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# ALASKA STATE LEGISLATURE

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Fairbanks, Alaska 99701  
(907) 452-4882  
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Room 125, State Capitol  
Juneau, Alaska 99801-1182  
(907) 465-3834  
Fax: 586-6246

**Shirley Craft**  
*Alaska State Senator*

## MEMORANDUM

To: Senator Pat Rodey, Chair  
Senate State Affairs Committee

From: Senator Shirley Craft *Shirley*

Date: April 2, 1992

Re: SB 459, "An Act relating to regulations to implement the longevity bonus program."

---

On November 21, 1990, the Department of Administration adopted regulations that would change the longevity bonus payment schedule from prospective to retrospective in nature. (It wasn't a simple issue and had created a \$9.75 million debt to the state.)

On March 13, 1992, the Administrative Regulation Review Committee met to scrutinize emergency regulations adopted by the Department of Administration to correct the problem.

The emergency regulations were the solution to the "duplicate payment" problem created by the previous administration. I was informed that there may be a legal problem with the emergency regulations. An assistant attorney general stated at the hearing, that although they could advise the Division of Pioneer Benefits on what they should do, they could not tell them what to do, because the longevity bonus program is not subject to the Administrative Procedures Act (APA).

The committee has unanimously agreed that there is no reason why this program should not be subject to the APA. The "duplicate payment" problem may have been prevented, if the program had followed the guidelines and procedures required of most programs.

If you would like further information on this matter or have any questions, please contact me at 465-3444. I would appreciate your favorable consideration and early scheduling of this measure.

*SPONSOR STATEMENT*

STATE OF ALASKA

WALTER J. HICKEL, GOVERNOR

**DEPARTMENT OF ADMINISTRATION**  
DIVISION OF PIONEERS' BENEFITS  
Longevity Bonus Program

P.O. BOX 61  
JUNEAU, ALASKA 99811-0211  
PHONE: (907) 465-4416  
TOLL FREE: 1-800-478-2160  
FAX: (907) 465-4108

February 7, 1992

Senator Shirley Craft  
Alaska State Legislature  
State Capitol  
Juneau, Alaska 99801 - 1182

RE: "Duplicate" Payments - Longevity Bonus Program

Dear Senator Craft:

Thank you for meeting with me to discuss the issue of "duplicate" payments for the Longevity Bonus Program. In December 1990, the administrative regulations were revised to change the Longevity Bonus Program payment system from being prospective in nature to retrospective in nature. Rather than delay payments for two months during the transition, "duplicate" payments were issued for the months of January and February, 1991. The actual switch occurred during the first four months of 1991 as shown below:

<u>Payment Mailing Date</u>	<u>For the Month of</u>
January 1, 1991	January 1991
February 1, 1991	February 1991
March 1, 1991	January 1991
April 1, 1991	February 1991
May 1, 1991	March 1991
etc.	etc.

The administrative regulation is being scrutinized with the assistance of the Department of Law. Also, enforcement of the collection efforts have been suspended during the review process.

According to accounting officials, the change results in a debt to the Longevity Bonus system for those receiving "duplicate" payments for January and/or February 1991 in the amount of \$250 for each "duplicate" payment. Most recipients received both "duplicate" payments for those months and therefore have a debt coded in the computer in the amount of \$500 (about \$10,000,000 for all recipients).

Per current administrative regulations (see 2 AAC 40.175), the debt is collected at the time a recipient becomes disqualified (e.g. enters a nursing home) or terminates from the program (death, moves from Alaska). You can well imagine the feelings recipients

029 "Duplicate" Payments

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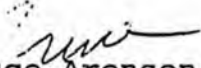
RE: "Duplicate" Payments - Longevity Bonus Program

and their families experience when this regulation is applied. As mentioned during our meeting, this particular administrative regulation is under active review by the department.

Thank you for the opportunity to discuss the Longevity Bonus Program, and if you have further questions or comments, please contact us.

