

HB

81

HFIN

FILE

HOUSE COMMITTEE REPORT

(11)

Date Referred: March 31, 1993

FURTHER REFERRALS:

Date of Committee Action: 4/20/93

The FINANCE Committee considered:

HB 81

HOUSE BILL NO. 81

PHASE OUT LONGEVITY BONUS

"An Act relating to the longevity bonus program."

RECOMMENDATIONS:

be replaced with CS HB 81 (Fin) the same title
 a new title

have attached amendments(s)

do pass

do not pass

no recommendations

individual recommendations

additional referral to the _____ Committee

ADOPTS: _____ letter of Intent

ATTACHES NEW FISCAL NOTE(s): _____ (Dept)

APPROVES PREVIOUS: _____ (Dept/Date)

fiscal impact DOA, HESS

fiscal note(s) _____

zero fiscal note _____

zero fiscal note(s) _____

| SIGNING DO PASS | DP | OTHER RECOMMENDATIONS | DNP | NR | AM |
|--------------------------|-------------------------------------|------------------------|-----|-------------------------------------|----|
| <u>Maureen</u> | | | | | |
| <u>Eileen P. Maureen</u> | <input checked="" type="checkbox"/> | <u>Ben Grussendorf</u> | | <input checked="" type="checkbox"/> | |
| <u>Ronald J. Larson</u> | <input checked="" type="checkbox"/> | <u>Tom Hoffmann</u> | | | |
| <u>Leslie Martin</u> | <input checked="" type="checkbox"/> | | | | |
| <u>Mark Hanley</u> | <input checked="" type="checkbox"/> | _____ | | <input checked="" type="checkbox"/> | |
| <u>Sam Parrell</u> | <input checked="" type="checkbox"/> | <u>Mike Navarre</u> | | <input checked="" type="checkbox"/> | |
| | | <u>Tom Brown</u> | | <input checked="" type="checkbox"/> | |
| | | <u>Tom Theriault</u> | | <input checked="" type="checkbox"/> | |
| | | <u>Richard Foster</u> | | <input checked="" type="checkbox"/> | |
| | | | | | |
| | | | | | |
| | | | | | |
| | | | | | |

Ronald J. Maureen
CHAIRMAN'S SIGNATURE

FISCAL NOTE

STATE OF ALASKA
1993 LEGISLATIVE SESSION

BILL NO. CSHB 81 (FIN)

Revision Date: _____ Dept. Affected: Health and Social Services
 Title: An Act relating to the longevity BRU: Assistance Payments
bonus program Component: OAA - ALB Hold Harmless
 Sponsor: House Rules Committee
 Requestor: Governor COMPONENT SERIAL NO. 223

Expenditures/Revenues: (Thousands of Dollars)

| OPERATING | FY94 | FY95 | FY96 | FY97 | FY98 | FY99 |
|----------------------------|----------------|----------------|----------------|----------------|------------------|------------------|
| PERSONAL SERVICES | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| TRAVEL | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| CONTRACTUAL | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| SUPPLIES | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| EQUIPMENT | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| LAND & STRUCTURES | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| GRANTS, CLAIMS | (163.0) | (276.1) | (484.0) | (819.9) | (1,346.4) | (1,899.9) |
| MISCELLANEOUS | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| TOTAL OPERATING | (163.0) | (276.1) | (484.0) | (819.9) | (1,346.4) | (1,899.9) |
| CAPITAL | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| REVENUE FUND SOURCE | 0 | 0 | 0 | 0 | 0 | 0 |

FUNDING: (Thousands of Dollars)

| | | | | | | |
|--------------------------|----------------|----------------|----------------|----------------|------------------|------------------|
| 1002 Federal Receipts | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| 1003 GF Match | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| 1004 GF | (163.0) | (276.1) | (484.0) | (819.9) | (1,346.4) | (1,899.9) |
| 1005 GF/Program Receipts | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| 1006 GF/MHTIA | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| Other | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| TOTAL | (163.0) | (276.1) | (484.0) | (819.9) | (1,346.4) | (1,899.9) |

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 (FY93) impact: NONE

ANALYSIS: (Attach a separate page if necessary)

