

SB 152

SENATE FINANCE COMMITTEE REPORT

DATE: 3/6/91

FURTHER:

Date of 5-Day Notice: _____
(in accordance with Uniform Rule 23)

DATE TURNED INTO OFFICE: 3/12/91

The Finance Committee considered SSSB 152

Temporary grant program for certain individuals who served in active duty in the Persian Gulf or as a result of the Persian Gulf War; efd.

and recommended:

replace with _____ CS _____
 or adopt _____ CS _____
 attached amendment(s)
 _____ letter of intent adopted

same title
 new title
 technical title change (HB only)

- do pass
- do not pass
- no recommendation
- individual recommendations
- further referral to _____

ATTACHES NEW FISCAL NOTE(S):
Dept/Date:

fiscal note(s) _____
DOR 3-15-91 9734

zero fiscal note(s) _____

appropriation-no fiscal note

APPROVES PREVIOUS:
Dept/Date:

fiscal note(s) _____

zero fiscal note(s) _____

SIGNING DO PASS:

OTHER RECOMMENDATIONS:

[Handwritten signatures]
Rich (to PASS)

[Handwritten signature]
No Rec

1. *[Signature]* 2. *[Signature]* No pass
Co-Chairs: Signatures and Recommendations

FISCAL NOTE

STATE OF ALASKA
1991 LEGISLATIVE SESSION

BILL NO. SSSB 152

Revision Date: _____
Title: Persian Gulf Vets Bonus
Payments
Sponsor: Halford
Requestor: _____

Agency Affected: Revenue
BRU: Permanent Fund Dividend Division
Components: Permanent Fund Dividend
Division
COMPONENT SERIAL NO. 9 8 1

EXPENDITURES/REVENUES: (Thousands of Dollars)

	FY 92	FY 93	FY 94	FY 95	FY 96	FY 97
OPERATING						
PERSONAL SERVICES	1.8	-0-	-0-	-0-	-0-	-0-
TRAVEL	-0-	-0-	-0-	-0-	-0-	-0-
CONTRACTUAL	21.6	-0-	-0-	-0-	-0-	-0-
SUPPLIES	-0-	-0-	-0-	-0-	-0-	-0-
EQUIPMENT	-0-	-0-	-0-	-0-	-0-	-0-
LANDS & STRUCTURES	-0-	-0-	-0-	-0-	-0-	-0-
GRANTS, CLAIMS	750.0	-0-	-0-	-0-	-0-	-0-
MISCELLANEOUS	-0-	-0-	-0-	-0-	-0-	-0-
TOTAL OPERATING	773.4	-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	773.4	-0-	-0-	-0-	-0-	-0-
FEDERAL FUNDS	-0-	-0-	-0-	-0-	-0-	-0-
OTHER	-0-	-0-	-0-	-0-	-0-	-0-
TOTAL	773.4	-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-

Estimate of current year impact: None.

ANALYSIS: See attached.

Prepared By: Thomas C. Williams
Division: Permanent Fund Dividend Division

Phone: 465-2323
Date: March 11, 1991

Approved by Commissioner: Carol Reynolds
Agency: Revenue

Date: 3/12/91

Distribution (by preparer): Legislative Finance, Legislative Sponsor, Requestor, OMB, & Impacted Agency(ies).

ALASKA DEPARTMENT OF REVENUE
PERMANENT FUND DIVIDEND DIVISION
SB 152 ANALYSIS
As of March 11, 1991

Potential Problems

In Section 1, residency is not defined. The definition of residency will impact eligibility determinations as well as the number of people actually eligible.

Assumptions

1. The Permanent Fund Dividend Division would administer the program.
2. The Division would adopt regulations:
 - a. Defining residency as that required for a 1991 dividend.
 - b. Identifying the required proofs of Persian Gulf or Reserve assignment.
 - c. Establishing an October 1, 1991 to December 31, 1991 application period.
3. The Division would advertise the program by:
 - a. Mailing a postcard to all 1991 military PFD applicants, estimated to be 15,000.
 - b. Advertising in military publications.
 - c. Conducting a statewide advertising campaign.
 - d. Issuing press releases to generate newspaper articles.
4. 1,500 people would qualify and apply.
5. Only a very limited number of applicants would either miss the filing deadline or fail to provide the required information. Consequently, denials and appeals would be minimal.
6. If an applicant was eligible for a 1991 Permanent Fund Dividend and provided the requested proof of military assignment, the Department would pay the bonus without further review.
7. The Department would complete any unfinished administrative tasks even after the expiration of the law.

ALASKA DEPARTMENT OF REVENUE
 PERMANENT FUND DIVIDEND DIVISION
SB 152 ANALYSIS
 As of March 11, 1991

ADMINISTRATIVE EXPENSES

	<u>FY 92</u>
1. <u>Personal Services</u>	
One non-permanent Document Processor I R7, @ \$1,775/mo for one month to process incoming applications	<u>\$ 1.8</u>
2. <u>Contractual</u>	
Advertising:	
Statewide weekly newspaper advertising for one month	\$15,000
Radio spots, daily for 2 wks	2,000
Advertising in military publications	200
News Releases	-0-
Total Advertising	17.2
Printing:	
15,000 postcards	300
1,500 applications	150
Total Printing	0.5
Postage:	
15,000 postcards @ .19/each	2,850
1,500 applications @ .29/each	435
1,500 warrants @ .29/each	435
500 letters @ .29/each	145
Total Postage	<u>3.9</u>
TOTAL Contractual	<u>21.6</u>
TOTAL ADMINISTRATIVE EXPENSES	<u>\$ 23.4</u>