A handwritten signature in cursive script, appearing to read "Thanks!", with a long horizontal flourish underneath.

Sincerely,

A handwritten signature in cursive script, appearing to read "Bruce Aronson".  
Bruce Aronson  
Administrator

# Audit Report



STATE OF ALASKA

SINGLE AUDIT

For the Fiscal Year Ended  
June 30, 1990



Audit Control Number:

02-6100-91

Division of Legislative Audit

P.O. Box W, Juneau, Alaska 99811-3300

*LBA - Audit*

Personnel. DOA should provide each department with all necessary material and guidelines for proper notification of employees.

Failure to fully implement the Drug-Free Workplace Act could be grounds for suspension of grant payments, termination of grants, and suspension or debarment as a recipient of federal funds.

Agency's Response

Recommendation No. 10

DOA should implement a drug-free workplace awareness program which fully implements Public Law 100-690, Drug-Free Workplace Act of 1988.

*We concur. We originally believed that the "Drug Free Workplace Act of 1988 Notice to Employees Covered by the Act" met the requirements of Public Law 100-690. However, upon further review, we realize it does not. We will comply with the Act.*

Recommendation No. 11

The Division of Pioneers' Benefits (DPB) should work with DOF to establish the appropriate FY 91 accounts receivable and bad debt expense associated with the new method of issuing longevity bonus payments.

During FY 91, DOA decided to move from a prospective payment of longevity bonus recipients to a retroactive payment system. A December 1990 letter to all longevity bonus recipients identified that recipients "will receive duplicate bonuses for January...and for February..." Given the estimate that 19,500 recipients were in the system for that time period, the duplicate payments would total \$9,750,000.

Under the old system, payments were issued on December 31 for the month of January and on January 31 for the month of February. Under the new system, payments were issued on February 28 for the month of January and on March 31 for the month of February. This can be visualized as follows:

	Old System			Transition Period of New System		New System	
Payment Date:	11/30/90	12/31/90	1/31/91	2/28/91	3/31/91	4/30/91	5/31/91
Residence Month							
Being Paid	December	January	February	January	February	March	April

This payment schedule was used because DOA did not want to penalize the bonus recipients by withholding checks while the system change occurred. As identified in the December 27, 1990 letter to all recipients, DOA "...will not attempt to collect duplicate payments unless

and until you [bonus recipient] are disqualified or terminated from the program."

As a result, DOA should recognize an FY 91 account receivable in the accounting records. Since collection efforts will not begin until after a recipient is disqualified or terminated from the program, DOA should also record the dollar amount of the receivable estimated to be uncollectible.

Agency's Response

Recommendation No. 11

The Division of Pioneers' Benefits should work with DOF to establish the appropriate FY 91 accounts receivable and bad debt expense associated with the new method of issuing longevity bonus payments.

*The Longevity Bonus Program has recorded the debt on an individual basis, and collects on that debt when persons become disqualified from the program. Since the existing computer software is unable to display a debt in the traditional sense, the debt has been coded in the former legislative election district field. The debt of all recipients will be totalled and included as an accounts receivable in the '91 accounting records, with an estimated amount for uncollectible accounts.*

Recommendation No. 12

DPB should improve controls over the issuance of longevity bonuses.

Controls over the issuance of longevity bonus checks should be instituted as follows:

- a. Employee tasks should be reassigned in order to prevent and detect errors.

In the DPB, one individual is responsible for approving longevity bonus applications, for the input of that recipient data into the system for payment, and the review of rejected applicant data. These tasks are considered incompatible when assigned to one employee.

Tasks are considered to be incompatible when it is possible for an individual to commit errors in the normal course of their duties without detection by the system. Duties should be assigned so that the duties of one employee automatically provides a cross-check on the work of one or more other employees.

In this instance, combining these tasks for performance by one individual could allow for the undetected creation of fictitious longevity bonus recipients. In order to prevent this or other undetected errors, DPB should separate these duties.

