population will probably be between two and three times its present size. At 5 percent growth per year, the elderly would represent approximately 6 percent of the state's population in the year 2000, as projected by ISER's MAP model base case forecast (pages 10 - 13).

Available information on elderly interstate migration, historical patterns of older Alaskans' migration, socioeconomic characteristics, and lifestyle preferences of aged persons suggest that a significant increase in Alaska's elderly population solely on the basis of a monthly cash payment program would be unlikely. Alaska's elderly population would increase as a result of a cash payment program would be those who have already in the state (pages 13 - 16).

The major sources of cash benefits to elderly public assistance recipients are federally funded Supplemental Security Income (SSI) and State-funded Old Age Assistance (OAA), which average \$238 per month for 900 SSI recipients and \$236 per month for 2,300 OAA recipients. Approximately 18 percent of elderly Alaskans were SSI and/or OAA recipients in October 1982. In comparison, approximately 9 percent of the total population are recipients of monthly public assistance of all types (pages 17 - 19).

In 1982, 10,210 older Alaskans received Social Security payments under the retirees, survivors, and disability programs. Nationally in 1982, monthly payments averaged: \$408 (retired worker), \$700 (aged couple both receiving payments), and \$378 (aged widow or widower) (page 17).

A total of 9,776 older Alaskans, representing approximately 61 to 67 percent of Alaska's elderly were qualified to receive longevity bonus payments in July 1983. On the average, ~~the qualified recipients received bonus payments each month during 1983, with~~ the remainder being ineligible due to absences of more than 30 days. The number of qualified recipients grew about 7 percent in the last year (pages 19 - 20).

Over two-thirds of the bonus recipients in January 1983 were 65 to 74 years old. ~~Approximately one-quarter of the qualified recipients currently live in Southeast, roughly 42 percent live in the Anchorage/Southcentral area, 12 percent in the Interior, and the remaining 15 percent reside in Northern and Western Alaska. Eligible recipients are not currently required of bonus applications, but a 1976 survey indicates that 56 percent of the recipients were Native and 44 percent were non-Native at that time (pages 20 - 22).~~

~~Income data are also not required of current bonus recipients. In 1976, an overwhelming majority of recipients surveyed had monthly incomes (including their spouse's) under \$1,000. A 1981 survey reported a marked regional difference in the dependency of older Alaskans (60 years and older) on the bonus payments as the major source of income. Only 3 percent of those surveyed in Southeast and Southcentral indicated that the bonus payments were their major source of income, while 41 and 60 percent of those surveyed in Southwest and Northwest Alaska indicated a primary dependency on the longevity bonus payments (page 22).~~

~~Rough estimates from the Department of Health and Social Services suggest that about 10 percent of the aged currently receiving public assistance also participate in the longevity bonus program. Information from the 1976 survey indicates that 47 percent of the recipients of Old Age Assistance also received bonus payments, whereas about 28 percent of the bonus recipients also received OAA (page 23).~~

~~The life expectancies of older Alaskans are similar to those of the elderly nationwide. A 65-year-old female Alaskan is expected to receive the longevity bonus program might expect, on the average, to receive monthly payments for about 22 years, a qualified 68-year-old male could enjoy cash payments for roughly 14 years (pages 23 and 24).~~

1. Alaska's Elderly Population: Present and Future

Questions: How many persons 65 or over are there in Alaska? How many have resided in the state one year or more? How fast is the elderly population growing relative to the entire state population? What are the most likely projections for the number of aged in Alaska in the next 20 years (with and without a reasonable adjustment for the effects of a program which makes cash payments to all elderly one-year residents)?

According to the Alaska Department of Labor (DOL), there were 13,921 Alaskans 65 years and older on July 1, 1982. This estimate is benchmarked to the 1980 Census, revised upward by DOL for estimated undercounting, and adjusted seasonally to a July 1st rather than April 1st date. Persons by age and sex were as follows:

<u>AGE</u>	<u>MALE</u>	<u>FEMALE</u>	<u>TOTAL</u>
65 - 69 years	3,113	3,197	6,310
70 - 74 years	1,818	2,003	3,821
75 years and over	<u>1,652</u>	<u>2,138</u>	<u>3,790</u>
TOTAL	6,583 (47.3%)	7,338 (52.7%)	13,921

In the absence of a DOL population estimate for July 1, 1983, we projected the number of senior citizens based on a review of the annual DOL population data for the period 1970 to 1982 (Attachment A). The older age group grew at an average annual rate of about 5.6 percent over the 12-year period. Looking at the past five years since completion of the TransAlaska Pipeline (1977-1982), the elderly population increased 4.8 percent annually, on the average. More recently between 1980 and 1982, the aged population grew on an average of 6.8 percent annually. On the basis of these recent historical growth rates, we projected the July 1, 1983 elderly population to be: 14,605 (4.8 percent annual growth), 14,725 (5.6 percent), or 14,900 (6.8 percent). We caution you that these are only rough projections based solely on recent annual growth rates.

The 1982 Permanent Fund Dividend (PFD) program provides another source of aged population figures which have been used by the Department of Administration in its review of the Senate's proposed legislative changes to the Alaska Longevity Bonus Program (CSSB 215). In May 1983, the Department of Revenue estimated that at least 16,500 applicants born in 1918 or earlier would ultimately be paid a PFD¹. It

¹ A July 22, 1983 status report on 1982 PFD applicants born in 1918 or earlier does not dramatically change the earlier May estimate from the Department of Revenue.

is crucial to note that approximately 1,700 of these applicants were born in 1918 and were therefore 64 years old in 1982. Consequently, the successful PFD applicants 65 years and older in 1982 numbered approximately 14,800. This understates the total elderly population in 1982, however, because in-migrants after April 15, 1982 did not qualify for a PFD. We address this issue later in this section of the report.

In order to employ the successful 1982 PFD applicant total as a basis for estimating the 1983 elderly population, one must account for deaths among aged Alaskans. In 1981, 572 deaths were recorded among Alaskans 65 years and older, representing a death rate of 4.4 percent per year². In addition, 29 deaths occurred among 64-year olds (1.7 percent annually). Therefore, of the 16,500 1982 PFD applicants, approximately 15,900 are now 65 years and older and still alive today. This is, at best, a rough estimate of the 1983 elderly population because it does not account for the out-migration of aged Alaskans since at least October 1982 (8 months) and the in-migration of elderly since April 1982 (14 months).

Usable information regarding the 1982-1983 migration patterns of older Alaskans simply does not exist. Historical trends between 1970 and 1980 and earlier indicate, however, that older age groups in Alaska undergo a net out-migration. In other words, more older persons left the state than migrated to the state during a given period of time. The pattern of elderly net out-migration, although lessening somewhat as the state matures and better services become more commonplace, will probably continue³. It appears reasonable to assume that more aged persons left Alaska than moved into the state between 1982 and 1983. Therefore, we suggest that the 15,900 PFD estimate be viewed as the high estimate of the total elderly population in 1983.