CSHB 81(FIN) continues the Longevity Bonus program indefinitely, but steps down Longevity Bonus payments as follows: Beginning July 1, 1993, existing Longevity Bonus recipients and all persons who become eligible to apply for the Longevity Bonus before January 1, 1994 will be eligible for \$225 payments; persons who become eligible to apply for the Longevity Bonus between January 1, 1994 and December 31, 1994 will be eligible for \$150 payments; and persons who become eligible to apply for the Longevity Bonus between January 1, 1995 and December 31, 1995 will be eligible for \$100 payments. CSHB 81(FIN) also provides that no new individual will be eligible for Longevity Bonus payments after December 31, 1995.

(Continued on attached pages.)

Prepared by: Jan L. Hansen, Director Phone: 465-2680
 Division: Division of Public Assistance Date: 4/21/93
 Approved by Commissioner: Theodore A. Mala, MD, MPH Date: 4-21-93
 Agency: Department of Health & Social Services

PREPARER TO PROVIDE ALL DISTRIBUTION COPIES TO GOVERNOR'S LEGISLATIVE OFFICE
 For further distribution information call the Governor's Legislative Office

ANALYSIS (cont.):

As the amount of the Longevity Bonus payments decreases, the amount of OAA-ALB Hold Harmless funds necessary for federal Supplemental Security Income (SSI) replacement also decreases. CSHB 81(FIN) does not affect the Adult Public Assistance program because Longevity Bonus payments are not treated as countable income by that program.

1. CSHB 81(FIN) continues the OAA-ALB Hold Harmless program.
2. Only those who are eligible to apply for Longevity Bonus payments before January 1, 1996 will continue to be eligible for Longevity Bonus payments.
3. In FY94, there will be approximately 1630 OAA-ALB Hold Harmless recipients. For FY95 through FY99, without considering the effects of CSHB 81(FIN), the estimated number of new OAA-ALB Hold Harmless recipients would be as follows:

| | |
|------|-----|
| FY95 | 316 |
| FY96 | 332 |
| FY97 | 348 |
| FY98 | 366 |
| FY99 | 384 |

4. OAA-ALB Hold Harmless funds replace federal Supplemental Security Income (SSI) benefits lost by APA recipients because of the receipt of Longevity Bonus payments. Under current law, OAA-ALB Hold Harmless payments range from \$0 to \$250; the average payment is \$125.
5. CSHB 81(FIN) decreases the average OAA-ALB Hold Harmless payment for existing OAA/ALB recipients and for individuals who become eligible to apply for the Longevity Bonus before January 1, 1994 by \$12.50 to \$112.50 ($\$225 \times 1/2 = \112.50). In FY 94, approximately 1630 individuals will be eligible to receive this reduced payment.
6. CSHB 81(FIN) decreases the average OAA-ALB Hold Harmless payment for individuals who become eligible to apply for Longevity Bonus payments between January 1, 1994 and December 31, 1994 to \$75 ($\$150 \times 1/2 = \75). Approximately 316 individuals will be eligible to receive this reduced payment.
7. CSHB 81(FIN) decreases the average OAA-ALB Hold Harmless payment for individuals who become eligible to apply for Longevity Bonus payments between January 1, 1995 and December 31, 1995 to \$50 ($\$100 \times 1/2 = \50). Approximately 332 individuals will be eligible to receive this reduced payment.
8. The effect of the bonus payment decrease on OAA-ALB Hold Harmless is delayed by 4 months because of the 2-month retrospective payment methodologies used by both the ALB program and the SSI program.

For example, the \$225 bonus payment decrease will affect only 8 months in FY 94 because the payment decrease will not occur for impacted OAA clients until September 1, 1993, and SSI benefits will not be affected until November 1, 1993. Therefore, changes in the amount of hold harmless benefits to replace lost SSI benefits also begin November 1, 1993. Because subsequent Longevity Bonus payment reductions take effect at the beginning of the calendar year, the Longevity Bonus decrease to \$150 will only affect 2 months in FY 95, and the Longevity Bonus decrease to \$100 will only affect 2 months in FY 96.