GRANT

1,500 eligible veterans X \$500	<u>\$ 750.0</u>
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CS FOR SPONSOR SUBSTITUTE FOR SENATE BILL NO. 152 (FINANCE)

IN THE LEGISLATURE OF THE STATE OF ALASKA

SEVENTEENTH LEGISLATURE - FIRST SESSION

BY THE SENATE FINANCE COMMITTEE

Offered:

Referred:

Sponsor(s): SENATORS HALFORD, Collins, Shultz, Adams, Rodey, Menard, Duncan, Uehling, Jones, Frank, Hoffman, Zharoff, Eliason

A BILL

FOR AN ACT ENTITLED

1 "An Act relating to a temporary grant program for certain individuals who served in
2 active duty in the Persian Gulf or as a result of the Persian Gulf War; relating to
3 eligibility for permanent fund dividends of certain individuals; and providing for an
4 effective date."

5 **BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF ALASKA:**

6 * **Section 1. GRANTS FOR CERTAIN INDIVIDUALS WHO SERVED IN THE MILITARY. (a)**

7 The Department of Revenue shall pay a grant of \$500 to a state resident, or the resident's estate, if the
8 resident

9 (1) as a member of the military forces of the United States, served in active duty in the
10 Persian Gulf at any time during September 1, 1990, through March 15, 1991, or as a member of a United
11 States military reserve, the United States Coast Guard reserve, or the Alaska National Guard served in
12 active duty outside of the United States at any time during September 1, 1990, through March 15, 1991,
13 as a result of the Persian Gulf War; and

14 (2) is qualified to receive a permanent fund dividend for 1991 or the resident's estate is

1 qualified to receive the dividend.

2 (b) A grant may not be paid except upon written application for the grant on a form prepared
3 by the department. The claimant must file the application with the department no later than
4 December 31, 1991. The department shall require proof of the right to the grant.

5 (c) The Department of Revenue shall pay grants under (a) of this section from appropriations
6 for the purpose. If appropriations are not sufficient to fully fund all grants, the amount available shall
7 be distributed pro rata among eligible individuals.

8 * Sec. 2. PERMANENT FUND DIVIDENDS FOR CERTAIN INDIVIDUALS. (a) Notwithstanding
9 AS 43.23.005(a)(3),

10 (1) an individual absent from the state while serving in the armed forces of the United
11 States is eligible to receive a 1991 permanent fund dividend if the individual was stationed in the Persian
12 Gulf war zone or was under military orders suspending the individual's military leave as a result of the
13 Persian Gulf conflict and the commissioner of revenue determines that the individual is otherwise
14 qualified;

15 (2) the spouse or dependent of an individual described in (1) of this subsection is eligible
16 to receive a 1991 permanent fund dividend if the spouse or dependent is otherwise qualified.

17 (b) Notwithstanding AS 43.23.015(c), an individual absent from the state while serving in the
18 armed forces of the United States and stationed in the Persian Gulf war zone may execute a power of
19 attorney authorizing another person to apply for the 1991 permanent fund dividend on behalf of the
20 individual. An individual stationed in the Persian Gulf war zone at any time during April 1, 1991
21 through June 30, 1991, may apply for a 1991 permanent fund dividend during the 1992 application
22 period if no application was submitted on the individual's behalf during the 1991 application period and
23 the individual otherwise qualifies for a 1991 dividend. The dividend shall be paid in the same manner
24 as prior year dividends under AS 43.23.025(a)(1)(C) and 43.23.055(3) and (7).

25 (c) Notwithstanding AS 43.23.005(a) and 43.23.015(c), if an individual was killed while serving
26 in the armed forces of the United States and stationed in the Persian Gulf war zone at any time during
27 January 1, 1991, through June 30, 1991, and if the individual qualified for a 1990 permanent fund
28 dividend, the personal representative of the individual's estate may apply for the 1991 dividend on behalf
29 of the individual's estate at any time during the 1991 or 1992 dividend application period.

30 (d) Notwithstanding AS 43.23.015(b), the Department of Revenue shall prescribe and furnish
31 an application form for claiming a dividend under this section. The department shall adopt regulations

1 defining the limits of the Persian Gulf war zone and prescribing any additional evidence the department
2 may require to determine eligibility, including evidence of the applicant's or deceased individual's
3 assignment to the Persian Gulf war zone during the 1991 application period.

4 * Sec. 3. Section 1 of this Act is repealed March 1, 1992.

5 * Sec. 4. This Act takes effect immediately under AS 01.10.070(c).

Justin Berneth: This is Section 4 of HCS CSSB 98 (FIN) - I would
you consider substituting this language for the Section 2 language
in CS SSB 152 (4/8/91 - 7-LS0704/J). Differences are in blue -
would avoid potential conflicts between provisions designed to do basically the
same thing assuming both bills pass. Tom Williams 465-2323

Adopted
5-18-91

29 ~~SECTION 4. PERMANENT FUND DIVIDENDS FOR CURRENT INDIVIDUALS~~ (a) Notwithstanding

30 AS 43.23.005(a)(3),

31 (1) an individual absent from the state while serving in the ~~armed~~^{armed} forces of the United

1 States is eligible to receive a 1991 permanent fund dividend if the individual was stationed in the Persian

2 Gulf war zone or was under military orders suspending the individual's military leave as a result of the

3 Persian Gulf conflict and the commissioner of revenue determines that the individual qualified ~~for the~~

4 1990 dividend and ~~is otherwise qualified for the 1991 dividend;~~ *delete*

5 (2) the spouse or dependent of an individual described in (1) of this subsection is eligible