Residency

The overwhelming majority of older Alaskans have been residents for a considerable length of time. A statewide survey of 467 Alaskans 60 years and over conducted by the University of Alaska in 1981 indicates that approximately 90 percent had resided in Alaska for 11 years or

²Alaska Vital Statistics, Annual Report 1981, Department of Health and Social Services, 1982.

³Mr. Dave Swanson, State Demographer, Alaska Department of Labor, Personal Communication, July 16, 1983.

more⁴. Similarly, about 90 percent of the 1979 PFD applicants (65 years and older) reported being residents for at least 11 years, with 75 percent indicating they had been residents for at least 21 years⁵. In a survey conducted by the U.S. Bureau of the Census in 1976, the average residency among civilian Alaskans 65 years and over was 33 years for non-Natives and 71 years for Natives.

Available information indicates that a small percentage of older Alaskans are recent in-migrants. Only 1.5 percent of the respondents to the 1981 University of Alaska survey (60 years and older) had lived in the State less than one year. This is probably a somewhat low estimate because elderly whites, who tend to be the more mobile persons among elderly Alaskans, were underrepresented in the University survey. The PFD program provides additional data on recent migration of older persons. Approximately 1 percent of the 1979 PFD applicants and over 3 percent of the 1980 PFD applicants 65 years and older were Alaska residents for less than one year. These estimates could also be conservative because some recent in-migrants in 1979 and 1980 might not have known of the program or have chosen not to file because they would receive only a fraction of the \$50 per year dividend. Residency data from the 1982 PFD applications useful for determining recent in-migrant estimates of the elderly population are not available at this time. Furthermore, the 1980 Census data, once it becomes available, will only address 5-year interstate migration during the period 1976-1980.

On the basis of rather limited data, we suggest that at least 2 to 4 percent of the older Alaskan population in any given year are recent in-migrants with less than one year of residency. Conversely, 96 to 98 percent of the elderly appear to be longer term residents of Alaska.

Table 1 summarizes the total elderly population figures for 1982 and 1983 which we have discussed above. At this time, we conclude that the number of older persons residing in Alaska cannot be definitively estimated. Given the inherent biases and limitations of the available data, we prefer to identify the aged population as a range, encompassing what we believe to be reasonable low and high numbers. The 1983 total elderly population probably falls between 14,605 and 15,900. Assuming that 2 percent migrate to the state within the last year, we estimate that between 14,315 and 15,580 older Alaskans are residents of at least one year. Alternatively, if we assume a greater annual in-migration of elderly at 4 percent, between 14,020 and 15,265 elderly

⁴ An Assessment of the Status and Needs of Alaska's Elderly, Charles Hines, Department of Sociology, University of Alaska, 1981.

⁵ 1979 Permanent Fund Dividend Applicant Profile, Alaska Department of Revenue, 1981, Table 18.

would currently be eligible for longevity bonus payments under a one-year residency requirement.

The following factors may account for the differences between the high and low population estimates shown in Table 1:

- 1) Unlike the PFD program estimate, the Department of Labor 1982 estimate is benchmarked to the 1980 U.S. Census. Although Census numbers were revised upward by DOL, any residual undercounting would consistently lower annual estimates in later years, such as 1982. Similarly, the House Research Agency 1983 projections would incorporate the same undercounting biases.
- 2) For the purposes of the U.S. Census, individuals who live in Alaska only part of the year may have chosen to identify themselves as residents of another state. This could contribute to a lower Census count of older Alaskans, some of whom may spend a portion of the year elsewhere. On the other hand, the \$1,000 cash payment of the 1982 PFD program provided a great incentive to individuals to identify themselves as Alaska residents. People had a much greater incentive to be "counted" in the 1982 PFD population than during the 1980 Census.

The population estimates in Table 1 fall between the estimates used earlier this year as the basis for proposed changes to the Alaska Longevity Bonus Program. The Senate's estimate of 13,500 eligible persons in FY 84 under CSSB 215 ranges from 4 to 15 percent lower than our estimates, depending upon the growth rate and in-migration assumptions one uses for the elderly. The Senate used a 1983 elderly population forecast made by DOL in 1981 which has been superseded by a higher DOL 1982 estimate. Estimates are more accurate than forecasts because they are based on more adequate population information. In addition, it appears that the Senate figure incorporates a relatively low estimation of annual in-migration by elderly (about 1.3 percent).

On the other hand, the Department of Revenue estimate of 16,500 1982 PFD successful applicants has been used by the Department of Administration as its estimate of eligible recipients for CSSB 215 fiscal calculations. This estimate overstates those eligible in 1983 because it fails to take into account approximately 600 deaths which probably occurred among elderly applicants since the October 15, 1982 deadline. In addition, available data suggest that out-migration among elderly probably offsets in-migration during the 1982-1983 period since filing of the 1982 PFD applications.

TABLE 1. ESTIMATES OF THE ELDERLY POPULATION OF ALASKA IN 1982 AND 1983

Year	Alaska Dept. of Labor ^a	Permanent Fund Dividend Program ^b	House Research Agency ^c
<u>Total Elderly Population</u>			
1982	13,920	14,800 ^d	--
1983	NA	15,900	14,605 (4.8 % growth) 14,725 (5.6 % ") 14,900 (6.8 % ")
<u>Elderly Population With At Least One-Year Residency</u>			
<u>Assumption: 2 percent annual in-migrants</u>			
1982	13,645	14,650 ^e	--
1983	NA	15,580	14,315 (4.8 % growth) 14,420 (5.6 % ") 14,600 (6.8 % ")
<u>Assumption: 4 percent annual in-migrants</u>			
1982	13,365	14,500 ^e	--
1983	NA	15,265	14,020 (4.8 % growth) 14,135 (5.6 % ") 14,305 (6.8 % ")

a Alaska Population Overview 1982. Alaska Department of Labor, 1983.

b Source: Alaska Department of Revenue, Research Section.

c The projections are based on a series of average annual growth rates computed from the Department of Labor's annual population data from 1970 - 1982. The average rates correspond with the following periods: 1977 - 1982 (5 percent), 1970-1982 (6 percent), and 1980-1982 (7 percent).

d This figure represents the estimated number of successful 1982 applicants who were 6-month residents as of October 15, 1982.

e These estimates assume that one-half of the annual in-migrants have been captured by the dividend program under the 6-month residency requirement.