ANALYSIS (cont.):

9. Under CSHB 81(FIN), OAA-ALB Hold Harmless expenditures will decrease as follows:

| | | | |
|-------|----------------------------|---|-----------|
| FY 94 | 1630 x 8 months x \$12.50 | = | \$ 163.0 |
| FY 95 | 1630 x 12 months x \$12.50 | = | \$ 244.5 |
| | 316 x 2 months x \$50.00 | = | \$ 31.6 |
| | Total | | \$ 276.1 |
| FY 96 | 1630 x 12 months x \$12.50 | = | \$ 244.5 |
| | 316 x 12 months x \$50.00 | = | \$ 189.6 |
| | 332 x 2 months x \$75.00 | = | \$ 49.9 |
| | Total | | \$ 484.0 |
| FY97 | 1630 x 12 months x \$12.50 | = | \$ 244.5 |
| | 316 x 12 months x \$50.00 | = | \$ 189.6 |
| | 332 x 12 months x \$75.00 | = | \$ 298.8 |
| | 348 x 2 months x \$125.00 | = | \$ 87.0 |
| | Total | | \$ 819.9 |
| FY98 | 1630 x 12 months x \$12.50 | = | \$ 244.5 |
| | 316 x 12 months x \$50.00 | = | \$ 189.6 |
| | 332 x 12 months x \$75.00 | = | \$ 298.8 |
| | 348 x 12 months x \$125.00 | = | \$ 522.0 |
| | 366 x 2 months x \$125.00 | = | \$ 91.5 |
| | Total | | \$1,346.4 |
| FY99 | 1630 x 12 months x \$12.50 | = | \$ 244.5 |
| | 316 x 12 months x \$50.00 | = | \$ 189.6 |
| | 332 x 12 months x \$75.00 | = | \$ 298.8 |
| | 348 x 12 months x \$125.00 | = | \$ 522.0 |
| | 366 x 12 months x \$125.00 | = | \$ 549.0 |
| | 384 x 2 months x \$125.00 | = | \$ 96.0 |
| | Total | | \$1,899.9 |

FISCAL NOTE

STATE OF ALASKA
1993 LEGISLATIVE SESSION

BILL NO. CSHB 81 (FIN)

Revision Date: _____

Department Affected: Administration

Title: An act relating to Longevity Bonus

BRU: Pioneers' Benefits

Component: Longevity Bonus Administration

Sponsor: House Rules Committee

Requestor: Finance

COMPONENT SERIAL NO. 27

Expenditures/Revenues:

| OPERATING | FY 94 | FY 95 | FY 96 | FY 97 | FY 98 | FY 99 |
|-------------------|-------|-------|-------|-------|-------|-------|
| PERSONAL SERVICES | 0 | 0 | 0 | 0 | 0 | 0 |
| TRAVEL | 0 | 0 | 0 | 0 | 0 | 0 |
| CONTRACTUAL | 11.6 | 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 | 11.6 | 0 | 0 | 0 | 0 | 0 |

| | | | | | | |
|---------|---|---|---|---|---|---|
| CAPITAL | 0 | 0 | 0 | 0 | 0 | 0 |
|---------|---|---|---|---|---|---|

| | | | | | | |
|----------------------|---|---|---|---|---|---|
| REVENUE FUND SOURCE: | 0 | 0 | 0 | 0 | 0 | 0 |
|----------------------|---|---|---|---|---|---|

FUNDING:

| | | | | | | |
|--------------------------|------|---|---|---|---|---|
| 1002 Federal Receipts | 0 | 0 | 0 | 0 | 0 | 0 |
| 1003 GF Match | 0 | 0 | 0 | 0 | 0 | 0 |
| 1004 GF | 11.6 | 0 | 0 | 0 | 0 | 0 |
| 1005 GF/Program Receipts | 0 | 0 | 0 | 0 | 0 | 0 |
| 1006 GF/MHTIA | 0 | 0 | 0 | 0 | 0 | 0 |
| OTHER | 0 | 0 | 0 | 0 | 0 | 0 |
| TOTAL | 11.6 | 0 | 0 | 0 | 0 | 0 |

| | | | | | | |
|-----------|---|---|---|---|---|---|
| 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 (FY93) impact: 0

ANALYSIS: The proposed Longevity Bonus program changes would require modifications to both mainframe and microcomputer software and revised interface programs at an estimated cost of \$11.6.