- b. The controls over the recording of longevity bonus warrants should be strengthened.

Once a month, longevity bonus staff send a memo to DOA, Data Processing (DP) identifying the beginning warrant number to be used for that month's issuance of bonus warrants. DP interfaces the longevity bonus information with AKSAS in order to record those expenditures into the state accounting system.

Before this interface process occurs, DPB does not know the total number of warrants that should be processed for that month's recipients. Therefore, they cannot confirm that the total number of warrants issued is correct. That is, authorized by longevity bonus staff or their contractors.

DPB should upgrade their system so that they can ensure that all approved data entered successfully processes into the state accounting system.

- c. Potential fraudulent longevity bonus recipients should be thoroughly investigated.

According to the director of the program, because of the number of bonuses processing through the system, there is not sufficient time to investigate fraud tips thoroughly. This may allow for the fraudulent receipt of longevity bonuses.

The application for a longevity bonus is intended to prove eligibility of applicants. It is required to be signed and notarized. Additionally, two signatures from witnesses who can confirm that the applicant is eligible for the program must be included.

However, there is no post-audit of applications, nor a cross-reference with available databases to identify fraudulent applicants. The possibility of relevant databases should be explored for cross-referencing. For example, the permanent fund dividend database may provide a valuable cross-reference. Additionally, there may exist other databases that contain vital statistics of relevance.

In order to safeguard the State's assets, DPB should ensure that longevity bonus recipients remain eligible for the program through cross-referencing of available pertinent databases and aggressive follow-up on fraud tips.

Overall, these controls should be strengthened to ensure that only eligible recipients are issued longevity bonus checks.

As discussed above, in our opinion, the Alaska Permanent Fund Corporation should not have transferred \$80 million of interest income to the principal of the fund in FY 88 without legislative appropriation.

As discussed in Recommendation No. 13, we believe that the calculations used for the FY 87 lapse of the newly reconstituted National Petroleum Reserve - Alaska Special Revenue Fund were incorrect. As a result the Alaska Permanent Fund received too much of the FY 87 lapse. The corporation staff disagree and have declined to return \$2.7 million to the NPRA fund and \$4.7 million to the General Fund. We acknowledge that there are differing legal opinions on the issue.

- o Significant Fiscal Policy Decisions Without Legislative Involvement - Recommendation No. 11 reports that the Division of Pioneers' Benefits made a change in the manner in which they pay out longevity bonuses. The effect of the change was to duplicate payments for two months, roughly estimated at a total value of \$9.75 million. The division believes that they will simply recover the \$500 duplicate payments from each recipient upon their disqualification or termination from the program.

More recently, the administration began highway reconstruction work on the Copper River Highway utilizing a questionable funding source. According to reports, \$250,000 of an FY 91 appropriation to the Department of Transportation and Public Facilities for Northern Region Deferred Maintenance were used to begin the Copper River Highway work. This work plan was not presented to the legislature for consideration.

While some of the above items may not be significant by themselves, and may at first glance appear to be disjointed, the common thread among them is that they all occurred without proper legislative involvement in the decision process.

In our opinion, this trend has been developing over the years and is not attributable to any one administration. However, we do believe that it merits close attention by the legislature to ensure that proper legislative powers are not eroded.

# DIVISION OF LEGAL SERVICES

## LEGISLATIVE AFFAIRS AGENCY STATE OF ALASKA

(907) 465-3867 or 465-2450  
FAX (907) 465-2029  
Mail Stop 3101

240 Main Street, Suite 500  
Juneau, Alaska 99801-2101

### MEMORANDUM

February 18, 1992

**SUBJECT:** Longevity Bonus Payments (Work Order No. 7-LS2019)

**TO:** Senator Shirley Craft

**FROM:** Tamara Brandt Cook  
Director *TBC*

You have supplied me with information that indicates that, while longevity bonus payments in the past have been made at the beginning of the bonus month, the Department of Administration implemented a new payment schedule at the beginning of 1991 under which the payment for a bonus month is made two months later. This lag time is designed to enable the department to verify eligibility, as I understand it. However, to accomplish the transition the department sent duplicate bonus payments for the months of January and February 1991 during March and April, so that each recipient would receive a bonus every month. Then in May the department sent out the payments for March under the new two month lag schedule.