Alaska's Elderly Population Growth Rate

In 1982, Alaskans 65 years and older represented 3.0 percent of the state's total population, an increase from 2.3 percent in 1970. There are relatively few older persons in Alaska compared with the elderly nationwide (11.3 percent of the U.S. population in 1980). While Alaska's total population increased by roughly 50 percent during the period 1970 - 1982, the elderly ranks almost doubled. The state's population grew at an average annual rate of 3.4 percent, whereas the elderly segment increased an average of 6.0 percent each year. Furthermore, the growth rate of Alaska's elderly population between 1970 and 1980 was more than double the nationwide rate for the elderly.

A number of factors probably contributed to the rather dramatic increase in Alaska's aged population over the past 12 years:

1) A relatively large group of persons 55 - 64 years old has aged over the past decade, swelling the elderly ranks. Many of these people probably migrated to Alaska in earlier decades when they were in their 20's, 30's and 40's.

2) Death rates among middle-aged and older Alaskans have decreased due, in part, to improved health services in the state.

3) The historical out-migration of older Alaskans, particularly whites, has decreased as the state matures and greater social and health care amenities become available in-state.

4) The in-migration of older persons may have increased during the period. Not surprisingly, the major motivating factor for interstate migration of persons 55 years and older nationwide is to be closer to relatives⁶. Common sense suggests that the most likely reason for an aged couple or individual to move north to Alaska would be in order to live near or with their children or siblings.

The elderly population in Alaska is expected to sustain its healthy growth rate of the past decade into the future. Projections vary between approximately 4 and 6 percent annual growth through the remainder of this century⁷. On the other hand, growth projections for Alaska's total population to the year 2000 suggest annual growth rates between 1 and 2 percent, much lower than the average of over 3 percent

⁶ Reasons for Interstate Migration. U.S. Department of Commerce, Bureau of the Census, Special Studies Series P-23, No. 81, March 1979.

⁷ Mr. Dave Swanson, State Demographer, Alaska Department of Labor, Personal Communication, July 26, 1983 and Dr. Scott Goldsmith, Economist, Institute of Social and Economic Research, University of Alaska, Personal Communication, July 16, 1983.

during the period 1970 to 1982⁸. In light of the above projections, it is apparent that Alaska's elderly will probably represent at least 5 percent of the state's population by the year 2000. For instance, if annual growth rates of 5.0 percent (elderly population) and 1.5 percent (total population) are assumed, the elderly would represent 5.7 percent of Alaska's population in the year 2000, based on DOL's 1982 population estimates. The anticipated increase in Alaska's aged as a percentage of the total population mirrors national projections in which the elderly will increase to over 13 percent of the nation's population at the turn of the century.

Alaska's Elderly Population in the Future

Generating long-range population projections requires considerable understanding of Alaska's demographic and economic conditions which influence population levels. Underlying assumptions are crucial and often lead to quite different projections. Below we analyze some long-range projections of Alaska's population.

1. The U.S. Bureau of the Census presents a series of projections based on three patterns of age-specific migration: actual 1965-1975 migration, actual 1970-1975 migration, and hypothetical zero net migration⁹. The projections are based on Census data up to 1975; the 1980 Census data are not included¹⁰. The migration pattern of the elderly during the period 1965-1975 generates low growth in the elderly population, elderly migration during 1970-1975 produces moderate growth, and the zero net migration scenario shows high growth in the elderly

⁸ Mr. Tom C. Ester, Division of Strategic Planning, Office of Budget and Management, Personal Communication, August 3, 1983, and Man-in-the-Arctic Program Economic Modelling System Technical Documentation Report, Inst. for Social and Economic Research, University of Alaska, June 1983.

⁹ Hypothetical zero net migration implies that the number of persons who left the state equaled the number who moved to the state in a given period of time, resulting in zero change due to migration.

¹⁰ Illustrative Projections of State Populations by Age, Race and Sex: 1975 to 2000, U.S. Bureau of the Census, Current Population Reports, Series p-25, No. 796, March 1979.

population. The U.S. Bureau of the Census projections for the year 2000 are as follows:

<u>Elderly Growth Scenario</u>	<u>65 and Older Population</u>	<u>Elderly as a % of Total</u>	<u>Total Population</u>
Low ('65-'75 migration)	20,500	4.3 %	474,200
Moderate ('70 - '75 migration)	25,300	4.7 %	544,086
High (zero net migration)	40,500	7.6 %	534,300

We consider the elderly population projections under the low and moderate growth scenarios to be low given the tendency for Census data to be conservative and the fact that elderly migration patterns in the late 1960s and early 1970s probably overstate current out-migration. On the other hand, the projection of 40,500 elderly in the year 2000 (high growth scenario) may be high; out-migration will probably continue to exceed in-migration among older Alaskans.

2. The Department of Revenue developed projections of Alaska's population primarily to estimate the future number of Permanent Fund Dividend recipients over the short term (to FY85)¹¹. Revenue's projections are based on the actual growth in the number of adult PFD applicants between 1978 and 1979 (4.5 percent growth) and general assumptions regarding the juvenile population under 18 at the time. The total population was projected to be approximately 832,000 in the year 2000, implying an average growth rate of about 3.1 percent annually. As mentioned earlier, the future growth in Alaska is projected to be much lower, between 1 and 2 percent per year until the turn of the century. Given the intended short-range purposes and the limited nature of the data base, we recommend that Revenue's population projections not be used for the purpose of estimating the number of Alaskans eligible for the Longevity Bonus Program.

Revenue's population projection has formed the basis of the elderly population figures under CSSB 215. The 832,000 population figure for the year 2000 was used and three growth scenarios were developed to forecast the number of elderly in the population at that time¹².

¹¹ Ms. Mary Ellen Frank, Research Section, Alaska Department of Revenue Personal Communication, August 1, 1983.

¹² Mr. Bob Richardson, Actuary, Wm. Mercer, Inc. Personal Communication, July 29, 1983.

The following elderly population projections were generated for the year 2000:

<u>Elderly Growth Scenario</u>	<u>Elderly as a % of Total</u>	<u>65 and Older Population</u>	<u>Total Population</u>
Low	3.10 %	25,791	832,000
Moderate	4.55	37,854	832,000
High	6.00	49,918	832,000

Under the inflated total population projection, the Senate supporters of CSSB 215 chose to adopt the low growth scenario elderly population of 25,791 in the year 2000. In order for this projection to be accurate, the elderly growth rate would have to decline to about 3.4 percent annually from a current annual growth of approximately 6 percent and the total population would have to maintain a 3.1 percent annual growth rate, close to its recent 3.4 percent annual rate of growth. Both of these conditions would run counter to future projected growth. The elderly population, in fact, is projected to grow approximately 3 times faster than Alaska's overall population between now and the year 2000.