Prepared by: Dennis L. DeWitt, Director
Division: Pioneers' Benefits

Phone: 465-4400
Date: _____

Approved by Commissioner: Nancy Bear Usura
Agency: Administration

Date: 4/21/93

PREPARER TO PROVIDE ALL DISTRIBUTION COPIES TO GOVERNOR'S LEGISLATIVE OFFICE
For further distribution information call the Governor's Legislative Office

FISCAL NOTE

STATE OF ALASKA
1993 LEGISLATIVE SESSION

BILL NO. CSHB 81 (FIN)

Revision Date: _____

Title: An act relating to Longevity Bonus

Department Affected: Administration

BRU: Pioneers' Benefits

Component: Longevity Bonus Grants

Sponsor: House Rules Committee

Requestor: Finance

COMPONENT SERIAL NO. 26

Expenditures/Revenues:

| OPERATING | FY 94 | FY 95 | FY 96 | FY 97 | FY 98 | FY 99 |
|-------------------|------------|-------------|-------------|-------------|-------------|-------------|
| 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 | (4,000.0)* | (11,700.0)* | (15,300.0)* | (19,500.0)* | (25,400.0)* | (31,200.0)* |
| MISCELLANEOUS | 0 | 0 | 0 | 0 | 0 | 0 |
| TOTAL OPERATING | (4,000.0) | (11,700.0) | (15,300.0) | (19,500.0) | (25,400.0) | (31,200.0) |

| | | | | | | |
|---------|---|---|---|---|---|---|
| CAPITAL | 0 | 0 | 0 | 0 | 0 | 0 |
|---------|---|---|---|---|---|---|

| | | | | | | |
|--------------|---|---|---|---|---|---|
| REVENUE | | | | | | |
| FUND SOURCE: | 0 | 0 | 0 | 0 | 0 | 0 |

FUNDING:

| | | | | | | |
|--------------------------|-----------|------------|------------|------------|------------|------------|
| 1002 Federal Receipts | 0 | 0 | 0 | 0 | 0 | 0 |
| 1003 GF Match | 0 | 0 | 0 | 0 | 0 | 0 |
| 1004 GF | (4,000.0) | (11,700.0) | (15,300.0) | (19,500.0) | (25,400.0) | (31,200.0) |
| 1005 GF/Program Receipts | 0 | 0 | 0 | 0 | 0 | 0 |
| 1006 GF/MHTIA | 0 | 0 | 0 | 0 | 0 | 0 |
| OTHER | 0 | 0 | 0 | 0 | 0 | 0 |
| TOTAL | (4,000.0) | (11,700.0) | (15,300.0) | (19,500.0) | (25,400.0) | (31,200.0) |

| | | | | | | |
|-----------|---|---|---|---|---|---|
| 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 (FY93) impact: 0

ANALYSIS: * Cost savings reflect the difference between current program costs and new program cost. See attached table for details of the calculations.

Prepared by: Dennis L. DeWitt, Director
Division: Pioneers' Benefits

Phone: 465-4400
Date: _____

Approved by Commissioner: Nancy Bear Usual
Agency: Administration

Date: 4/21/93

PREPARER TO PROVIDE ALL DISTRIBUTION COPIES TO GOVERNOR'S LEGISLATIVE OFFICE
For further distribution information call the Governor's Legislative Office

Longevity Bonus Fiscal Note

CSHB 81 (FIN)

| FY | Current Program | | Proposed Phase-Out | | Difference | |
|------|------------------------|-------------|------------------------|-------------|------------------------|-----------------------------|
| | Number of Participants | Annual Cost | Number of Participants | Annual Cost | Number of Participants | Annual Savings to the State |
| 1994 | 24,059 | 69.6 | 24,059 | 65.6 | 0 | (4.0) |
| 1995 | 25,864 | 74.8 | 25,864 | 63.1 | 0 | (11.7) |
| 1996 | 27,021 | 78.2 | 27,021 | 62.9 | 0 | (15.3) |
| 1997 | 28,081 | 81.2 | 26,433 | 61.7 | (1,648) | (19.5) |
| 1998 | 29,188 | 84.4 | 25,214 | 59.0 | (3,974) | (25.4) |
| 1999 | 30,266 | 87.5 | 24,118 | 56.3 | (6,148) | (31.2) |