Under 2 AAC 40.175(f) the department will take action to recover duplicate payments when a recipient becomes ineligible, is reinstated, or is terminated from the program. Because of the extra payments made for January and February, the longevity program is short of money and may be seeking a supplemental appropriation. Since the change may affect the appropriation process, you have asked whether the department may make this change without legislative involvement.

The commissioner of administration is charged with administering the longevity bonus program. (AS 47.45.100) There is no provision for legislative involvement in decisions dealing with the administration of the program, and it is unlikely that the legislature could play much of a role in these matters without violating the separation of powers doctrine.

However, there are limitations to what an agency may do by regulation, and no regulation may substantively modify what is clearly provided for by statute. (AS 44.62.030; State v. Alveska Pipeline Serv. Co., 723 P.2d 76 (Alaska 1986)) While regulations relating to the longevity bonus program need not comply with the

*Legal Services to Craft*

Senator Shirley Craft  
February 18, 1992  
Page 2

Administrative Procedure Act (AS 47.45.160), this general principal still applies. Otherwise, the regulatory authority exercised by the agency will be found by a court to constitute an improper delegation of legislative power.

AS 47.45.010 clearly provides for a monthly bonus payment of \$250. There is no authority in statute for the department to make two payments for the same month. I believe that the department acted outside its authority in doing so.

TBC:pl  
92-111.plm



ALASKA STATE LEGISLATIVE COMMITTEE

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Mr. C. Keith Campbell  
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Seward, AK 99664  
(907) 224-5631

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Juneau AK 99801  
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Fairbanks, AK 99701  
(907) 456-9737

COORDINATOR  
Capital City Task Force  
Mr. Joe Aller  
Box 29304  
Juneau AK 99802  
(907) 586-6680

Bringing lifetimes of experience and leadership to serve all generations.

February 20, 1992

Honorable Ben Grussendorf  
Speaker of the House of Representatives  
P.O. Box V (MS3100)  
Juneau, Alaska 99811

Dear Speaker Grussendorf:

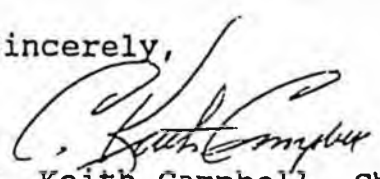
The Alaska State Legislative Committee of the American Association of Retired Persons respectfully requests that the Administration and Legislature solve the problems created by the duplicate payments to recipients of the longevity bonus program.

These payments were made in January and February 1991, during the implementation of regulations changing the payments under this program from a prospective basis to a retrospective basis.

The State Legislative Committee urges the resolution of this problem be both uniform and equitable. This request is stimulated by complaints of recoupment being activated only at the death of a recipient and the resulting shock of an unforeseen debt levied against the estate. The unexpectedness of this action causes undue stress during a grieving period. A more sensitive handling of the problem is requested by the State Legislative Committee.

Thank you for your attention to this matter. Our Committee would welcome the opportunity to comment upon future regulations in regard to this issue.

Sincerely,

  
C. Keith Campbell, Chair  
Alaska State Legislative Committee

cc: Members of Alaska House of Representatives  
Jean H. Nalibow, Area 10 Director  
Myriam Marquez, Area 10  
Legislative Representative

longbp.ltr

*AARP - Duplicate Payments*

FISCAL NOTE

STATE OF ALASKA  
1992 LEGISLATIVE SESSION

BILL NO. SB 459

Revision Date: \_\_\_\_\_  
Title: An Act relating to regulations to implement the Longevity Bonus Program  
Sponsor: Rules Committee by Request  
Requestor: State Affairs