3. The Institute of Social and Economic Research (ISER) of the University of Alaska recently published a series of computer simulations forecasting the state's total population to the year 2010¹³. ISER's Man-in-the-Arctic (MAP) model forecasts are based on common underlying assumptions regarding future economic conditions in Alaska and differing assumptions regarding the levels of State petroleum revenues. Population forecasts range between approximately 578,000 and 688,000 in the year 2000. The base case simulation, which assumes a level of revenues consistent with the Department of Revenue's 50 percentile revenue projections for royalties and severance taxes, projects a population of 593,612 in the year 2000 (see Attachment B). This reflects an average annual growth rate of approximately 1.5 percent, which falls within the 1 to 2 percent range previously mentioned as the likely annual growth rate for the state's population until the turn of the century. Unfortunately, the ISER documentation does not provide age-specific population forecasts so there are no elderly population projections.

¹³Man-in-the-Arctic (MAP) Economic Modeling System Technical Documentation Report, Appendix N, ISER, University of Alaska. Prepared for Harza-Ebasco Susitna Joint Venture. June 1983.

In conclusion, we project Alaska's elderly population in the year 2000 under a series of average annual growth rates. Elderly growth rates between 4 and 6 percent per year are assumed, based on conversations with Mr. Dave Swanson, State demographer, and Dr. Scott Goldsmith of ISER. We assume a 1983 elderly population of 15,250, which is the midpoint of the 14,600 - 15,900 range we estimated earlier. Calculations of the elderly as a percentage of the total population are based on ISER's MAP model base case forecast of the total population in the year 2000 as we believe that this is the most reasonable projection of those reviewed.

<u>Average Annual Elderly Growth</u>	<u>65 and Older Population</u>	<u>MAP Model Total Population</u>	<u>Elderly as a % of Total</u>
4.0	30,100	593,612	5.1 %
4.5	32,170	593,612	5.5
5.0	35,680	593,612	6.0
5.5	38,845	593,612	6.5
6.0	42,290	593,612	7.1

It appears that Alaska's elderly population in the year 2000 will probably be 2 to 3 times its present size. With 5 percent annual growth, the midpoint of elderly growth rate projections, older Alaskans will number approximately 35,680 at the turn of the century. Elderly would represent 6 percent of the state's projected population, whereas today they represent only 3 percent of the population.

Elderly Population Increase Under the Longevity Bonus Program

Projecting the aged population in Alaska if a program existed which provided monthly cash payments to all elderly residents of at least one year rests upon an understanding of the migration patterns among elderly persons. While some Census data exist on a national level, relatively little information is available specifically about recent elderly Alaskan emigrants and immigrants. We present a number of factors which should be considered in a discussion of possible population increases due to the influence of a monthly cash payment program.

1) The elderly, as a group, are nonmovers. Census data between March 1975 and March 1980 indicate that less than 1 percent of persons 65 years and over moved across interstate lines into western states¹⁴.

¹⁴Geographical Mobility: March 1975 to March 1980, U.S. Bureau of the Census. Current Population Reports, Series P-20, No. 368, 1981.

Similarly, less than 1 percent of persons, aged 55 - 64 years, moved to or among the western states. In fact, 79 percent of elderly (65 and over) did not move at all during this 5-year period; 75 percent of persons 55 - 64 years old also did not move.

2) Major reasons cited by persons 55 and older for interstate migration in another Census Bureau national study were:¹⁵

To be closer to relatives	22.2 percent
Retirement	19.8 "
Change of climate	12.1 "
Other family reasons	11.2 "
Job transfer	6.0 "
New job or looking for work	4.9 "

3) A national study reports that older migrants tend to be separated or divorced, of low income, less educated, renters, in better health, and have earlier histories of mobility¹⁶

4) Historically, middle-aged and elderly age groups in Alaska have shown a net out-migration. During the period 1965 - 1970, three times as many persons 65 years and older left the state as immigrated¹⁷. Between 1970 and 1980, more whites 45 years and older left the state than entered¹⁸. Nonwhites of the same ages experienced a net in-migration, perhaps reflecting as has been suggested an increased pride of heritage among Alaska Natives and the settlement of the Alaska Native Claims which may have encouraged Natives to return to Alaska .

5) Despite existing incentives to encourage the elderly to remain in Alaska (e.g., Longevity Bonus Program, Property/Sales Tax Exemptions, and Pioneers' Home Program), many have continued to leave after retirement. Many probably seek places with a lower cost of living or a less severe climate. Others may chose to return to an area where they were born and may still have family.

¹⁵Reasons for Interstate Migration. U.S. Bureau of the Census, Special Studies Series P-23, No.8, March 1979.

¹⁶Handbook of the Psychology of Aging, J.E. Birren and K.W. Schaie, Eds, New York: Van Nostrand Reinhold Co, 1977.

¹⁷Interstate Migration in Alaska, Matthew Berman, ISER, University of Alaska. November 1982. Table 2.

¹⁸The Demand for the Juneau Pioneers' Home, Alaska Economics, Inc., December 1982.

6) As Alaska matures from a "frontier" area to a more established state, the migration patterns may change. The Alaska Department of Labor has developed a series of age-sex specific net migration patterns to be used when forecasting Alaska's future population. In general, the patterns suggest that a smaller net out-migration will occur among older age groups as the state continues to become more established. In other words, as more health services and social amenities become available in-state, more older Alaskans may chose to remain in Alaska after retirement.

7) According to a 1976 survey of Longevity Bonus and Old Age Assistance (OAA) recipients conducted by the Alaska Department of Health and Social Services, the bonus payment positively influenced some of the recipients' plans to remain in the state at that time¹⁹. Of those surveyed who received only the bonus, nearly one-third indicated that the bonus positively affected their decision to remain. About 5 percent of those surveyed who were dual recipients of the bonus and OAA stated that the bonus had a positive effect on their decision to stay. The Longevity Bonus had the greatest effect on those with a higher household income (at least \$1,000 per month) because the bonus provided enough additional money to enable them to maintain their present standard of living without leaving the state.

8) The high cost of living and cost of relocation are considerable disincentives for in-migration of older persons to Alaska, particularly for those who are retired and living on a relatively low fixed income. Substantial costs could be incurred prior to establishing the one-year residency required under a modified longevity bonus program. Table 2 shows the U.S. Bureau of Labor Statistics (BLS) data for Autumn 1981 comparing annual expenditures for a retired couple under three standards of living: low, intermediate, and high budgets. The table shows budgets for Anchorage and a U.S. average.

TABLE 2. ANNUAL BUDGET FOR A RETIRED COUPLE (Autumn 1981)

	<u>LOW</u>	<u>INTERMEDIATE</u>	<u>HIGH</u>
Anchorage	\$9,774	\$12,900	\$18,354
U.S. Average	\$7,226	\$10,226	\$15,078
Difference (% of U.S. average)	\$2,548 (35%)	\$ 2,674 (26%)	\$ 3,276 (22%)

Source: U.S. Department of Labor, Bureau of Labor Statistics.