6 to receive a 1991 permanent fund dividend if the spouse or dependent qualified for a 1990 dividend and

7 is otherwise qualified ~~for the 1991 dividend;~~ *delete*

8 (b) Notwithstanding AS 43.23.015(c), an individual absent from the state while serving in the

9 armed forces of the United States and stationed in the Persian Gulf war zone may execute a power of

10 attorney authorizing another person to apply for the 1991 permanent fund dividend on behalf of the

11 individual. An individual stationed in the Persian Gulf war zone at any time during April 1, 1991

12 through June 30, 1991, may apply for a 1991 permanent fund dividend during the 1992 application

13 period if no application was submitted on the individual's behalf during the 1991 application period and

14 the individual otherwise qualifies for a 1991 dividend. The dividend shall be paid in the same manner

15 as prior year dividends under AS 43.23.025(a)(1)(C) and 43.23.055(3) and (7).

16 (c) Notwithstanding AS 43.23.005(a) and 43.23.015(c), if an individual was killed while serving

17 in the armed forces of the United States and stationed in the Persian Gulf war zone at any time during

18 January 1, 1991, through June 30, 1991, and if the individual qualified for a 1990 permanent fund

19 dividend, the personal representative of the individual's estate may apply for the 1991 dividend on behalf

20 of the individual's estate at any time during the 1991 or 1992 dividend application period.

21 (d) Notwithstanding AS 43.23.015(b), the Department of Revenue shall prescribe and furnish

22 an application form for claiming a dividend under this section. The department shall adopt regulations

23 defining the limits of the Persian Gulf war zone and prescribing any additional evidence the department

24 may require to determine eligibility, including evidence of the applicant's or deceased individual's

25 assignment to the Persian Gulf war zone during the 1991 application period.

WORK DRAFT

WORK DRAFT

Adopted
5-18-91

Proposed by
FIW sub-committee.

2

CS FOR SPONSOR SUBSTITUTE FOR SENATE BILL NO. 152 (FIW)

IN THE LEGISLATURE OF THE STATE OF ALASKA

SEVENTEENTH LEGISLATURE - FIRST SESSION

BY

Offered:
Referred:

Sponsor(s): SENATORS HALFORD, Collins, Shultz, Adams, Rodey, Menard, Duncan, Uehling, Jones, Frank, Hoffman, Zharoff, Eliason

A BILL

FOR AN ACT ENTITLED

1 "An Act relating to a temporary grant program for certain individuals who served in
2 active duty in the Persian Gulf or as a result of the Persian Gulf War; relating to
3 eligibility for permanent fund dividends of certain individuals; and providing for an
4 effective date."

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6 * Section 1. GRANTS FOR CERTAIN INDIVIDUALS WHO SERVED IN THE MILITARY. (a)

7 The Department of Revenue shall pay a grant of \$500 to a state resident, or the resident's estate, if the
8 resident

9 (1) as a member of the military forces of the United States, served in active duty in the
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11 States military reserve, the United States Coast Guard reserve, or the Alaska National Guard served in
12 active duty outside of the United States at any time during September 1, 1990, through March 15, 1991,
13 as a result of the Persian Gulf War; and

14 (2) is qualified to receive a permanent fund dividend for 1991 or the resident's estate is

1 qualified to receive the dividend.

2 (b) A grant may not be paid except upon written application for the grant on a form prepared
3 by the department. The claimant must file the application with the department no later than
4 December 31, 1991. The department shall require proof of the right to the grant.

5 (c) The Department of Revenue shall pay grants under (a) of this section from appropriations
6 for the purpose. If appropriations are not sufficient to fully fund all grants, the amount available shall
7 be distributed pro rata among eligible individuals.

*Replace
with
SB 98
Language*

SEE Attachment

~~PERMANENT FUND DIVIDENDS FOR CERTAIN INDIVIDUALS~~ (a) Notwithstanding

9 AS 43.23.005(a)(3), an individual absent from the state while serving in the military forces of the United
10 States, or a spouse or dependent of that individual, is eligible to receive a 1991 permanent fund dividend
11 if the commissioner of revenue determines that the individual, spouse, or dependent is otherwise
12 qualified.

13 (b) Notwithstanding AS 43.23.015(c), an individual absent from the state while serving in the
14 military forces of the United States and stationed in the Persian Gulf war zone may execute a power of
15 attorney authorizing another person to apply for the 1991 permanent fund dividend on behalf of the
16 individual. An individual stationed in the Persian Gulf war zone at any time during April 1, 1991
17 through June 30, 1991, may apply for a 1991 permanent fund dividend during the 1992 application
18 period if no application was submitted on the individual's behalf during the 1991 application period and
19 the individual otherwise qualifies for a 1991 dividend. The dividend shall be paid in the same manner
20 as prior year dividends under AS 43.23.025(a)(1)(C) and 43.23.055(3) and (7).

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22 in the military forces of the United States and stationed in the Persian Gulf war zone at any time during
23 January 1, 1991 through June 30, 1991, and if the individual would have otherwise qualified for a 1991
24 permanent fund dividend, the personal representative of the individual's estate may apply for the 1991
25 dividend on behalf of the individual's estate at any time during the 1991 or 1992 permanent fund
26 dividend application period.

27 (d) Notwithstanding AS 43.23.015(b), the Department of Revenue shall prescribe and furnish
28 an application form for claiming a dividend under this section. The department shall adopt regulations
29 defining the limits of the Persian Gulf war zone and prescribing any additional evidence the department
30 may require to determine eligibility, including evidence of the applicant's or deceased individual's
31 assignment to the Persian Gulf war zone.