Department Affected: Administration  
BRU: Pioneers' Benefits  
Component: Longevity Bonus

COMPONENT

0	0	2	7
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Expenditures/Revenues:  
(Thousands of Dollars)

OPERATING	FY 93	FY 94	FY 95	FY 96	FY 97	FY 98
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 FUND SOURCE:	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 FUND SOURCE	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

Estimate of current year impact: NONE

ANALYSIS: (Attach a separate page if necessary)

Prepared by: Dennis L. DeWitt, Director Phone: 465-4400  
Division: Pioneers' Benefits Date: April 2, 1992

Approved by Commissioner: Nancy Bear Uesera  
Agency: Administration Date: \_\_\_\_\_

Distribution (by preparer): Legislative Fin., Legislative Sponsor, Requestor, OMS/DBR, Gov. Legis. Ofc., & Impacted Agency(ies).

3/6/92

LONGEVITY BONUS PROGRAM  
Proposed Emergency Regulation Change

PURPOSE

Resolve the confusion surrounding the transition from prospective payment and retrospective payment systems by eliminating the erroneous assumption of "duplicate payments."

DISCUSSION

When the program changed from paying prospectively to paying retrospectively a transition was necessary to ensure that payments to current recipients would not be interrupted. This should have been handled as a transition issue for the program, not as a debt to recipients.

The current regulation, 2 AAC 40.175 (f), establishes a debt for "duplicate payments" under the Longevity Bonus. Duplicate payments, however, were not made to any recipient. The program dated two checks for January 1991 and February 1991. The checks were delivered to recipients during a four month period from January through April of 1991. This was done for accounting and payment processing purposes and in an attempt to make program administration changes transparent to current recipients.

The result has been confusion on the part of most recipients and the creation and posting of a debt due from recipients for "duplicate payments" pursuant to 2 AAC 40.175 (f). The fact is that no recipient received more than one payment in any one month. Thus there is no reality to a notion of duplicate payment nor should there be a debt.

The solution to the problem is to terminate payments to those eligible before December 1, 1990 (old recipients) at the time of disqualification. Those who became eligible on or after December 1, 1990 (new recipients) would continue to be eligible through the last full month of eligibility as provided in the current

DOA - Regulations

regulations. The practical effect of this approach is that old recipients will not be eligible to keep any bonus payments issued after they lose eligibility.

Examples for recipients eligible before December 1 , 1990

1. A person dies on January 10. The person would keep the payment received in January. We would turn off the payment scheduled for February. No collection efforts would be required. .
  
2. A person dies on January 29. A payment is issued in the month of February. We will ask that the payment be returned. We would not attempt to collect the January payment.

The proposed emergency regulations will not affect recipients who became eligible for the Longevity Bonus Program on or after December 1, 1992.

The attached proposed emergency regulations accomplish this objective.

b:\proemreg



NOTICE OF ADOPTION OF EMERGENCY REGULATIONS

Notice is given that, under the authority of AS 47.45.100(1) the Department of Administration adopted, amended and repealed, as emergency regulations, provisions in 2 AAC 40.075 and 2 AAC 40.175 relating to Longevity Bonus payments.

The amendments change the regulations by:

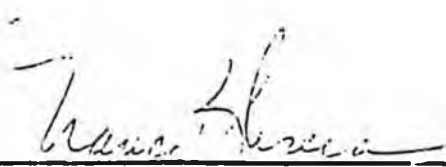
Eliminating transition language which require the administrator to recover certain payments and clarifying eligibility to receive bonus payments at the time of disqualification.

The emergency regulations took effect March 6, 1992.

Copies of the regulations may be obtained by writing to the Division of Pioneers' Benefits, P.O. Box 110211, Juneau, Alaska 99811.

Notice is also given that the Department of Administration intends to make the regulations permanent, and any person interested may send written statements relevant to the action proposed to Division of Pioneers' Benefits, P.O. Box 110211, Juneau, Alaska 99811, to be received no later than April 15, 1992.