¹⁹Alaska Longevity Bonus Impact Survey 1976, Alaska Department of Health and Social Services, Division of Public Assistance, 1976.

The annual budgets in Anchorage range from 22 to 35 percent above the U.S. averages, with the percentage difference highest for a low budget couple. BLS data are not available for other Alaska communities, but evidence from in-state cost differentials indicates that the gap between the U.S. averages and most other Alaska communities is even greater.

Census data for 1980 indicates that 36 percent of aged family units have household incomes below \$9,999, which approximates the above BLS data for a retired couple on a low annual budget in Anchorage in 1981. Nearly 50 percent fall below \$12,499, which roughly equals the BLS intermediate budget of \$12,900 in Anchorage. Additional information from the U.S. Department of Labor indicates that a Lower Living Standard for one person in Anchorage was \$8,260 in June 1982. Approximately 74 percent of elderly unrelated individuals reported an income below this figure in the 1980 Census. Therefore, it appears reasonable to assume that the cost of living in Alaska will, to some degree, act as a deterrent to many aged couples and individuals who might otherwise consider moving to Alaska in order to participate in a monthly cash payment program for the elderly.

In conclusion, we believe that the aged most likely to migrate to Alaska as a result of a cash payment program would be those with relatives already in the state. Living with relatives, either siblings or children, would certainly defray some of the initial and longer term costs involved. However, we do not foresee a dramatic influx of aged persons into established Alaska households under the stimulus of a cash payment program. In general, elderly prefer to live in their own households as long as possible and change their living arrangements primarily when their self-care capacity declines. Furthermore, aged persons may prefer to live with siblings or children closer to their familiar surroundings rather than uproot themselves to a, perhaps, quite foreign Alaskan environment.

A cash payment program widely available to elderly with one-year residency may very well reduce out-migration and may somewhat enhance in-migration of aged persons into Alaska. Available information on interstate migration, historical patterns of Alaska migration, socio-economic characteristics, and living preferences of aged persons suggest, however, that dramatic population increases solely on the basis of a cash payment program are unlikely. A considerable degree of speculation will surround this issue until, at the very least, a survey of recent older Alaskan emigrants and immigrants is conducted. Survey questions specifically addressing the reasons for their recent move would provide valuable information on this issue.

II. ELDERLY PUBLIC ASSISTANCE AND SOCIAL SECURITY RECIPIENTS

Questions: How many persons 65 and over in Alaska receive public assistance or Social Security? On the average, how much in public assistance or Social Security do the elderly receive per person? How does the percentage of elderly receiving public assistance compare with the percentage of the entire population receiving public assistance?

There are a number of public assistance programs available to older Alaskans. Table 3 provides a summary of the different programs, number of elderly recipients, and average benefits. Supplemental Security Income (SSI) and Old Age Assistance (OAA) are the major sources of monthly cash benefits to those receiving public assistance. Approximately 900 receive federally funded SSI and 2,300 receive State-funded OAA. Monthly benefits currently average \$238 (SSI) and \$236 (OAA). While SSI, with its lower income limits, provides a first source of public assistance to the truly needy, 700 aged SSI recipients also receive OAA benefits.

According to the Department of Health and Social Services, approximately two-thirds of the OAA recipients in October 1982 were rural residents and one-third lived in Anchorage, Fairbanks or Juneau. Approximately 64 percent of the OAA recipients were Native, 28 percent White, 2 percent Black, and 6 percent other or unknown.

In 1982, 10,210 Alaskans 65 years and older received Social Security payments under the retirees, survivors, and disability programs. Although current information regarding average benefits received by Alaskans is not available, monthly payments nationally in 1982 averaged: \$408 (retired worker), \$700 (aged couple both receiving payments), and \$378 (aged widow or widower).²⁰

The percentage of older Alaskans receiving public assistance cannot be determined exactly as the degree of overlap among aged recipients on all forms of public assistance is not readily identifiable. One approximate estimate is that the 2,500 recipients of SSI and/or OAA represent 18 percent of the 13,921 population estimate of the Department of Labor in 1982. In comparison, approximately 40,000 Alaskans (9 percent of Labor's 1982 total population estimate) receive monthly

²⁰Ms. Norma Eubanks, Service Rep, Social Security Administration, Juneau, Personal Communication, August 8, 1983.

TABLE 3. A SUMMARY OF PUBLIC ASSISTANCE PROGRAMS FOR ELDERLY RECIPIENTS IN ALASKA

Program Name	Program Description	Type of Benefit	Income Limit (Number of Persons)				Number of Elderly Alaskans	Average Benefit
			1	2	3	4		
Old Age Assistance	State payments to needy	monthly cash	\$546	802	n/a	n/a	approx. 2,300	\$236.70/mo.
Food Stamp	Federal funds designed to promote health & nutrition among low income homes	Food coupons	\$490	650	810	9, (net monthly income)	1,700	\$32/person (random sample of 10 elderly cases.)
Supplemental Security Income	federal funds to aged or disabled	Monthly cash	\$304	436	n/a	n/a	approx. 900	\$238/mo.
Energy Assistance	Federal block grant monies to low income households	Vendor home energy credit	\$851	1113	1375	1637 (net monthly income)	approx. 1,400	\$475
General Relief Medical	State funds for medical assistance, primarily drugs for Medicaid eligible elderly	Vendor payment	\$300	400	n/a	n/a (or same as SSI or OAA)	2,750 eligibles, approx. 30% use benefits	\$50/mo.
Medicaid-Nursing Home ¹	Cost of care payments for needy in nursing home 52% - state 48% - federal	Vendor payment	\$852.9	n/a	n/a	n/a	approx. 300	\$3,600/mo
Medicaid-Regular	Medicaid care payments for OAA recipients 52% - federal 48% - state	Vendor payment	\$546	802	n/a	n/a	approx. 2,300 eligible, approx. 940 use benefits each month	\$1,027/usage

¹ Excludes Alaska Psychiatric Institute and Harborview Developmental Center.

Source: Alaska Department of Health and Social Service, Division of Public Assistance. July 1983.

public assistance of all types²¹. The percentage of elderly Alaskans receiving OAA has declined since 1960 when 28.5 percent were recipients²². Nevertheless, the percentage of older Alaskans receiving public assistance is higher than the 10 percent aged nationwide who received public assistance in 1980²³.

III. LONGEVITY BONUS PROGRAM RECIPIENTS

Questions: What is the income distribution, ethnic composition, and geographic distribution of bonus recipients? What percentage are below the poverty line? What percentage of bonus recipients are receiving public assistance, and vice versa?

A total of 9,776 older Alaskans were qualified for longevity bonus payments in July 1983, with 96 percent actually receiving payments. As shown in Table 4, approximately 95 percent of the qualified recipients, on the average, received bonus payments each month in FY83. The percentage who receive payments varies seasonally, with the percentage dropping during the winter and early spring months--when some elderly spend time in warmer places--and peaking in the summer and fall.