Cost in Millions of Dollars

Explanation:

1. For purposes of consistency, we have used Legislative Research figures for the 'Number of Participants' and 'Annual Cost' for the Current Program and the Proposed Phase-Out, except the cutoff dates for applications are assumed to result in slightly higher savings. In essence, approximately 77% of new applicants to the program are 65 years old, 23% are older. The cutoff dates will reduce the number of older applicants that would be admitted to the program.
2. The basic bonus was changed to \$225, effective 1/1/94 for all recipients.

Note :

There is an additional fiscal note associated with this proposal for the administration component, for \$11,625 for computer modifications.

Back-up

MEMORANDUM

State of Alaska
Department of Law

TO: Nancy Bear Usera
Commissioner
Department of Administration

DATE: March 5, 1993

FILE NO.: 663-93-0335

TEL. NO.: 465-3600

SUBJECT: Constitutionality of
"grandfathering" in
current longevity bonus
recipients and those
who will soon turn 65

FROM: John B. Gaguine *JBG*
Assistant Attorney General
Governmental Affairs - Juneau

You have asked for an opinion as to the constitutionality of the "grandfather" provisions of HB 81 and SB 58. These identical bills, both introduced by the respective rules committee on behalf of the governor, eliminate the longevity bonus for people who turn 65 on or after January 1, 1997. However, they contain "grandfather" provisions that allow persons turning 65 by the end of this year to keep receiving \$250 a month for the rest of their lives; persons turning 65 in 1994 to keep receiving \$200 a month for the rest of their lives; persons turning 65 in 1995 to keep receiving \$150 a month for the rest of their lives; and persons turning 65 in 1996 to keep receiving \$100 a month for the rest of their lives.

The question that these bills raise is whether the "grandfather" provisions violate the equal protection clause of the Alaska constitution, article I, section 1.¹ While we cannot give you a certain answer to this question, we believe strongly that a court would not overturn the "grandfather" provisions if either bill is entitled into law and the provisions were challenged.

Equal protection analysis in Alaska uses a "sliding scale" approach. When a legislative classification impairs an individual's interest, the court first looks at the weight of the that interest. The court then examines the legitimacy of the legislative purpose in enacting the classification. Finally, if the court finds that the interest is legitimate, it examines the "closeness of the fit" between the classification and the purpose. If the individual's interest is not especially weighty, a less-than-perfect fit will be tolerated. Rose v. Commercial Fisheries Entry Commission, 647 P.2d 154, 158-60 (Alaska 1982).

¹ If the provisions pass constitutional muster under the Alaska constitution, they will also pass muster under the federal equal protection clause, part of the Fourteenth Amendment, because the federal clause has been construed as more deferential to legislative enactments than the state clause. Rose v. Commercial Fisheries Entry Commission, 647 P.2d 154, 158 (Alaska 1982).

Nancy Bear Usera
Commissioner
Our File: 663-93-0335

March 5, 1993
Page 2

The Alaska Supreme Court has held that an individual's interest in receiving government benefits is at the bottom of the sliding scale. State v. Anthony, 810 P.2d 155 (Alaska 1991) (permanent fund dividend); Sonneman v. Knight, 790 P.2d 702 (Alaska 1990) (unemployment compensation benefits). The Governor's introduction letter for both bills explains the purpose of the "grandfather" provisions: to protect current recipients, and those reaching age 65 in the next four years, because many of them have counted on the bonus in planning for retirement, and an abrupt termination of the program would cause hardship. Acting to prevent such hardship is obviously a legitimate legislative purpose. Finally, there is a substantial relationship between the purpose of the "grandfather" provisions and those provisions: by "grandfathering" in current recipients and those soon to turn 65, hardship is prevented. The fit is not perfect: there are obviously some current wealthy recipients who would suffer no hardship if their bonus was terminated, and some persons in their fifties who have made retirement plans relying on the bonus. But, as noted, when the individual's interest is at the bottom of the sliding scale, the fit does not have to be perfect. There is here a sufficiently substantial relationship that we are confident a court would not invalidate the "grandfather" provisions.

