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STEVE COWPER  
GOVERNOR



HB 369

STATE OF ALASKA  
OFFICE OF THE GOVERNOR  
JUNEAU

January 18, 1988

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 veterans.

Section 1 of the bill amends AS 18.56.101 to clarify that current members of the Alaska National Guard and of reserve units of the United States armed forces are eligible for the interest rate available to other veterans on Alaska Housing Finance Corporation loans.

Section 2 of the bill amends AS 39.25.150(19) to extend the veterans' preference for state employment and job retention to former armed service members who served during peacetime but who were exposed to the dangers of combat or armed hostilities in areas or conflicts such as Grenada or the Persian Gulf.

Sincerely,

A handwritten signature in black ink, appearing to read "Steve Cowper".

Steve Cowper  
Governor

FISCAL NOTE

REQUEST:

Revision Date: \_\_\_\_\_  
 Title: An Act Relating to  
Veterans  
 Sponsor: Rules Committee  
 Requestor: Governor  
 Agency Affected: Administration  
 BRU: Personnel  
 Components: Personnel

EXPENDITURES/REVENUES: (Thousands of Dollars)

OPERATING	FY 88	FY 89	FY 90	FY 91	FY 92	FY 93
PERSONAL SERVICES	0	0	0	0	0	0
TRAVEL	0	0	0	0	0	0
CONTRACTUAL	0	0	0	0	0	0
SUPPLIES	0	0	0	0	0	0
EQUIPMENT	0	0	0	0	0	0
LAND & STRUCTURES	0	0	0	0	0	0
GRANTS, CLAIMS	0	0	0	0	0	0
MISCELLANEOUS	0	0	0	0	0	0
TOTAL OPERATING	0	0	0	0	0	0

CAPITAL	0	0	0	0	0	0
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REVENUE	0	0	0	0	0	0
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FUNDING: (Thousands of Dollars)

GENERAL FUND	0	0	0	0	0	0
FEDERAL FUNDS	0	0	0	0	0	0
OTHER	0	0	0	0	0	0
TOTAL	0	0	0	0	0	0

POSITIONS:

FULL-TIME	0	0	0	0	0	0
PART-TIME	0	0	0	0	0	0
TEMPORARY	0	0	0	0	0	0

ANALYSIS : (Attach a separate page if necessary)

Publicizing of any changes created by this legislation and revision of application form in order to note changes can be accomplished within existing operating budget.

Prepared by: Diana DeSimone Phone: 465-4430  
 Division: Personnel Date: 12/18/87

Approved by Commissioner: John Andrews Date: 1/15/88  
 Agency: Department of Administration

Distribution (by preparer):

- Legislative Finance
- Legislative Sponsor
- Requestor
- Office of Management and Budget
- Impacted Agency(ies)

FISCAL NOTE

REQUEST:

Revision Date: January 19, 1988  
Title: An Act relating to veterans  
Sponsor: Rules Committee  
Requestor: Governor

Agency Affected: Military & Veterans Affairs  
BRU: Veterans Services  
Components: \_\_\_\_\_

EXPENDITURES/REVENUES: (Thousands of Dollars)

OPERATING	FY 88	FY 89	FY 90	FY 91	FY 92	FY 93
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) Passage of this bill will have no fiscal impact. The bill amends the definition of veteran for the purposes of: 1) granting employment preference rights for applicants for positions in the classified service of the State of Alaska; and 2) clarifying in statute that active members of the National Guard qualify to receive AHFC veterans interest rates.

Prepared by: Jeff Morrison Phone: 465-4600  
Division: Administrative & Support Services, DMVA Date: 1/19/88

Approved by Commissioner: MG John Schaeffer Date: 1/19/88  
Agency: Department of Military & Veterans Affairs

Distribution (by preparer):

- Legislative Finance
- Legislative Sponsor
- Requestor
- Office of Management and Budget
- Impacted Agency(ies)

FISCAL NOTE

REQUEST:

Revision Date: \_\_\_\_\_  
Title: An Act Relating to Veterans

Agency Affected: Revenue  
BRU: Alaska Housing Finance Corporation

Sponsor: Rules Committee/Governor  
Requestor: \_\_\_\_\_

Components: \_\_\_\_\_

EXPENDITURES/REVENUES: (Thousands of Dollars)

	FY 86	FY 87	FY 88	FY 89	FY 90	FY 91	FY 92	FY 93
<b>OPERATING</b>								
PERSONAL SERVICES	-	-	-	-	-	-	-	-
TRAVEL	-	-	-	-	-	-	-	-
CONTRACTUAL	-	-	-	-	-	-	-	-
SUPPLIES	-	-	-	-	-	-	-	-
EQUIPMENT	-	-	-	-	-	-	-	-
LANDS & STRUCTURES	-	-	-	-	-	-	-	-
GRANTS, CLAIMS	-	-	-	-	-	-	-	-
MISCELLANEOUS	-	-	-	-	-	-	-	-
<b>TOTAL OPERATING</b>	-	-	-	-	-	-	-	-
<b>CAPITAL</b>	-	-	-	-	-	-	-	-
<b>REVENUE</b>	-	-	-	-	-	-	-	-

FUNDING: (Thousands of Dollars)

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

POSITIONS:

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

ANALYSIS: (Attach a separate page if necessary)

Please see Bill Analysis as previously prepared.

Prepared By: Dr. Ronald Lehr Phone: (907) 276-5599  
Division: Alaska Housing Finance Corporation Date: February 6, 1988

Approved by Commissioner: Hugh Malone Date: February 8, 1988  
Agency: Department of Revenue

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

It is difficult to determine how much this measure would cost AHFC since it is difficult to estimate how many former and current Public Health Service (PHS) employees will take advantage of this program. Currently there are 250 PHS commissioned officers working in Anchorage. (Statewide figures were not immediately available.) If all took advantage of the program and qualified, at an average loan amount of \$110,000, a 1 percent subsidy would cost AHFC \$1.5 million.