The number of qualified recipients of the longevity bonus program grew about 7 percent in the past year. As Table 4 shows, the program witnessed an average net growth of 50 recipients per month last year. On the basis of reasonable 1983 population estimates considered in Section one of this report, somewhere between 61 percent (15,900 estimate) and 67 percent (14,605 estimate) of the aged Alaskans currently are qualified for bonus payments.

²¹Mr. Gordon Landes, Division of Public Assistance, Alaska Department of Health and Social Services, Personal Communication, August 8, 1983.

²²Old Age Assistance Study, Alaska Department of Health and Social Services, May 1966.

²³"Relative Importance of Various Income Sources of the Aged, 1980", Melinda Upp, Social Security Bulletin 36(1), January 1983.

TABLE 4. LONGEVITY BONUS RECIPIENTS: JULY 1982 - JULY 1983

<u>Month/Year</u>	<u>Qualified Recipients</u>	<u>Net Monthly Growth</u>	<u>Number Receiving Bonus</u>	<u>Percent of Total</u>
7/82	9124	--	8930	97.9 %
8/82	9191	67 persons	8960	97.5
9/82	9247	56	9006	97.4
10/82	9317	70	9020	96.8
11/82	9372	55	8987	95.9
12/82	9425	53	8896	94.4
1/83	9481	56	8843	93.3
2/83	9486	5	8741	92.2
3/83	9528	42	8750	91.8
4/83	9577	49	8895	92.9
5/83	9659	82	9144	94.7
6/83	9731	72	9352	96.1
7/83	9776	45	9426	96.4

Average Net
 Monthly Growth: 50 persons

FY83 Average: 95.1 %

Source: Longevity Bonus Program, Alaska Department of Administration

Unfortunately, current information about bonus recipients is rather limited. Applicants are required to provide their age and a mailing address; no data on income or race are collected. Table 5 presents an age distribution of bonus recipients in January 1983. Recipients range between 65 and 116 years old, with over two-thirds aged 65 - 74.

The geographic distribution of program recipients in June 1983 is summarized in Table 6. Approximately one-quarter of the qualified recipients live in Southeast, roughly 42 percent live in the Anchorage/Southcentral region, 18 percent in the Interior, and the remaining 15 percent reside in Northern and Western Alaska.

TABLE 5. AGE DISTRIBUTION OF LONGEVITY BONUS PROGRAM RECIPIENTS
 (January 7, 1983)

<u>Years</u>	<u>Number of Recipients</u>	<u>Percent of Total</u>
65-69	3,606	40.1 %
70-74	2,570	28.6
75-79	1,597	17.7
80-84	786	8.7
85-89	293	3.3
90-94	111	1.2
95 and older	37	0.4

Source: Longevity Bonus Program, Alaska Department of Administration

TABLE 6. GEOGRAPHIC DISTRIBUTION OF LONGEVITY BONUS RECIPIENTS
 (June 28, 1983)

<u>Region</u>	<u>House Districts</u>	<u>Number of Qualified Recipients</u>	<u>Percent of Total</u>
Southeast	1-4	2,395	24.5 %
Southcentral/ East Peninsula	5,6,16,27	1,559	15.9 %
Anchorage vicinity	7-15	2,540	26.0 %
Interior	11-21,24	1,781	18.2 %
Northern	22	380	3.9 %
Western	23,25,26	<u>1,121</u>	<u>11.5 %</u>
TOTAL		9,776	100.0 %

Source: Longevity Bonus Program, Alaska Department of Administration

Detailed summaries of longevity bonus program recipients by age and House District are presented in Attachment C.

The previously mentioned 1976 survey of recipients of the Longevity Bonus (LB) and Old Age Assistance (OAA) provides the only available information on the racial composition and income of bonus recipients²⁴. The survey targeted three groups of recipients: OAA-only, dual OAA/LB, and LB-only. At that time, 56 percent of all bonus recipients surveyed were Native and 44 percent were non-Native. Nearly 76 percent of the dual OAA/LB recipients surveyed had incomes (including their spouse's) below \$420 per month²⁵. In addition, the overwhelming majority (83 percent) of the LB-only recipients surveyed had monthly incomes (including their spouse's) under \$1,000. It appears that, at least in 1976, the incomes of the majority of bonus recipients were certainly not high.

An additional survey of bonus recipients conducted by the Department of Law in 1982 cannot be considered representative of all the program's recipients because the survey specifically targeted needy recipients. Furthermore, preliminary results of the survey with regard to income are confusing because some respondents included their spouse's income while others did not.

We were unable to accurately determine the percentage of current bonus recipients who are below the poverty line because of the lack of income data for program participants. The Census data provide a frame of reference, indicating that 13 percent of older Alaskans lived below the federal poverty level in 1980. However, there were considerable regional differences in elderly income within Alaska. Less than 11 percent of Alaskans (60 years and older) in Southeast, Interior and Anchorage lived below the poverty level, whereas approximately 28 and 34 percent had incomes below the poverty level in Northwest and Southwest Alaska, respectively²⁶. In comparison, about 15 percent of the elderly nationally had incomes below the poverty level in 1980. One is cautioned, however, about making definite statements with respect to income as an absolute measure of poverty status in Alaska because of the reliance on a subsistence (non-cash) economy, to a considerable degree, in rural Alaska.

The previously mentioned 1981 University of Alaska survey of Alaskans 60 years and over provides a measure of the degree of importance the longevity bonus holds as an income source for the elderly. This survey

²⁴Alaska Longevity Bonus Impact Survey, Alaska Department of Health and Social Services, 1976

²⁵The income limit for an aged couple receiving Old Age Assistance in 1975 was \$420 per month.

²⁶A New Beginning for Older Alaskans: A Comprehensive Statewide Plan and Management Information System, Segment One, Hall & Associates, Inc., 1982.

reports a marked regional difference in the dependency of older persons on the bonus payments as their major source of income. Three percent of those surveyed in Southeast and Southcentral relied on the bonus payment as their major income source. On the other hand, 41 and 66 percent of the persons surveyed in Southwest and Northwest respectively indicated a primary dependency on the monthly bonus payments. These percentages should be viewed as only rough approximations because the survey included individuals aged 60 to 64 years who are more likely to still be employed. Also, the survey sample overrepresented women and Natives; elders of these groups characteristically have lower incomes than either men or Whites.