- 1 * Sec. 3. Section 1 of this Act is repealed March 1, 1992.
- 2 * Sec. 4. This Act takes effect immediately under AS 01.10.070(c).

1

CS CHANGES
change in
Sen. Shultz
language

7-LS0704G
Cook/Dierdorff
3/19/91

CS FOR SPONSOR SUBSTITUTE FOR SENATE BILL NO. 152 (FINANCE)

IN THE LEGISLATURE OF THE STATE OF ALASKA

SEVENTEENTH LEGISLATURE - FIRST SESSION

BY THE SENATE FINANCE COMMITTEE

Offered:
Referred:

Sponsor(s): SENATORS HALFORD, Collins, Shultz, Adams, Rodey, Menard, Duncan, Uehling, Jones, Frank, Hoffman, Zharoff, Eliason

A BILL

FOR AN ACT ENTITLED

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2 active duty in the Persian Gulf or as a result of the Persian Gulf War; relating to
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10 Persian Gulf at any time during September 1, 1990, through March 15, 1991, or as a member of a United
11 States military reserve, the United States Coast Guard reserve, or the Alaska National Guard served in
12 active duty at any location at any time during September 1, 1990, through March 15, 1991, as a result
13 of the Persian Gulf War; and

14 (2) ~~is qualified to receive a permanent fund dividend for 1991 or the resident's estate is~~

1 ~~qualified to receive the dividend.~~

2 (b) A grant may not be paid except upon written application for the grant on a form prepared
3 by the department. The claimant must file the application with the department no later than
4 December 31, 1991. The department shall require proof of the right to the grant.

5 (c) The Department of Revenue shall pay grants under (a) of this section from appropriations
6 for the purpose. If appropriations are not sufficient to fully fund all grants, the amount available shall
7 be distributed pro rata among eligible individuals.

8 ~~* Sec. 2. PERMANENT FUND DIVIDENDS FOR CERTAIN INDIVIDUALS.~~ (a) Notwithstanding
9 AS 43.23.005(a)(3), an individual absent from the state while serving in the military forces of the United
10 States, or a spouse or dependent of that individual, is eligible to receive a 1991 permanent fund dividend
11 if the commissioner of revenue determines that the individual, spouse, or dependent is otherwise
12 qualified and was qualified to receive a dividend for 1990.

13 (b) Notwithstanding AS 43.23.015(c), an individual absent from the state while serving in the
14 military forces of the United States and stationed in the Persian Gulf war zone may execute a power of
15 attorney authorizing another person to apply for the 1991 permanent fund dividend on behalf of the
16 individual. An individual stationed in the Persian Gulf war zone at any time during April 1, 1991
17 through June 30, 1991, may apply for a 1991 permanent fund dividend during the 1992 application
18 period if no application was submitted on the individual's behalf during the 1991 application period and
19 the individual otherwise qualifies for a 1991 dividend. The dividend shall be paid in the same manner
20 as prior year dividends under AS 43.23.025(a)(1)(C) and 43.23.055(3) and (7).

21 (c) Notwithstanding AS 43.23.005(a) and 43.23.015(c), if an individual was killed while serving
22 in the military forces of the United States and stationed in the Persian Gulf war zone at any time during
23 ~~January 1, 1991~~ through June 30, 1991, and if the individual would have otherwise qualified for a 1991
24 permanent fund dividend, the personal representative of the individual's estate may apply for the 1991
25 dividend on behalf of the individual's estate at any time during the 1991 or 1992 permanent fund
26 dividend application period.

27 (d) Notwithstanding AS 43.23.015(b), the Department of Revenue shall prescribe and furnish
28 an application form for claiming a dividend under this section. The department shall adopt regulations
29 defining the limits of the Persian Gulf war zone and prescribing any additional evidence the department
30 may require to determine eligibility, including evidence of the applicant's or deceased individual's
31 assignment to the Persian Gulf war zone.

- 1 * Sec. 3. Section 1 of this Act is repealed ~~March 1, 1992.~~
- 2 * Sec. 4. This Act takes effect immediately under AS 01.10.070(c).

SPONSOR SUBSTITUTE FOR SENATE BILL NO. 152

IN THE LEGISLATURE OF THE STATE OF ALASKA

SEVENTEENTH LEGISLATURE - FIRST SESSION

BY SENATORS HALFORD, Collins, Shultz, Adams, Rodey, Menard, Duncan, Uehling, Jones, Frank, Hoffman,
Zharoff, Eliason

Introduced: 3/6/91

Referred: CRA and Finance

A BILL

FOR AN ACT ENTITLED

1 "An Act relating to a temporary grant program for certain individuals who served in
2 active duty in the Persian Gulf or as a result of the Persian Gulf War; and providing
3 for an effective date."

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

- 5 * Section 1. GRANTS FOR CERTAIN INDIVIDUALS WHO SERVED IN THE MILITARY. (a)
- 6 The Department of Revenue shall pay a grant of \$500 to each state resident ^{or their estate} who as a member of the
7 military forces of the United States served in active duty in the Persian Gulf during 1991, or as a
8 member of a United States military reserve, the United States Coast Guard reserve, or the Alaska
9 National Guard served in active duty at any location during 1991 as a result of the Persian Gulf War.
10 A grant may not be paid except upon written application for the grant on a form prepared by the
11 department. The claimant must file the application with the department no later than December 31,
12 1991. The department shall require proof of the right to the grant.
- 13 (b) The Department of Revenue shall pay grants under (a) of this section from appropriations
14 for the purpose. If appropriations are not sufficient to fully fund all grants, the amount available shall

- 1 be distributed pro rata among eligible individuals.
- 2 * Sec. 2. This Act is repealed February 1, 1992.
- 3 * Sec. 3. This Act takes effect immediately under AS 01.10.070(c).