Our research has not disclosed any Alaska cases concerning the constitutionality of "grandfather" provisions. However, other jurisdictions have upheld such provisions, when there was a reason for them. In City of New Orleans v. Dukes, 427 U.S. 297 (1976), the U.S. Supreme Court upheld a New Orleans ordinance banning pushcart food sales in the French Quarter but allowing pushcart vendors who had operated in the Quarter for eight years to continue operating. Even though only two vendors qualified under this "grandfather" provision, the Court upheld the ordinance, finding it to be a permissible economic regulation "aimed at enhancing the vital role of the French Quarter's tourist-oriented charm in the economy of New Orleans." Id. at 303. Dukes has been widely followed by state and federal courts.

For the above reasons we believe that if HB 81 or SB 58 were enacted into law, and a court were presented with a claim that the "grandfather" provisions of the enactment violate the equal protection clause of the Alaska constitution, the court would reject the challenge and uphold the "grandfather" provision.

If we can be of further assistance, please let us know.

cc: Roberley Waldron
Eileen Plate

MEMORANDUM

State of Alaska
Department of Law

TO: Nancy Bear Usera
Commissioner
Department of Administration

DATE: March 10, 1993

FILE NO: 223-93-0335

TEL. NO: 465-3600

SUBJECT: Constitutionality of
phase-out provisions of
HB 81 and SB 58

FROM: John B. Gaguine ^{JBS}
Assistant Attorney General
Governmental Affairs - Juneau

We sent you a memorandum recently expressing our opinion that the provisions of HB 81 and SB 58 abolishing the longevity bonus but "grandfathering" in those who would turn 65 before January 1, 1997 would not violate the equal protection clauses of the state or federal constitutions. You have now asked whether there are constitutional problems with the differing amounts given to the "grandfathered" persons.¹

We believe that these provisions would be constitutional for the same reason as the whole "grandfathering" scheme would be. The farther a person is from age 65 - retirement age for many people, and the age at which social security benefits begin - the longer the person has to adjust his or her retirement plans. Thus in our opinion a court would find that the legislature could permissibly conclude that a person turning 65 in 1996 would suffer less hardship from a reduced longevity bonus than would a person turning 65 in 1994, and accordingly the court would uphold the legislative decision to reduce the bonus to a greater degree for the former senior than for the latter.

If we can be of further assistance, please let us know.

cc: Roberley Waldron
Eileen Plate

¹ As we noted in our initial memorandum, those turning 65 before the start of 1994 would receive \$250 a month for life; those turning 65 in 1994, \$20.; those turning 65 in 1995, \$150; and those turning 65 in 1996, \$100.

Funds Spent on Senior Programs

FY '93 unless otherwise noted

| Program | State | Federal | Total |
|---|--------------------|---|--------------------|
| Dept. of Administration | | | |
| Longevity Bonus | 64,811,700 | | 64,811,700 |
| Pioneer Homes | 30,432,500 | | 30,432,500 |
| Older Alaskans Commission | 6,053,500 | 6,486,900 | 12,523,400 |
| TOTAL DEPT. | 101,297,700 | 6,486,900 | 107,767,600 |
| Dept. of Health & Social Services | | | |
| Supplemental Security Income | | 3,580,580 | 3,580,580 |
| Longevity Bonus Hold Harmless | 2,194,500 | | 2,194,500 |
| Adult Public Assistance (for aged) | 14,600,000 | | 14,600,000 |
| Food Stamps for elderly | | 165,600* | 165,600* |
| Medicaid home health care | 227,800 | 227,000 | 455,600 |
| Medicaid nursing homes | | | |
| Skilled nursing | 2,677,100 | 2,677,100 | 5,354,200 |
| Intermediate nursing | 16,385,400 | 16,385,400 | 32,770,800 |
| General Relief Medical (Nursing Homes) | 253,900 | | 253,900 |
| Medicaid Permanent Fund (Hold Harmless) | 2,621,200 | | 2,621,200 |
| TOTAL DEPT. | 38,959,900 | 23,035,680 | 61,996,380 |
| Dept. of Community & Regional Affairs | | | |
| Homeowners Property Tax Exemption | 2,838,800 | | 2,838,800 |
| Renters Equivalency Rebate | 820,000 | | 820,000 |
| Job Training Partnership Act | | 185,125 | 185,125 |
| TOTAL DEPT. | 3,658,800 | 185,125 | 3,843,925 |
| Dept. of Commerce and Economic Development | | | |
| Alaska Housing Finance Corporation | | | |
| Senior Housing Development | 141,100 | | 141,100 |
| Senior Housing Revolving Loan Program | | Up to \$30 million in bonds available from AHFC | |
| TOTAL DEPT. | 141,100 | | 141,100 |
| TOTAL ALL DEPARTMENTS | 144,057,500 | 29,707,625 | 173,765,125 |