Rough estimates by the Department of Health and Social Services suggest that between 50 and 70 percent of the aged currently receiving public assistance also receive longevity bonus payments²⁷. Longevity bonus information is not consistently collected on Old Age Assistance applications because the bonus is not considered income for the purposes of OAA eligibility. Information from the 1976 longevity bonus impact survey indicates that about 77 percent of the OAA recipients received bonus payments at that time. Conversely, about 28 percent of the bonus recipients received OAA payments in 1976. The Longevity Bonus Program within the Department of Administration is not able to provide this sort of information about dual recipients because income data are not requested of applicants.

IV. LIFE EXPECTANCIES OF OLDER ALASKANS

Question: What are the life expectancies of Alaska's elderly?

Life expectancy data for older persons in Alaska are presented in Table 7. The life expectancies of older Alaskans are generally similar to those of the elderly nationwide. Aged females enjoy a longer life expectancy than aged males in Alaska and nationally. This difference in death rates between the sexes is expected to continue although it probably will not increase in the future.

Table 7 indicates that elderly Alaska males appear to have a lower life expectancy in all five-year age groups in 1980 when compared with 1970 data. The lower life expectancies shown for 1980 may, in part, be a result of larger numbers of elderly males remaining in Alaska or partially an artifact of the small population numbers. At this time,

²⁷Mr. Gordon Landes, Division of Public Assistance, Alaska Department of Health and Social Service, Personal Communication, July 8, 1983.

we do not believe that there is a significant trend toward lower life expectancy peculiar to older Alaska males.

TABLE 7. LIFE EXPECTANCY in YEARS of OLDER ALASKANS by AGE and SEX

Age	1970			1980		
	Total	Male	Female	Total	Male	Female
55-59	23.27	20.73	27.37	23.97	20.58	29.70
60-64	19.53	17.23	23.48	20.14	16.82	25.72
65-69	16.53	14.51	19.98	16.17	13.66	21.79
70-74	14.20	12.48	17.06	14.14	11.16	19.02
75 and over	11.49	10.13	13.77	11.35	8.41	16.08

Source: Alaska Population Overview 1982. Alaska Department of Labor, 1983.

Based on the life expectancy data for 1980 and the method of calculating life expectancies in five-year cycles, we estimated the approximate number of years that qualified individuals of certain ages might expect to receive longevity bonus payments. A 65-year old female might expect about 22 years of bonus payments, a 70-year old female 19 years of payments, and a 75 year old female, on the average, could expect payments for 16 more years. A male 65-years old might expect payments for about 14 years, a 70-year old man 11 years of payments, and a 75-year old man, on average, would enjoy 8 more years of longevity bonus payments.

In closing, we hope that this information will be useful. If we can provide any further assistance on this subject, please let us know. A separate Research Request (No. 83-204) will address the annual costs of various proposed modifications to the existing longevity bonus program.

GK

Attachments

ATTACHMENT A. ANNUAL ALASKA POPULATION DATA, 1970 - 1982

(Source: Alaska Population Overview 1982. Alaska Department
of Labor)

Table 11.1

PERSONS BY AGE AND SEX FOR
ALASKA, EACH YEAR: 1970 to 1982

Alaska

	July 1												
	1970	1971	1972	1973	1974	1975	1976	1977	1978	1979	1980	1981	1982
TOTAL PERSONS	308500	319600	329800	336400	348100	384100	409800	418000	411600	413700	419700	435200	460800
Under 5 years	32700	33570	34360	34720	35640	38800	41120	41600	40610	40510	40790	41980	44075
5 to 14 years	72290	72640	72690	71890	72160	76950	79570	78790	75330	73510	72390	72860	74830
15 to 64 years	196400	205890	214840	221540	231920	258700	278700	286650	284470	288050	294370	307420	327975
65 years & over	7110	7500	7910	8250	8730	9570	10410	10960	11190	11630	12150	12940	13920
FEMALES	139960	145540	150780	154340	160320	177520	190680	194640	192480	194190	197730	206030	219160
Under 5 years	15900	16370	16750	16910	17350	18930	20020	20260	19760	19710	19830	20430	21400
5 to 14 years	35330	35530	35520	35120	35210	37550	39280	38370	36660	35770	35210	35440	36400
15 to 64 years	85640	90310	94960	98540	103740	116530	126380	130720	130580	132920	136590	143510	154020
65 years & over	3090	3330	3550	3770	4020	4510	5000	5290	5480	5790	6100	6650	7340

ATTACHMENT B. MAN-IN-THE-ARCTIC (MAP) MODEL POPULATION
PROJECTIONS TO THE YEAR 2010 UNDER A BASE CASE SCENARIO

(Institute of Social and Economic Research,
University of Alaska. June 1983)

TABLE N.8. SIMULATION CASE: DEPARTMENT OF REVENUE 50%
Part D
Population
(thousands)

	State	Railbelt	Greater Anchorage	Greater Fairbanks
1982	437.175	307.105	239.830	67.277
1983	457.836	319.767	251.057	68.711
1984	473.750	330.199	259.677	70.523
1985	486.327	339.204	267.539	71.666
1986	499.149	346.988	274.031	72.957
1987	508.054	352.021	277.833	74.190
1988	516.259	356.992	281.952	75.041
1989	523.255	363.345	287.469	75.877
1990	533.184	371.539	294.078	77.461
1991	535.306	372.958	295.108	77.850
1992	550.842	382.528	303.978	78.551
1993	557.199	385.835	306.233	79.602
1994	559.519	389.212	308.219	80.994
1995	563.529	391.838	310.628	81.210
1996	569.216	395.991	314.124	81.868
1997	575.498	401.438	318.628	82.810
1998	581.204	406.133	322.491	83.642
1999	587.213	411.184	326.660	84.524
<u>2000</u>	<u>593.612</u>	<u>416.622</u>	<u>331.082</u>	<u>85.540</u>
2001	599.998	422.232	335.608	86.625
2002	606.741	428.069	340.351	87.718
2003	614.511	434.441	345.608	88.834
2004	622.832	441.222	351.177	90.045
2005	631.699	448.422	357.087	91.336
2006	641.101	456.103	363.376	92.727
2007	651.071	464.117	369.933	94.184
2008	661.676	472.628	376.894	95.735
2009	672.544	481.306	383.955	97.352
2010	684.180	490.620	391.560	99.060

