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516

STATE OF ALASKA 1984 LEGISLATIVE SESSION
FISCAL NOTE

Revision Date: _____

REQUEST

Bill/Resolution No.: SB 516
 Title: An Act establishing a
Vietnam Veterans Bonus
 Sponsor: Senate L & C. Committee
 Requestor: Sponsor
 Date of Request: _____

FISCAL DETAIL

Agency Affected: Commerce & Economic Development
 Program Category Affected: _____
Development
 BRU, Program or Subprogram(s) Affected: _____
Investments

EXPENDITURES/REVENUES: (Thousands of Dollars)

	FY 84	FY 85	FY 86	FY 87	FY 88	FY 89
OPERATING						
100 PERSONAL SERVICES		17.7				
200 TRAVEL		0.0				
300 CONTRACTUAL		2.5				
400 SUPPLIES		.3				
500 EQUIPMENT		3.9				
600 LAND & STRUCTURES						
700 GRANTS, CLAIMS		774.0				
900 MISCELLANEOUS						
TOTAL OPERATING		798.4				
CAPITAL						
REVENUE						

FUNDING: (Thousands of Dollars)

GENERAL FUND		798.4				
FEDERAL FUNDS						
OTHER						
TOTAL						

POSITIONS:

FULL-TIME						
PART-TIME						
TEMPORARY /Part-time		1.0				

SOURCE OF FUNDS TO OFFSET FISCAL IMPACT OF BILL:

ANALYSIS: Attach a separate page for analysis

See attachment.

Prepared By: Paul B. Arnoldt, Director
 Division: Investments

Phone: 465-2510
 Date: 3/11/84

Approved by Commissioner: Richard A. Lyon
 Agency: Commerce and Economic Development

Date: 3/22/84

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

12/1/83

FISCAL NOTE ANALYSIS
SB 516

700 Line

Statistics from the Veterans Administration (VA) indicate that there are approximately 23,000 Vietnam era veterans living in Alaska. This figure, however, must be adjusted downward to account for the following circumstances:

- A. Not all individuals serving in the armed forces during this period served under circumstances qualifying for award of the Vietnam Service Medal;
- B. Many veterans who served in Vietnam and now live in Alaska were not Alaskan residents at the time they were inducted into the service.

VA statistics indicate that approximately 32.1% of all Vietnam era veterans served in Vietnam and earned the Vietnam Service Medal. The percentage estimate would have to be applied to the number of Vietnam era veterans living in Alaska to develop an estimate of the number of individuals earning the Vietnam Service Medal in the State.

Estimating the number of Vietnam veterans who were residents of Alaska at the time of induction into the service is more difficult. Determining the number of men drafted into the service from Alaska would omit individuals who enlisted in the service. Further, statistics on the relative degree of migration that has occurred to Alaska following the Vietnam conflict are not easily available.

However, data gathered as part of the 1979 Permanent Fund Dividend program provides some useful information: the number and percentage of individuals applying for permanent fund dividends, by age, who list an "Alaskan source" for their social security number. In general, individuals would have already received a social security number by the time they entered the service and obtaining such a number would fairly approximate the age at which individuals became eligible for military service. While research tends to suggest that these figures may understate the number of Alaskan residents (some individuals may have obtained a social security number and subsequently moved to Alaska), the data gathered should be a useful tool in estimating individuals that resided in Alaska at the time of induction.

In 1980, 61% of Vietnam veterans were from 25 to 34 years of age. It is assumed for these purposes that the remaining 39% were from 35 to 44 years old.

Use of this data produces the following calculations:

23,000	Vietnam Era Veterans in Alaska (1982)
X 32.1%	Vietnam Service Medal percentage
<u>7,383</u>	Veterans in Alaska earning the Vietnam Service Medal

7,383	
X 61% (ages 25-34)	
<u>4,504</u>	

7,383	
X 39% (ages 35-44)	
<u>2,879</u>	

4,504	
X 33.3%	Percentage with Alaskan
<u>1,500</u>	source Social Security
	numbers, ages 25-34

2,879	
X 22.6%	Percentage with Alaskan
<u>650</u>	source Social Security
	numbers, ages 35-44

1,500	
+ 650	
<u>2,150</u>	Estimated total eligible individuals
X \$300	Average payment (\$25 per month of service in Vietnam;
	assume 12 month average tour in Vietnam.)
\$650,000	Estimated payments cost
<u>129,000</u>	Plus 20% contingency*
\$774,000	Budget Estimate

*Contingency reflects concern that use of Alaskan source Social Security numbers may tend to understate the number of individuals who were residents at the time of induction to the service.