Date: 3-8-92

  
\_\_\_\_\_  
Nancy Bear Usera  
Commissioner of Administration

FINDING OF EMERGENCY

The Department of Administration finds that an emergency exists and that the attached regulations adopting, amending and repealing provisions in 2 AAC 40.075 and 2 AAC 40.175 are necessary for the immediate preservation of the public peace, health, safety, or general welfare. The facts constituting the emergency are as follows:

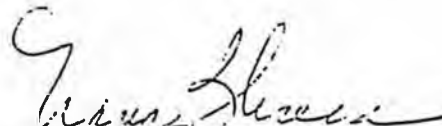
1. The current regulations are confusing to Longevity Bonus program recipients.
2. The current regulations were promulgated with an erroneous interpretation of accounting principles.
3. The regulations have created a current debt against approximately 20,000 Alaskans who have not received any overpayment from the State of Alaska.
4. The inappropriate debt recorded against Longevity Bonus recipients can adversely affect their credit rating.
5. Adoption of these regulations will allow the Longevity Bonus Program to remove the debt that has been posted against Longevity bonus recipients and clear any concern with credit ratings.
6. Delay in adoption will cause initiation of collection procedures for a debt which should not exist.

ADOPTION ORDER

Under authority of AS 47.45.100(1), the amendments to the regulations are therefore adopted as emergency regulations and are effective March 6, 1992.

This action is not expected to require an increased appropriation.

Date: 3/1, 1992  
Juneau, Alaska

  
\_\_\_\_\_  
Nancy Bear Usera, Commissioner

FILING CERTIFICATION

I \_\_\_\_\_, Lieutenant Governor for the State of Alaska, certify that on \_\_\_\_\_, 1992, at \_\_\_\_\_ .m., I filed the attached regulations, which were voluntarily submitted to me for publication.

\_\_\_\_\_  
Lieutenant Governor

Effective \_\_\_\_\_.  
Register \_\_\_\_\_.

2 AAC 40.075 (b)(2) and (c) are amended to read:

(2) the recipient has notified the administrator that he or she has discontinued residency in Alaska and the payment is for a month for which a [THE] recipient is qualified to receive [FOR] a bonus payment.

(c) Unless other reimbursement is received by the administrator, bonus payments will be withheld as repayment for bonuses that were issued to a recipient for a period in which the recipient was not entitled to receive a bonus payment. (Eff. 12/1/90, Register 117; am / / , Register ).

Authority: AS 47.45.100(1)

2 AAC 40.175(f) is repealed and reenacted to read:

(f) A recipient who was eligible for and received a bonus before December 1, 1990 is not eligible to receive bonus payments after the month of disqualification under 2 AAC 40.110 or termination under 2 AAC 40.140 (a), (b), (c)(2), and (c)(3), regardless of the month for which the payment is being made.

2 AAC 40.175 is amended by adding new subsections (g) and (h) to read:

(g) A recipient who was eligible under 2 AAC 40.010(b) before December 1, 1990 who terminates eligibility under 2 AAC 40.140(c)(1) will continue to receive payments without interruption.

(h) A recipient who was eligible for the program before December 1, 1990 whose eligibility for bonus payments is discontinued under 2 AAC 40.110(b) or (c), or who is terminated under 2 AAC 40.140 may be reinstated under 2 AAC 40.130 but will be treated as a new recipient who was not eligible for the program before December 1, 1990. Bonus payments will commence pursuant to 2 AAC 40.065. (Eff. 12/1/90, Register 117; am / / , Register ).

Authority: AS 47.45.020(1)

# Longevity Bonus Program 1991 Payment Schedule



Bonuses paid after February 1, 1991, are for the second prior month rather than for the month in advance. This means that many of you received duplicate bonuses for January (one payment about January 1 and a second about March 1) and for February (one payment about February 1 and a second about April 1). These duplicate payments were necessary to avoid interruption of bonuses during the transition to the new payment system. We will not attempt to collect duplicate payments unless and until you are disqualified or terminated from the program. Bonuses are mailed as follows.