Total number of seniors age 60+ = 35,266. Average benefit per senior = \$4,927.00.

* Estimated figure based on percentage of seniors served

Note: All funding levels are for FY 93 authorized, except for Medicaid and Job Training Partnership Act, which are FY 92 actual.

| Additional State Benefits--Revenues Lost | Additional Municipal Benefits--Revenues Lost |
|---|---|
| Dept. of Transportation, ferry fares: \$540,800 | Municipal Tax Exemptions \$8,454,353* |
| Dept. of Public Safety, vehicle registration: Estimated \$300,000. | |
| University of Alaska, tuition waiver: \$230,267 estimated | |
| Dept. of Fish and Game: waivers of hunting, trapping, and fishing licenses (average cost: \$10.60): \$27,560. | |
| Total additional State benefits = \$1,098,627. Average senior benefit = \$31.15. | Total number of seniors age 60+ = 35,266. Total revenues lost = \$8,454,353. |
| | Total average benefit = \$240. |

**GOVERNOR'S PROPOSAL
LONGEVITY BONUS PROGRAM
PHASE OUT
SUMMARY OF INTENT**

The Alaska Longevity Bonus Program was established in 1972 to pay \$100 per month as a "bonus" to those over age 65 who had lived in Alaska for 25 years and were here at the time of statehood. This was a finite, self liquidating group. The purpose of the program was to "offer and provide.... an incentive to continue interrupted residency in the state." (Ch. 205, SLA 1972) Were the original criteria still in place, those eligible to enroll in the program in 1996 would have been 28 years old at the time of statehood.

At the end of 1973 the program had 4,753 recipients and an annual cost of \$346,100. The program grew at a steady rate up through 1983 when there were 9,731 recipients and an annual budget of \$27,586,750. The \$100 monthly bonus was increased in 1976, 1978, 1981, and 1982 to its current level of \$250 per month. Current projections suggest the annual cost of the ALB will exceed \$90 million in the year 2000 and will pass the \$100 million mark in 2002.

In 1984, the Supreme Court found the residency rules unconstitutional in the Vest case. By the end of 1986 the Longevity Bonus Program had 15,763 recipients with an annual budget of \$44,105,500. Compared to 1983, that represented a 62% increase in recipients and a 60% increase in budget. More important, the Vest case changed the group being served from a finite, self liquidating group (65 years old, 25 years in state, here at time of statehood) to a continually growing group (anyone age 65 with one year residency). Beyond the change in the size of the group, the basic purpose of the Longevity Bonus Program changed. It was no longer a program to provide an incentive to long term Alaskans who helped build our state prior to statehood.

During the years since the creation of the Longevity Bonus, there have been several changes that have improved the economic condition of Alaskan seniors. The federal government passed the Employee Retirement Income Security Act (ERISA) in 1976, Individual Retirement Accounts (IRAs) became widely available, Senior Citizen Property Tax Relief was enacted, property values increased, The Permanent Fund Dividend was established, State income taxes were repealed, and Social Security incomes steadily increased. As a group, those reaching age 65 today, have had the advantage of the economic growth of the past 20 years and are more economically stable than any previous group of seniors.