If the bill was amended to extend the 1 percent preference interest rate to all active military with at least five years of service, again AHFC finds it difficult to determine just how much it would cost. However, the following is an estimate.

As of September 1986, there were 25,906 active military personnel, including Navy, Army, Air Force, Marines and Coast Guard - serving in Alaska. If one-third of those personnel, applied for, were qualified and received the subsidy, based on an average loan of \$116,000, the 1 percent subsidy would cost AHFC \$64 million.

It should be noted that the Fiscal Note columns all show zeros. The impact of this proposal would be on AHFC's Revolving Loan Fund.

Additional background and historical information is contained in the attached letter to the bill's sponsor, Representative Barnes.

FISCAL NOTE

REQUEST:

Revision Date: \_\_\_\_\_  
Title: HB 369: An Act  
Relating to Veterans  
Sponsor: \_\_\_\_\_  
Requestor: \_\_\_\_\_

Agency Affected: Revenue  
BRU: Alaska Housing Finance Corporation  
Component: \_\_\_\_\_

EXPENDITURES/REVENUES: (Thousands of Dollars)

OPERATING	FY 88	FY 89	FY 90	FY 91	FY 92	FY 93
PERSONAL SERVICES	0					
TRAVEL	0					
CONTRACTUAL	0					
SUPPLIES	0					
EQUIPMENT	0					
LAND & STRUCTURES	0					
GRANTS, CLAIMS	0					
MISCELLANEOUS	0					
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	0	0	0	0	0	0

POSITIONS:

FULL-TIME	0	0	0	0	0	0
PART-TIME	0	0	0	0	0	0
TEMPORARY	0	0	0	0	0	0

ANALYSIS (Attach a separate page if necessary)

Prepared by: Dr. Ronald D. Lehr  
Division: Alaska Housing Finance Corporation

Phone: 907-276-5599  
Date: 2/9/89

Approved by Executive Director: Ronald D. Lehr  
Agency: \_\_\_\_\_

Date: 2/8/88

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

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4/11/88

Original sponsor: Rules/Governor

1 IN THE HOUSE

BY THE STATE AFFAIRS COMMITTEE

2 SENATE CS FOR HOUSE BILL NO. 369 (State Affairs)

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 FIFTEENTH LEGISLATURE - SECOND SESSION

5 A BILL

6 For an Act entitled: "An Act extending eligibility for certain interest  
7 rates to certain members of the national guard or a  
8 reserve unit of the United States armed forces; and  
9 granting certain persons who have served in the armed  
10 forces of the United States an employment preference  
11 in the state service."

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

13 \* Section 1. AS 18.56.101 is amended to read:

14 Sec. 18.56.101. ELIGIBILITY FOR VETERANS' INTEREST RATES. The  
15 following persons are eligible veterans for the purposes of AS 18.56.-  
16 098(g) and (h):

17 (1) a person who served in the armed forces of the United  
18 States for 90 days or more, or whose service was for less than 90 days  
19 because of injury or disability incurred in the line of duty, after  
20 April 6, 1917, whose discharge was under honorable conditions;

21 (2) the widow or widower of a member of the armed forces or  
22 an eligible veteran if the member or veteran served in the armed  
23 forces for at least 90 days after April 6, 1917, and the veteran's  
24 discharge was under honorable conditions;

25 (3) a person who has served for not less than five years in  
26 the Alaska Army National Guard, or the Alaska Air National Guard, or a  
27 reserve unit of the United States armed forces if the reserve unit  
28 required, as a minimum, one weekend each month of duty and 15 consecu-  
29 tive days of active duty training each year and

- 1                   (A) whose discharge was under honorable conditions; or  
2                   (B) who is currently in an active status in the guard  
3                   or a reserve unit.

4 \* Sec. 2. AS 39.25.150(19) is amended to read:

5                   (19) the granting of employment preference rights to a vet-  
6                   eran not within the area of promotion, when the veteran possesses the  
7                   necessary qualifications in the job classification applied for under  
8                   this chapter; in an examination to determine the qualification of  
9                   applicants for entrance into the classified service under merit system  
10                  examination, five additional points shall be added to the passing  
11                  grade of a veteran and 10 additional points shall be added to the  
12                  passing grade of a disabled veteran, but the additional points may be  
13                  used only the first time the veteran obtains a position in the classi-  
14                  fied service; if a position in the classified service is eliminated,  
15                  employees shall be released in accordance with rules which give due  
16                  effect to all factors; if all job qualifications are equal, the veter-  
17                  an shall be given preference over the nonveteran and the veteran shall  
18                  be kept on the job; this paragraph may not be interpreted to amend the  
19                  terms of a collective bargaining agreement; in this paragraph

20                  (A) "veteran" means a person with 181 days or more  
21                  active service in the armed forces of the United States who has  
22                  been honorably discharged after having served during any period

23                         (i) between April 6, 1917, and December 1, 1919,  
24                         between September 16, 1940, and December 31, 1947, or be-  
25                         tween June 27, 1950, and October 14, 1976; or

26                         (ii) in which the person was awarded a campaign  
27                         badge or expedition medal, or the Purple Heart or other  
28                         award or decoration for heroism or gallantry in action;

29                  (B) "disabled veteran" means a veteran who is entitled

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to compensation under laws administered by the United States Veterans' Administration, or a person who was honorably discharged or released from active duty because of a service-connected disability;