100 Line - \$17,673

Processing approximately 2,150 applications for bonuses under the program will require additional staff time. It is anticipated, however, that most applications can be processed rapidly as all necessary information will be contained on an applicant's DD-214. Other applications, which contain problems with Alaska residency or length of Vietnam service, will require additional processing time. Development of controls to verify length of service will take additional time. Given that applications would be received over a period of months and that the program is for a one-time payment, retention of a temporary, part-time employee is proposed.

300 Line

Printing and layout of Application:	\$ 500
Newspaper advertising regarding program:	<u>\$ 2,000</u>
Total 300 line:	\$ 2,500

400 Line

Office supplies associated with program:	\$ 300
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500 Line

Work station for employee:	\$3,890
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1.	POSITION TITLE Documents Processing Clerk IV			RANGE/STEP 12A	BARG. UNIT G	FORM 12 PAGE/LINE	GOV.	APPROV.	DISAPP.
2.	TYPE OF POSITION TPT	STAFF MONTHS 12	RP NUMBER	PCN NUMBER	BRU PRIORITY	LOCATION Juneau	ELECTION DISTRICT	LEG.	
3.	CONTINUATION LEVEL			ADDITION	X				
4.	TYPE OF EXPENDITURE			AMOUNT					
	1	2	3						
	PERSONAL SERVICES								
5.	Salary	12,204							
6.	Benefits	5,469							
7.	Supplemental Benefits								
8.	Fixed Benefits								
9.	TOTAL PERSONAL SERVICES	01	17,673						
10.	Travel	02	0						
11.	Contractual	03	2,500						
12.	Commodities	04	300						
13.	Equipment	05	3,890						
14.	Other								
15.	TOTAL COST		24,363						
JUSTIFICATION									
<p>Processing of the estimated 2,150 applications under this program will require additional personnel. Given the one-time nature of this payment, retention of a temporary employee is preferable to a permanent employee. Additionally, a full-time employee would be unnecessary. A temporary, part-time position is proposed to handle most of this program under the general supervision of the regional loan manager and the division director. The employee would receive and record all applications, make eligibility determinations based on guidelines established by the division director, develop and apply a verification process for eligibility, correspond with applicants, ensure disbursement of bonus funds for eligible applicants.</p>									
16.	RECEIPT CODE	FUNDING SOURCE							
17.		Federal Receipts	1002						
18.		G.F. Match	1003						
19.		General Funds	1004	24,362					
20.		I-A Receipts	1005						
21.		Program Receipts	1028						
		Other							
FOR BSM USE ONLY									
4A KEY NUMBER _____									

13 REQUEST FOR
NEW POSITION

AGENCY Commerce & Economic Development
PROGRAM Development
BRU Investments
COMPONENT _____

FY 85

Page 1 of 1
Revised Date _____

SB 516 TITLE & SPONSOR SUMMARY

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AMENDED TITLE:

AN ACT ESTABLISHING A VIETNAM VETERANS' GONUS

PRIME SPONSOR: SENATE LABOR&COMM COMMITTEE.

CO-SPONSORS:

CURRENT STATUS: 3/01/84 IN (S) LABOR & COM REFERRAL: FINANCE

SB 516 SENATE ACTION 14 37 5/22/84 PAGE 2 OF 2

DATE SEQ PAGE LEGISLATIVE ACTION

DATE	SEQ	PAGE	LEGISLATIVE ACTION
03/01/84	01	2227	FIRST READING -- COMMITTEE REPORTS LABOR & COMMERCE FINANCE RULES

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Paul Faulkner
United Veterans
Ak

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99503

277-7472

omit line 15

Vets Admin. — (based on census)
1980

43,500

50,000 total in Alaska

23,000	
9,000	
11,000	
- 500	
<u>43,500</u>	
██████████	Vietnam
	Korea
	WUII
	WUI

can b/c. down by areas

Vernessa
Mangt. Analyst
271-4567