SOURCE: MAP MODEL OUTPUT FILES HE.9 AND HER.9
VARIABLES: POP, P.IR, P.AG, AND P.FG

NAME OF HOUSE DISTRICT	HOUSE DIST NO.	TOTAL WARRANTS FOR MONTH NO.	QUALIFIED RECIPIENTS		BONUS PAYMENTS FOR THIS MONTH		QUALITIES RECEIVING PAYMENTS		BONUS PAYMENTS THIS FISCAL YEAR		BONUS PAYMENTS SINCE INCEPTION	
			NO.	%	NO.	%	NO.	%	AMOUNT	%	AMOUNT	%
KETCHIKAN-PETERS	01	961	939	9.61	891	9.45	94.89	2,027	225,250.00	9.34	2,524,350.00	2.8
INSIDE PASSAGE-CORDOVA	02	361	363	3.71	351	3.72	96.69	812	90,250.00	3.74	4,795,075.00	5.3
BARANOF-CHICAGOFF	03	378	383	3.92	372	3.95	97.13	850	94,500.00	3.92	5,567,750.00	6.2
JUNEAU	04	698	710	7.26	683	7.25	96.20	1,570	174,500.00	7.23	8,539,000.00	9.5
KENAI-COOK-INLET	05	487	496	5.07	482	5.11	97.18	1,095	121,750.00	5.05	5,444,325.00	6.0
NORTH KENAI-SOUTH COAST	06	224	226	2.31	216	2.29	95.53	504	56,000.00	2.32	2,817,750.00	3.1
ANCHORAGE-SOUTH	07	68	64	.65	62	.66	93.83	153	17,000.00	.70	792,300.00	.8
ANCHORAGE-HILLSIDE	08	139	140	1.43	139	1.47	99.29	312	34,750.00	1.44	1,433,650.00	1.6
ANCHORAGE-SAND LAKE	09	127	129	1.32	122	1.29	96.57	285	31,750.00	1.32	1,271,525.00	1.4
ANCHORAGE-MIDTOWN	10	315	319	3.26	310	3.29	97.18	708	78,750.00	3.26	3,525,025.00	3.9
ANCHORAGE-NFST SIDE	11	383	391	4.00	369	3.91	94.37	861	95,750.00	3.97	4,085,100.00	4.5
ANCHORAGE-DOWNTOWN	12	964	983	10.06	940	9.97	95.63	2,169	241,000.00	9.99	2,035,500.00	2.2
ANCHORAGE-MT. VIEW-UNIV.	13	241	236	2.41	232	2.46	98.31	542	60,250.00	2.50	2,509,525.00	2.8
MULDOON	14	134	139	1.42	130	1.38	93.53	361	33,500.00	1.39	1,228,300.00	1.3
CHUGIAK-EAGLE RIVER	15	135	139	1.42	131	1.39	94.24	303	33,750.00	1.40	1,446,450.00	1.5
MATANUSKA-SUSITHA	16	601	605	6.19	587	6.23	97.02	1,352	150,250.00	6.23	7,345,950.00	8.2
ANCHORAGE-INT. HIGHWAYS	17	271	270	2.76	264	2.80	97.78	609	67,750.00	2.81	3,304,650.00	3.6
SOUTHEAST NORTH STAR	18	27	28	.29	27	.29	96.43	60	6,750.00	.28	366,050.00	.4
OUTER FAIRDANKS	19	36	38	.39	36	.38	94.74	81	9,000.00	.37	595,325.00	.6
FAIRBANKS CITY	20	967	989	10.12	955	10.13	96.56	2,175	241,750.00	10.02	1,502,625.00	1.6
WEST FAIRBANKS	21	50	50	.51	50	.53	100.00	112	12,500.00	.52	579,375.00	.6
NORTH SLOPE-KOTZEBUE	22	379	380	3.89	375	3.98	93.68	852	94,750.00	3.93	5,282,700.00	5.9
NORTON SOUND	23	455	449	4.59	436	4.63	97.10	1,023	113,750.00	4.72	6,065,250.00	6.7
INTERIOR RIVERS	24	407	406	4.15	394	4.18	97.04	915	101,750.00	4.22	5,283,125.00	5.9
LOWER KUSKOKWIM	25	398	390	3.99	380	4.03	97.44	895	99,500.00	4.12	4,524,625.00	5.0
BRISTOL BAY-ALEUTIANS	26	277	282	2.88	269	2.85	95.74	623	69,250.00	2.87	3,658,475.00	4.0
KODIAK-EAST ALASKA	27	227	232	2.37	223	2.37	96.12	510	56,250.00	2.35	2,989,625.00	3.3
TOTAL		9,650	9,776	100.00	9,426	100.00	96.43	21,699	2,412,500.00	100.00	89,525,400.00	100.0

ALBS RECIPIENT AGE BREAK DOWN
AGES NUMBER

65	682
66	732
67	771
68	736
69	685
70	596
71	566
72	538
73	460
74	410
75	389
76	342
77	350
78	291
79	225
80	220
81	187
82	168
83	104
84	107
85	76
86	68
87	53
88	56
89	40
90	46
91	26
92	19
93	16
94	4
95	7
96	6
97	6
98	4
99	6
100	2
101	1
102	2
103	1
104	0
105	0
106	0
107	0
108	0
109	0
110	0
111	0
112	1
113	0
114	0
115	0
116	1



ALASKA STATE LEGISLATURE
HOUSE OF REPRESENTATIVES
RESEARCH AGENCY

Pouch Y. State Capitol
Juneau, Alaska 99811
(907) 465-3991

September 14, 1983

MEMORANDUM

TO: Representative Hugh Malone

FROM: Gretchen Keiser, Legislative Analyst *G. Keiser*

RE: Basic Information on Alaska's Elderly Population
Research Request 83-203 (Additional Information)

Two additional pieces of information have come to my attention regarding Alaska's elderly population since submitting Research Request No. 83-203 on August 31, 1983:

1) Following her review of our August 31, 1983 memorandum, Ms. Marion Shafer (Administrator of the Longevity Bonus Program) informed me that 1979 data exist which document the ethnic composition of bonus recipients. Approximately 30 percent of the recipients were Native and 70 percent were non-Native at that time. This differs quite markedly from the 1976 information (56 percent Native and 44 percent non-Native) reported in the August 31, 1983 memorandum. The 1979 data were obtained by comparing the names of qualified bonus recipients with a BIA tape of Native enrollees, as a result of a case filed with the Alaska Human Rights Commission. Although no current ethnic data exist, Ms. Shafer estimates that the majority of the bonus recipients are non-Native at this time.

2) We just received a set of provisional population projections for 1990 and the year 2000 recently published by the U.S. Bureau of the Census (July 1983). The projections are based on preliminary estimates of net migration between 1970 and 1980. If these estimated rates of net migration (computed by age and sex) for the 1970 to 1980 period were to continue unchanged, Alaska's elderly population is projected to be 24,700 in the year 2000. This projection approximates closely the Bureau's earlier moderate growth projection of 25,300 elderly by the year 2000 discussed in our August 31, 1983 memorandum (pages 10 and 11). We continue to consider this to be a low projection of Alaska's future elderly population given the undercounting bias of the 1980 Census data upon which this is based. Furthermore, using estimates of migration patterns among elderly to and from Alaska between 1970 and 1980 to project population probably overstates elderly migration out of Alaska in the future.

We hope that this information will prove useful to you. We will continue to keep you informed of any additional data regarding Alaska's elderly which become available.