ALASKA STATE LEGISLATURE

Anchorage Office:
3111 C St., Suite 530
Anchorage, AK 99503
907-561-7616



While in Juneau:
P.O. Box V
Juneau, AK 99811
907-465-4958

Senator Rick Halford

SPONSOR STATEMENT

SS SB 152 "An Act relating to a temporary grant program for certain individuals who served in active duty in the Persian Gulf or as a result of the Persian Gulf War; and providing for an effective date."

This bill would provide a \$500 bonus to each Alaskan who served in the Persian Gulf War, or was called to active duty from the Reserve or Alaska National Guard as a result of the Persian Gulf War.

The grant serves to recognize that our troops did an outstanding job. We as Alaskans, and as Americans, are proud of their successful effort. Some of these men and women may experience financial hardship as a result of their services, and this bonus is one way for us to show our appreciation while providing help to those Alaska called to military duty as a result of the war.

In addition, Alaska financially gained from the increase in the price of oil due to the Gulf hostilities. Sharing those gains with those that put their lives at risk in the war zone seems to be appropriate.

The Department of Military and Veterans Affairs has provided information stating that an estimated 1200 Alaskans will be eligible.

Sectional Analysis:

Section 1 (a):

This section states that the grant shall be paid by Department of Revenue.

Recipients shall be state residents who served in active duty in the Persian Gulf during 1991 as a member of the military forces of the United States, the United State military reserve, the United States Coast Guard reserve, or the Alaska National Guard at any location.

The grant will only be paid upon written application on a form prepared by the Department of Revenue. This form must be filed by December 31, 1991, and the Department of Revenue shall require proof of the right to the grant.

Section 1 (b):

This section states that if appropriations for this temporary grant are not enough to fully fund all grants at \$500, the available amount will be divided equally between all qualifying recipients.

Section 2:

The Act will be repealed February 1, 1992.

Section 3:

The Act has an immediate effective date.

MEMORANDUM

State of Alaska

TO: Susan Barnett, Legislative Aide
Office of Senator Pat Pouchot

DATE: April 18, 1991

FILE NO.: S152MEM1

THRU:

TELEPHONE NO.: 465-4600

SUBJECT: Persian Gulf Veterans
Bonus: SB 152

J Morrison
FROM: Jeff Morrison, Director
Administrative & Support
Services Division
Department of Military &
Veterans Affairs

You have asked me to estimate the number of Alaskan veterans eligible to receive a bonus for service during the Persian Gulf conflict, if the legislation were drafted to only make persons eligible if they served outside the United States. My estimate, which I explain below, is that there would be approximately 1600 eligible veterans.

The estimate is made up of two components, the military personnel who served in the Persian Gulf war zone, and the reserves who did not serve in the war zone. It is my assumption that any reserves who served in the war zone would be included in the projections for the total number of Alaskans in the war zone, regardless of whether they were active military or reserves.

War zone projection: This projection does not change from the original projection made in the DMVA position paper to SSSB152, dated 3/11/91. Based on a purely statistical approach, I projected that there were approximately 1200 Alaskans in the war zone.

Activated Reserves outside the war zone: My letter to Senator Pouchot dated March 19, 1991 summarized the activity of all the Alaskan reserve components of U.S. armed forces involved in the Persian Gulf conflict. As noted above, if any reserves were called to duty in the war zone, they would be included as part of the total war zone force of 540,000, and would therefore be included in the statistical projection of Alaskans in the war zone in the above paragraph. To the best of our knowledge, the only reserve members that were called to active duty and who served outside the United States, but not in the war zone, are members of the Alaska Air National Guard. Of the 420 members of the Air National Guard called to active duty, we estimate that 250 served outside the United States.

The sum of the war zone military personnel and non war zone reserve military personnel totals 1450. I believe it is prudent to use a 10% margin of error in the estimating process, which then raises the total figure for projection purposes to 1600 (1450 + 145 = 1595).

cc: Senator Rick Halford
Tom Williams, Director, Permanent Fund Dividend Division
COL Thomas C. Carroll, Deputy Commissioner, DMVA
Capt. Michael Haller, Public Affairs Officer, DMVA

STATE OF ALASKA

DEPARTMENT OF MILITARY AND VETERANS AFFAIRS

WALTER J. HICKEL, GOVERNOR

P.O. BOX L
JUNEAU, ALASKA 99811-0900

March 19, 1991

Senator Pat Pourchot
Co-Chairman, Senate Finance Committee
Alaska State Legislature
P.O. Box V
Juneau, AK 99811

Dear Senator Pourchot,

At the Senate Finance Committee hearing on SB 152, held on March 12, 1991, you requested information concerning Alaskan military reservists who were activated as a result of the Persian Gulf conflict. This letter will give you the best information we have as of this date. It may help the committee to have a little background on reserve forces as well.

Alaskans serving in the reserves of the United States military forces belong to one of the following: Army National Guard, Air National Guard, Naval Reserve, Marine Corps Reserve, Army Reserve, Air Force Reserve, and Coast Guard Reserve. They are either in the active reserve, with the requirement to drill one weekend a month and two weeks annually, or they are in the Individual Ready Reserve (IRR), with no monthly or annual training requirement. Members of the IRR are typically professionals who offer their services if and when needed (e.g. medical professionals, attorneys, etc.).

