

SB

10



10 January 1985

**FILE COPY**

*Tim*  
Dear ~~Senator Kelly~~:

The soldiers of the Alaska Army National Guard join me in expressing our appreciation to you for the introduction of Senate Bill 10 which would increase retirement benefits for the Alaska National Guard and the Alaska Naval Militia. Alaska's National Guard is growing at an unprecedented rate in both strength and capability. This is due in large measure to the great support provided by legislators such as you.

Thank you, and if I can be of assistance to you, please give me a call.

Sincerely,

JOHN V. HOYT  
Brigadier General, AK ARNG  
Asst Adjutant General (Army)

Senator Tim Kelly  
Alaska State Legislature  
Pouch V  
Juneau, Alaska 99811

Talk to  
Answer

Legislation Committee Report - CMSgt Steve February, HQ AK ANG

Last year the Alaska National Guard Enlisted Association was instrumental in passage of Alaska State House Bill Number 498 - relating to military retirement benefits. A member who has at least five years service in the Alaska National Guard is now vested in the Alaska National Guard State retirement.

The 1985 Legislature session will convene in January 1985 and the Legislation Committee needs your help in establishing priority legislation for the 1985 session.

Please number the following items in the priority you would like to see passed this upcoming Legislature session. After completion, please send to the Legislation Committee.

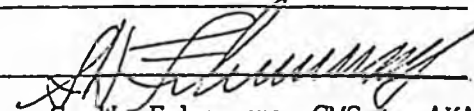
Priority Number

- 6 Distinctive license plates for Alaska National Guard personnel.
- 7 Unit Morale Support Fund - State to provide unit commanders \$10.00 per year for each enlisted member.
- 3 Veteran's Rights - Grant National Guard members who have successfully completed 5 years of guard membership the same veteran's rights and hiring preferences currently given other veterans.
- 4 Deceased Guardsman's Dependant Benefits - Grant free tuition to state institutions of higher learning for dependents of Alaska National Guard members who die in the line of duty.
- 5 Student Loan Forgiveness - Provide for loan forgiveness of 10% for every year of successful Alaska National Guard membership.
- 1 Alaska National Guard State Retirement - Increase the Alaska National Guard State retirement from \$100.00 per month to \$200.00 per month.
- 2 Tuition Exemption for Alaska National Guard - Provide for tuition exemption to Alaska state institutions of higher learning for all members of the Alaska National.

Other: \_\_\_\_\_

Note: 1000 questionnaires were sent out, 652 were returned.

Listed above is the results of the survey for priority legislation for the Alaska National Guard Enlisted Association for 1985.

  
S. W. February, CMSgt, AKANG  
Chairman Legislation Committee

Rationale' and Fiscal Justification  
To accompany HB \_\_\_\_\_

Obtaining and retaining good, qualified and dedicated people in the Alaska Air and Army National Guard and the Naval Militia, is an increasingly difficult task as the rates of pay and conditions accompanying civilian employment opportunities outstrip the US Congress' and the Department of Defense's efforts to align military pay rates. This is doubly true in Alaska where there is no additional "cost of living allowance" given to reserve members for their weekend duty; they receive the same pay as their counterpart in Tennessee or Texas.

Obtaining and retaining good, qualified and dedicated people in the Alaska Air and Army National Guard and Naval Militia is in the very best interests of the State and its citizens. Over and over again it has been demonstrated that the men and women of these fine units, scattered all over the State, have been available, trained and equipped to assist in disasters and times of physical strain on the State's infrastructure. The Air Guard with perhaps the most ideally suited mission and aircraft, is prepared 24 hours a day to assist in earthquake recovery, flood recovery, evacuations, emergency delivery of supplies, equipment and people almost anywhere, with factory new Lockheed C-130H "Hercules" aircraft.

The Army Guard's numerous missions throughout the state, equipped with severe climate cross-terrain capabilities as well as helicopter and fixed wing aircraft, has come to the rescue in large and small scale emergencies countless times.

All these assets, nearly 4,000 men and women and hundreds of millions of dollars worth of transportation, communications and support equipment and supplies are all placed in the State by Federal sources utilizing Federal funds. State support of these forces is miniscule to scale both with the benefits and the actual resources expended...yet they are all under the peace-time control of the Governor; directed daily by the Governor's Commissioner of the Department of Military Affairs - The Adjutant General.

Alaska has a highly transient population. It also has a high percentage of military residents at any given time. The skills and dedication are available if they can but be enticed to participate. Military people completing a partial career in the regular USAF and ARMY obtain release from the service to remain in Alaska in great numbers. Their skills and experience with say a 10-year career, are of great value to Alaska, and can be obtained and placed in reserve at minimal cost.

Because military pay levels are set by Congress and the Department of Defense, some other method must be developed. This method is the existing State military retirement program, a matter of law since 1972. The rate was \$50 at that time, changing to \$100/month in 1980. It has remained at \$100 for over four (4) years now.

