HB

264

SENATE COMMITTEE REPORT

FURTHER: FINANCE

5/6/87

DATE TURNED INTO OFFICE 12 May 1987

Mr. President:

STATE AFFAIRS Committee considered HB 264

reenlistment bonus for members of the Alaska National Guard and Alaska Naval Militia; efd.

and recommended:

[ ] replace with CS FOR _____) [] same title
[ ] or adopt _____ CS FOR _____) [] new title

[ ] attached amendment(s) and

[✓] do pass

[ ] do not pass

[ ] no recommendation

[ ] individual recommendations

[ ] further referral to _____

[ ] letter of intent adopted _____

Committee [✓] attached or [ ] adopted fiscal note(s)
[ ] new [ ] updated or [✓] previous
[✓] zero [ ] fiscal impact

MEMBERS SIGNING DO PASS

(DO PASS)

OTHER RECOMMENDATIONS

Chairman signature and recommendation

[ ] Committee Backup Attached

STEVE COWPER
GOVERNOR

STATE OF ALASKA
OFFICE OF THE GOVERNOR
JUNEAU

April 9, 1987

The Honorable Ben Grussendorf
Speaker of the House
Alaska State Legislature
P.O. Box V
Juneau, AK 99811

Dear Representative Grussendorf:

Under the authority of art. III, sec. 18, of the Alaska Constitution, I am transmitting a bill relating to the reenlistment bonus for members of the Alaska National Guard and Alaska Naval Militia. The bill reduces the pool of members eligible to receive a reenlistment bonus, most significantly by eliminating from eligibility full-time employees of the National Guard and full-time employees of the Department of Military and Veterans' Affairs.

AS 26.05.265, as amended in 1983, provides for payment of a $500 bonus annually for each year of reenlistment, up to $3,000 for a member's entire service. AS 26.05.265(b). Certain members who were receiving the pre-1983 type of bonus, which was equal to 10 days' pay, were "grandfathered" into that bonus until they retired, resigned, or were otherwise discharged. Sec. 2, ch. 62, SLA 1983.

Section 1 of this bill makes federal employees who are full-time technicians or active guard reserve employees, and full-time employees of the Department of Military and Veterans' Affairs, ineligible to receive a reenlistment bonus. AS 26.05.265(c). Additionally, the bill amends AS 26.05.-265(b) to provide for pro rata payment of an annual bonus when a member becomes ineligible due to other amendments made by this bill, or when a member dies, is disabled, or is discharged from enlisted status to accept a warrant or commission as an officer.

Section 2 of the bill repeals the "grandfather" language of sec. 2, ch. 62, SLA 1983, finally discontinuing payment of the 10-days'-pay bonus.

I urge your favorable consideration of this measure.

Sincerely,

Steve Cowper
Governor

No. 1

STATE OF ALASKA 1987 LEGISLATIVE SESSION
FISCAL NOTE

Bill Version: HB 264
Publish Date: HOUSE 4/10/87

REQUEST:

Revision Date:
Title: Reenlistment Bonus for Members of the AKNG and AK Naval Militia
Sponsor:
Requestor: Governor

Agency Affected: Military & Veterans Affairs
BRU: Alaska National Guard Benefits
Components: Retention Benefits

EXPENDITURES/REVENUES: (Thousands of Dollars)

OPERATING	FY 87	FY 88	FY 89	FY 90	FY 91	FY 92
PERSONAL SERVICES						
TRAVEL						
CONTRACTUAL						
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING	-0-	-0-	-0-	-0-	-0-	-0-
CAPITAL	-0-	-0-	-0-	-0-	-0-	-0-
REVENUE	-0-	-0-	-0-	-0-	-0-	-0-

FUNDING: (Thousands of Dollars)

GENERAL FUND						
FEDERAL FUNDS						
OTHER						
TOTAL						

POSITIONS:

FULL-TIME						
PART-TIME						
TEMPORARY						

ANALYSIS: (Attach a separate page if necessary)

See attached

Prepared by: Richard L. Rountree, Director
Phone: 465-4600
Division: Administrative & Support Services
Date: 4/6/87

Approved by Commissioner: for MG John W. Schaeffer
Date: 4/6/87
Agency: Department of Military & Veterans Affairs

Distribution (by preparer):
- Legislative Finance
- Legislative Sponsor
- Requestor
- Office of Management and Budget
- Impacted Agency(ies)
- Senate Secretary

This program was funded at $484,400 during fiscal year 1987. A budget decrement for $304,000 has been submitted in the FY88 budget bringing the revised funding level to $180,400. This decrement has been submitted based on the elimination of the reenlistment bonus program for the National Guardsmen with over twelve years of service. The program will be maintained for those members in the seven to twelve year group where the program has proven most effective in retaining members.