When a reservist is called to active duty, it is either as a member of a unit which is being activated in its entirety, or as an individual with unique qualifications which are needed to augment the regular forces. In Alaska, we had both types of activations. It is very easy to obtain information on unit activations, because the entire unit has a command structure and central point of information within Alaska that we can call on. It is more difficult to obtain information on individual activations, because the orders activating the individuals come from a variety of different locations depending on the branch of service the individual belongs to. The military commands located outside Alaska which issued orders activating reservists do not routinely keep records on individual reservist activations by home state of the individuals.

The above information is essentially provided as a disclaimer to note that the information in this letter is as good as we are able to obtain at this time, and may be further refined as better information becomes available. Each of the branches of service is discussed separately below.

Alaska Army National Guard: There were 36 members of the Army National Guard who were activated because of the Persian Gulf crisis. They went to a variety of locations in the United States as well as overseas. Some of them were assigned to the Persian Gulf. Although we do not know the actual number of individuals who went to the Persian Gulf, we believe it did not exceed 18.

Alaska Air National Guard: The two units in the Alaska Air National Guard were both active in support of Operation Desert Shield/Desert Storm, with some support continuing through the end of February.

168th Air Refueling Group (Eielson AFB Base, North Pole): Approximately 100 members of this unit (over half of whom were traditional guard members) served on tankers (KC-135s) providing refueling support to aircraft ferrying from the United States to the Persian Gulf area starting on August 7, 1990 and continuing up to the start of Operation Desert Storm on January 17, 1991. Members rotated in and out of the Persian Gulf area, serving in deployments of from three to ten days duration each time. The aircraft they refueled consisted of troop transports and fighter aircraft.

176th Composite Group (Kulis ANG Base, Anchorage): Approximately 320 members of this unit (at least 65% of whom were traditional guard members) were deployed in over a dozen different locations throughout the United States, Central America, and Germany to backfill for regular Air Force forces which were deployed directly to the Persian Gulf. These deployments started in August 1990 and terminated at the end of February 1991. The participation of these units, although not directly assigned to the Persian Gulf, made it possible for the regular Air Force personnel and equipment to be assigned in the war theater without degradation of the nation's defense posture in other areas of the world.

U.S. Naval Reserve: There were at least 27 naval reservists activated from Alaska. The majority were called to serve directly in the Persian Gulf theater of operations, while several of them were called to serve in stateside locations in a backfill capacity.

U.S. Marine Corps Reserve: There were 17 members of the USMCR called to active duty, the majority of whom were from the Anchorage bowl. Most of these were assigned to duty in the Persian Gulf. The 17 called to duty includes the activation of a marine reconnaissance unit, although at the time of the writing of this letter, we were unable to receive confirmation of the size of that unit.

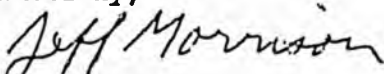
U.S. Army Reserve: Efforts to contact the Army Reserve Center at Fort Richardson have been unsuccessful to date due to busy phone lines. The Army Reserve in Alaska has less than 100 members statewide, and we speculate that there would have been no more than 25 of that amount called to active duty for the Persian Gulf conflict.

U.S. Air Force Reserve: Efforts to contact the Air Force Reserve Center in Denver have been unsuccessful to date due to busy phone lines. Due to the low numbers of Air Force Reserve members in Alaska, we speculate that no more than 25 Air Force reservists were called to active duty for the Persian Gulf conflict. Of the members of the Air Force Reserve known to have been called to active duty, the majority were medical professionals assigned to serve in a backfill capacity at duty stations throughout the United States.

U.S. Coast Guard Reserve: According to the Coast Guard Reserve Center in Alaska, one member of the Coast Guard reserve was activated and assigned to the Persian Gulf, where he is expected to remain for the next six months.

I trust that this information will be useful to the legislature in its deliberations on SB152. I hope to have more current information on the numbers of Army and Air Force reservists activated because of the Persian Gulf conflict to offer in testimony before the committee during your hearing on SB152 scheduled for Wednesday, March 20. When I obtain better or more complete information concerning Alaskan reservists, I will send an update of this letter to the chair of whatever committee has SB152 at the time, with a copy to you and the bill sponsor. Please let me know if there is any other information that you need.

Sincerely,



Jeff Morrison, Director
Administrative and Support Services

cc: MG Hugh L. Cox III, The Adjutant General
Senator Rick Halford
Larry Landry, Director, Division of Veterans Affairs
Tom Williams, Director, Division of Permanent Fund Dividends
Bruce Kendall, Legislative Liaison, Office of the Governor

DEPARTMENT OF MILITARY AND VETERANS AFFAIRS

POSITION PAPER
SSSB 152

Summary of Bill: This bill would provide a \$500 bonus to Alaskan residents who served on active duty in the Persian Gulf conflict during 1991, or who were called to active duty because of the Persian Gulf conflict. The program would be administered by the Department of Revenue, and would operate through the processing of individual applications from eligible claimants.

Background: A statistical approach to estimating the number of Alaskans involved in the Persian Gulf conflict leads to a rough estimate of about 1200 Alaskan residents who would benefit from the provisions of this bill. The two methods used are as follows:

1. The 1990 census lists the population of the United States as 248,710,000, and Alaska as 550,000. The number of American men and women serving in the Persian Gulf, according to newspaper reports, totaled about 540,000. Assuming that the ratio of Alaskans in the Persian Gulf is the same as the percentage of Alaskans in the total U.S. population, there would be about 1194 Alaskans of the 550,000 service personnel in the Persian Gulf.
2. The Juneau Empire recently listed the names of 60 residents who were serving in the Persian Gulf. The 1990 census lists the Juneau population as 26,751, and the Alaska population as 550,000. Assuming that the ratio of Alaskans serving in the Persian Gulf is the same as the ratio of Juneau residents serving in the Persian Gulf, there would be 1233 Alaskans stationed in the Persian Gulf.