It is important to point out that the fiscal impact is relatively minor, even though the appeal is universal and of great recruiting and retention value. The reason is because the enabling statute correctly limits the monthly retirement payments to the same number of months that the member served satisfactorily. This means that a prior service person with 10 years of regular service, joining the Alaska National Guard or Naval Militia, and then completing another ten (10) years, would receive payments only for the second 10 years; WE RECEIVE THE BENEFIT OF THE FIRST TEN (10) AT NO COST WHATSOEVER!

The amount of the monthly retirement payment was insufficient when first created, as the fiscal climate in the state was no where as developed as it is now. \$100.00 is of decreasing value, and is even below the monthly allowable individual retirement account (IRA) contribution limit allowed by the IRS.

There are currently 346 men and women retired and qualified for

**STATE OF ALASKA 1985 LEGISLATIVE SESSION  
FISCAL NOTE**

Revision Date: \_\_\_\_\_

**REQUEST**

Bill/Resolution No.: SB 10  
 Title: National Guard/Naval Militia Retirement Benefit  
 Sponsor: Kelly, Halford, Sackett,  
Requestor: Faiks, & Kertulla  
 Date of Request: 15 January 1985

**FISCAL DETAIL**

Agency Affected: Military & Veterans Affairs  
 Program Category Affected: Public Protection  
 BRU, Program or Subprogram(s) Affected: Alaska National Guard  
Life & Property Protection

**EXPENDITURES/REVENUES: (Thousands of Dollars)**

|                        | FY 85 | FY 86 | FY 87 | FY 88 | FY 89 | FY 90 |
|------------------------|-------|-------|-------|-------|-------|-------|
| <b>OPERATING</b>       |       |       |       |       |       |       |
| 100 PERSONAL SERVICES  |       |       |       |       |       |       |
| 200 TRAVEL             |       | 669.5 | 669.5 | 669.5 |       |       |
| 300 CONTRACTUAL        |       |       |       |       |       |       |
| 400 SUPPLIES           |       |       |       |       |       |       |
| 500 EQUIPMENT          |       |       |       |       |       |       |
| 600 LAND & STRUCTURES  |       |       |       |       |       |       |
| 700 GRANTS, CLAIMS     |       |       |       |       |       |       |
| 800 MISCELLANEOUS      |       |       |       |       |       |       |
| <b>TOTAL OPERATING</b> |       | 669.5 | 669.5 | 669.5 |       |       |

|                |  |  |  |  |  |  |
|----------------|--|--|--|--|--|--|
| <b>CAPITAL</b> |  |  |  |  |  |  |
|----------------|--|--|--|--|--|--|

|                |  |  |  |  |  |  |
|----------------|--|--|--|--|--|--|
| <b>REVENUE</b> |  |  |  |  |  |  |
|----------------|--|--|--|--|--|--|

**FUNDING: (Thousands of Dollars)**

|               |  |       |       |       |  |  |
|---------------|--|-------|-------|-------|--|--|
| GENERAL FUND  |  | 669.5 | 669.5 | 669.5 |  |  |
| FEDERAL FUNDS |  |       |       |       |  |  |
| OTHER         |  |       |       |       |  |  |
| <b>TOTAL</b>  |  |       |       |       |  |  |

**POSITIONS:**

|           |  |  |  |  |  |  |
|-----------|--|--|--|--|--|--|
| FULL-TIME |  |  |  |  |  |  |
| PART-TIME |  |  |  |  |  |  |
| TEMPORARY |  |  |  |  |  |  |

**ANALYSIS:** Attach a separate page if necessary

This would increase the National Guard/Naval Militia Retirement Benefit from \$100.00 to \$150.00 per month.

Prepared By: Richard L. Rountree, Director Phone: 465-4600  
 Division: Administrative & Support Services Date: 15 January 1985  
 Approved by Commissioner: MG Edward G. Pagano Date: 15 January 1985  
 Agency: Dept. of Military & Veterans Affairs

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

7/1/84

COMMITTEE REPORT  
SENATE

FURTHER: FINANCE

1/14/85

Date 1/22/85

Mr. President

The Committee on STATE AFFAIRS considered SB 10

increasing military retirement benefits for the Alaska National Guard and the Alaska Naval Militia.

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

- do pass
- do pass with attached amendment(s)
- replace with/or adopt CS for \_\_\_\_\_
- new title
- same title and recommends \_\_\_\_\_
- and attached a "LETTER OF INTENT"  NEW FISCAL NOTE
- reports it back <sup>as follows:</sup> ~~without recommendation~~
- recommends referral to \_\_\_\_\_ Committee

MEMBERS SIGNING  
DO PASS

MEMBERS HAVING  
OTHER RECOMMENDATIONS

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

\_\_\_\_\_  
*Seeley No rec*  
*V. Fischer No rec*  
\_\_\_\_\_  
\_\_\_\_\_

*Senator M. D. Alford*  
\_\_\_\_\_  
Chairman  
*Do Pass (as per available)*  
\_\_\_\_\_  
Chairman recommendation