<u>Mailing Date</u>	<u>For the Month of</u>
January 1, 1991 .....	January 1991
February 1, 1991 .....	February 1991
March 1, 1991 .....	January 1991
April 1, 1991 .....	February 1991
May 1, 1991 .....	March 1991
June 1, 1991 .....	April 1991
July 1, 1991 .....	May 1991
August 1, 1991 .....	June 1991
September 1, 1991 .....	July 1991
October 1, 1991 .....	August 1991
November 1, 1991 .....	September 1991
December 1, 1991 .....	October 1991

The form attached to the bonus payment asks questions which will confirm that you qualify for a bonus payment. After answering all the questions on the form and returning it by the 15th of the month, if you are qualified you will receive your bonus payment and a new validation form, which is mailed the first day of the following month. The process is repeated each month.

If you have questions about the payment system, you may call or write to us.

Longevity Bonus Program  
P.O. Box 110211  
Juneau, AK 99811-0211  
Telephone: 465-4416

*L.B. Payment Schedule*

# ALASKA LONGEVITY BONUS PROGRAM

## Recipients and Cost by Fiscal Year--1973-2000

Fiscal Year	Recipients at Year-end	Annual Increase		Annual Cost	Annual Increase	
		Number	Percent		Amount	Percent
73	4,753			346,100		
74	5,250	497	10.5%	967,500	621,400	179.5%
75	5,463	213	4.1%	3,689,700	2,722,200	281.4%
76	5,553	90	1.6%	6,470,700	2,781,000	75.4%
77	6,228	675	12.2%	8,669,375	2,218,675	34.3%
78	6,671	443	7.1%	9,486,375	797,000	9.2%
79	7,207	536	8.0%	11,814,900	2,328,525	24.5%
80	7,897	690	9.6%	12,804,600	989,700	8.4%
81	8,527	630	8.0%	18,778,600	5,974,000	46.7%
82	9,101	574	6.7%	26,074,500	7,295,900	38.9%
83	9,731	630	6.9%	27,586,750	1,512,250	5.8%
84	10,769	1,038	10.7%	29,254,500	1,667,750	6.0%
85	15,135	4,366	40.5%	43,199,000	13,944,500	47.7%
86	15,763	628	4.1%	44,105,500	906,500	2.1%
87	16,834	1,071	6.8%	47,095,500	2,990,000	6.8%
88	17,675	841	5.0%	50,152,500	3,057,000	6.5%
89	18,439	764	4.3%	53,472,250	3,319,750	6.6%
90	19,490	1,051	5.7%	57,172,700	3,700,450	6.9%
91	20,298	808	4.1%	60,209,600	3,036,900	5.3%
92	21,645	1,347	6.6%	63,571,000	3,361,400	5.6%
93	22,879	1,234	5.7%	67,194,500	3,623,500	5.7%
94	24,137	1,258	5.5%	70,890,250	3,695,750	5.5%
95	25,392	1,255	5.2%	74,576,500	3,686,250	5.2%
96	26,535	1,143	4.5%	77,932,500	3,356,000	4.5%
97	27,570	1,035	3.9%	80,971,750	3,039,250	3.9%
98	28,645	1,075	3.9%	84,129,750	3,158,000	3.9%
99	29,705	1,060	3.7%	87,242,500	3,112,750	3.7%
2000	30,834	1,129	3.8%	90,557,750	3,315,250	3.8%

Rec 11/6/91 As you can see, the cost of providing the longevity bonus program has grown by leaps and bounds, since 1973. The expense to the state to operate the program for this year alone, is approximately \$63 million dollars.

In 1972, this program was exempted from the Administrative Procedures Act (APA). With such a large budget, you would think it appropriate for the program to adhere to the same hearing and review procedures that the majority of programs are required to use.

*L.B. Cost per Fiscal Year*