The two separate methodologies used to estimate the number of Alaskans serving in the Persian Gulf are remarkably close. If each eligible Alaskan received a bonus, or grant, of \$500, the cost of the program, not counting administrative costs, would total \$600,000.

Impact of Legislation on Department of Military and Veterans Affairs:
None.

Departmental Position: This is an appropriate way to recognize the efforts of the men and women who served in the Persian Gulf conflict, and we believe that the public would support such a gesture by the State of Alaska. The legislature may wish to consider making the provisions of the bill applicable to survivors of men or women killed in the Persian Gulf conflict.

Approved: J. Morrison
for MG Hugh L. Cox III

Date: 3/11/91

CAPTAIN COOK CHAPTER
The Retired Officers Association
P.O. Box 172
Elmendorf AFB, Alaska 99506-0772

6 May 1991

The Honorable Pat Pourchot
Co-Chairman, Senate Finance Committee
Alaska State Legislature
P.O. Box V
Juneau, Alaska 99811

ATTN: Susan Barnett

Dear Senator Pourchot,

At the request of Susan Barnett, your Legislative Aide, I am providing commentary on SB 152 which is presently in committee awaiting scheduling for second hearing.

For your information, The Captain Cook Chapter of The Retired Officers Association is the state chapter of the National Retired Officers Association (TROA) with a national membership of a little under a half million and a state membership of approximately 600. Our members are retired officers from the seven uniformed services. Some of us are truly retired - others are retired from the service but are actively involved in second careers as executives, professionals and academicians. We include corporate managers, doctors, accountants and college professors. All of us have an active interest in state and national legislative affairs and reflect that interest with letters like this and an exceptional voting record (98% nationally, plus spouses). We are concerned, interested, participating members of the voting public.

SB 152 is of particular concern. We view it more as a dislocation payback/allowance than a bonus. The regulars engage in operations like Desert Storm because that is what they do for a living. They are largely professionals and are paid to put themselves on the line.

The member of the national guard, the reserve component or the retired member who is called to active duty is another whole dimension. He or she is a citizen soldier in the true sense of the word. In the case of our citizen soldiers who were called to active duty, businesses were left to founder. Jobs, while legally protected, may have evaporated while they were gone. University classes were dropped. All of these things cost money. Few, if any, of these people begrudge the call to serve. They do so willingly for the benefit and protection of Alaskans. The least we can do is to help to defray some of the dislocation/relocation costs when they return.

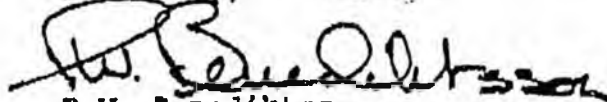
The fiscal implications are a concern, as they should be. Based on state supplied information, the bill as written (SSSB 152), including the active duty components, probably runs at something approaching \$800,000. We recognize that this price tag jeopardizes the bill's passage. Applying the bill only to personnel who were called to active duty would reduce the fiscal impact to approximately \$275,000. See enclosure (1). In our view, this is an acceptable figure and one which we can support as constituents and voters.

As I write this, there are only about two weeks to go before end of session. A bonus granted next year is going to be relatively meaningless. The bill simply has to move now or miss the window. The original date of introduction was 3/6/91 - two months ago today. It has sat in the Finance Committee for the large part of that time. We recognize that the budget obviously and rightfully takes precedence over any other measures heard by the committee. Still, SB 152 was heard on 12 March by the Senate Finance Committee. Seemingly, since then it simply has languished for lack of concern.

There is apparently a plan to combine the contents of SB 152 with an unemployment adjustment. We ask that this not be done. We would hate to see a Persian Gulf War bonus for returning servicemen and women become hostage to some other relatively disassociated issue. That would simply be playing politics, not serving the constituency.

Many of the personnel called up have returned already. Echo Company of the Marine Reserve will probably be returning by mid to late June. We strongly urge that the bill, with the suggested changes as noted in enclosure (2), eliminating the active duty components from consideration, be moved out of committee now. There are thirteen co-sponsors to pass it on to the House. Please get on with it.

Sincerely,



P.W. Benediktsson
CDR USN Ret.
Legislative Chairman

2

Encl (2)

7-LS0704D

Note - Delete active duty personnel
Add retirees called
Add 1990

SPONSOR SUBSTITUTE FOR SENATE BILL NO. 152

IN THE LEGISLATURE OF THE STATE OF ALASKA.

SEVENTEENTH LEGISLATURE - FIRST SESSION

BY SENATORS HALFORD, Collins, Shultz, Adams, Rodey, Menard, Duncan, Uehling, Jones, Frank, Hoffman, Zharoff, Ellason

Introduced: 3/6/91
Referred: CRA and Finance

A BILL

FOR AN ACT ENTITLED

1 "An Act relating to a temporary grant program for certain individuals who served in
2 active duty in the Persian Gulf or as a result of the Persian Gulf War; and providing
3 for an effective date."

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

5 * Section I. GRANTS FOR CERTAIN INDIVIDUALS WHO SERVED IN THE MILITARY. (a)
6 The Department of Revenue shall pay a grant of \$500 to each state resident who ~~as~~ a member of the
7 military forces of the United States served in active duty in the Persian Gulf during 1991, or as a
8 member of a United States military reserve, the United States Coast Guard reserve, or the Alaska
9 National Guard served on active duty at any location during 1990 ¹⁹⁹¹ as a result of the Persian Gulf War.
10 A grant may not be paid except upon written application for the grant on a form prepared by the
11 department. The claimant must file the application with the department no-later than December 31,
12 1991. The department shall require proof of the right to the grant.

13 (b) The Department of Revenue shall pay grants under (a) of this section from appropriations
14 for the purpose. If appropriations are not sufficient to fully fund all grants, the amount available shall

Delete

4

ENCLOSURE (1)

CSSB 152 FISCAL IMPACT

AS STATED

1600 BONUS RECIPIENTS
ACTIVE DUTY (1050)
RESERVE (550)
TOTAL.....1600 X \$500 = \$800,000

PROPOSED

ARMY NAT GUARD (36)
AIR NAT GUARD (420)
NAVAL RES (27)
USMC RES (17)
ARMY/AF RES (50)
TOTAL.....551 X \$500 = \$275,500

NOTE - THESE FIGURES SUPPLIED BY AK DEPT OF MIL AND VETS
AFFAIRS

W

April 8, 1991

Senators Jay Kerttula and Pat. Pourchot#
Co-Chairmen, Senate Finance Committee
Alaska State Senate
Box V
Juneau, AK 99811

APR 17 1991

Dear Senators Kerttula and Pourchot:

I would like to express a few thoughts concerning SB 152, the bill to issue a grant to state residents called up for duty during the Persian Gulf War. In doing so, I write on behalf of myself only, and do not represent the sentiments of Senator Pat Rodey, my supervisor, and a co-sponsor of the bill. I have discussed my thoughts on this matter with him.

I applaud the inspiration and intent of the bill. I recognize and support the necessity of young men and women to respond to the needs of our military in times of national crisis, and further, I realize that such service is rarely without some degree of inconvenience or sacrifice on the part of those called, and their families. It's the nature of military mobilization.

There are several reasons why I think that SB 152 is not in the best interests of the intended recipients or the state of Alaska as a whole. The elusive number of potential recipients has apparently caused a clause to be placed in the bill providing for a reduced amount per check in the event that the number of applicants exceeds the amount of the appropriation. The \$500 figure has already been widely anticipated as the grant amount. To end up issuing checks for less will be considered an insult, and will reflect negatively upon the legislature.

The appropriation, in the neighborhood of \$500,000 or more, will be viewed by some as an outlay inconsistent with the need to cut state expenditures in an era of declining projected revenues. This too, will likely surface as a source of negative attention for the legislature.

While there is a strong desire these days to remember our veterans, there exists a potential problem with the precedent that would be set by issuing such a grant to those service people affected by the Persian Gulf War. What will we do for those Alaskan residents who might be called up in the future? What if there are thousands next time? What if we cannot

afford to issue the same \$500 grant? Conversely, since we did not issue a similar grant to veterans of Panama, Granada, Viet Nam, Korea or WWII, how can we justify an offer of a grant, to those affected by the Persian Gulf War, most of whom were only inconvenienced?

I wonder if a cash bonus is the best possible means of acknowledging those Alaskans affected by the Persian Gulf War. Ideas making the rounds include the issuance of state medals, or legislative citations. Symbolic gestures of that nature would have more lasting significance for recipients.

If a monetary acknowledgement is desired, it should take the form of a tuition credit at the University of Alaska. That mechanism would enhance self-development, circulate the money within the state, support our university system, and it would, theoretically, benefit society as a whole. I strongly recommend this option as an alternative to the direct grant.

I appreciate the chance to express my observations on SB 152, and remain available for further discussion.

Sincerely,



Tim Benintendi
Box 241492
Anchorage, AK 99524-1492

Juneau Office - 465-3793

cc: Senator Uehling

March 8, 1991

To: Senator Jim Duncan
Representative Fran Ulmer
Representative Bill Hudson

I wish to communicate to you, my representatives in the legislature, regarding the proposed legislation for financial bonuses and property tax exemptions for returning Alaskan military personnel. I understand that to vote against such a "patriotic" measure would require expending too much political capital for no gain. But I wish to express several concerns about these measures.

I am bothered about the monies we as a society are always willing to spend for the purposes of war, and in this case as part of a process of glorifying the nation's warriors, when 20% of the children of this nation live below the poverty line and when there is inadequate housing, medical care, and day care assistance for the bottom fifth of our citizens. If I'm not mistaken, one of the sponsors of these spending give-away measures is one of the loudest Senatorial voices crying for cuts in government services. Consequently, I detect an extremely skewed sense of values in these measures.

Secondly, I think if such bonuses are given for what was, comparatively, a quick and easy victory, then they should also be given, retroactive though it may be, to every Vietnam War veteran currently residing in Alaska. If the cause of the well-benefitted Gulf volunteers is deserving, then consider that many of the Vietnam War soldiers were drafted or enlisted under the pressure of the draft into a less well-benefitted military, served full terms in a long, ugly, unpopular and deadly war, faced hostility upon return, and have suffered well-documented consequences as a result.

Given the fact mentioned above, that such measures can't be opposed in a politically realistic way, I am requesting you to consider proposing an amendment to add Vietnam era veterans to any such legislation. If we're going to give it away in order to show patriotism and support, then let's give it to all those who truly deserve it.

Finally, I would hope that any legislator who does support this legislation also will lend his or her voice and votes to the full funding of Day Care Assistance and to increased development of decent low income housing.

Sincerely,

John A. Mayer

John A. Mayer
P.O. Box 34402
Juneau, AK 99803
789-1498

*Senate Fin.
Tues 3/12
9:00 AM
Room 518
Will take
testimony*