This proposal protects those who planned their retirement around the Longevity Bonus Program. They will be able to depend on it for the rest of the time they remain in Alaska. The three year transition period before new enrollment is ended allows those close to retirement to receive the Longevity Bonus. It gives future retirees time to make other plans for retirement income. This proposal does not provide for creating a government operated annuity plan. For those who wish to invest their Permanent Fund Dividend to provide for future retirement income, today they can do so by directing the Permanent Fund Dividend Division to send the PFD to a private annuity plan or other investment of their choice. This can be accomplished through direct deposit instructions on the PFD application. This preserves the investment concept without creating a new bureaucracy to implement an insurance type program.

This proposal returns the Longevity Bonus Program to its original goal -- assisting a finite group who may not have remained in Alaska in retirement without this assistance.

LONGEVITY BONUS PHASE OUT PROPOSALS COMPARISON CHART

| | GOVERNOR'S PROPOSAL | SENATE BILL 6 |
|---|---|---|
| TERMS | <ul style="list-style-type: none"> - 3 year phase out - \$200, \$150, \$100 - Grandfather all current recipients | <ul style="list-style-type: none"> - Estimated 15 year phase out - Bonus declines based on variable factors - Grandfather all current recipients |
| COST | <ul style="list-style-type: none"> - Declines rapidly after 1996 - Set formula allows for accurate budgeting | <ul style="list-style-type: none"> - Declines gradually - Declines dependent on PFD and investment income - Additional administrative costs - Variable nature makes budgeting difficult |
| ADMINISTRATION | <ul style="list-style-type: none"> - No new administrative costs - Program ends by 2040 | <ul style="list-style-type: none"> - New administrative system to determine annual payments within the longevity bonus program - create new government managed and administered annuity investment program - Longevity Bonus administration ends 2040 - New annuity administration open ended |
| INVESTMENT OPTIONS FOR PERMANENT FUND DIVIDENDS (PFD) | <ul style="list-style-type: none"> - Self-directed through direct deposit instructions on PFD application | <ul style="list-style-type: none"> - Creates complex state operated annuity program as option for investing PFD - May not have sufficient participation to sustain financial viability |
| EFFECT ON ALASKA'S SENIORS | <ul style="list-style-type: none"> - Proposal easily understood - Current recipients continue at level they started - Provides for a reasonable transition - Frees resources for other senior needs | <ul style="list-style-type: none"> - Complex to understand - Annual bonus dependent on PFD and investment income - Dedicates more general funds to non-needs based senior program |

GOVERNOR'S PROPOSAL LONGEVITY BONUS PHASE OUT

The original Longevity Bonus legislation stated, "The sole purpose of this chapter is to offer and provide ... an incentive to continue uninterrupted residency in the state." (Ch. 205, SLA 1972) We propose to phase out the Longevity Bonus Program because:

- ~ Other incentives are now offered that enhance the living conditions of seniors
 - Alaska's life style and cost of living are now comparable to other states
 - More traditional employment opportunities have employer based pensions
 - Social Security benefits have increased
 - Medical assistance programs are now available
 - ERISA protection for pensions is now available
 - The Permanent Fund Dividend program was initiated
 - Senior citizen tax relief is available
 - Free and/or subsidized private and governmental services are available for all senior citizens
 - OAC grant programs which fund a variety of community based services have been initiated
- ~ 25 year residency requirement was struck down, negating the original intent of the program
- ~ It is serving all those who were at least 45 years old when it was passed
- ~ Bonus amount has increased from \$100 to \$250 and will need further adjustment to keep pace with inflation
- ~ Combination of the increased Bonus and more recipients due to shorter residency has made the program too costly
- ~ Limited state resources should be focused on those less able to help themselves
- ~ Alaskans generally agree it's time to phase out the current program

Key Provisions of Proposal

| | |
|---|--|
| Terms | 3-year phase out \$200, \$150, \$100 Grandfather all current recipients |
| Cost | Declines rapidly after 1996 Set formula allows for accurate budgeting |
| Administration | No new administrative cost Program ends by 2040 |
| Investment Options for Permanent Fund Dividend (PFD) | Self-directed through direct deposit instructions on PFD application |
| Effect on Alaska's Seniors | Proposal easily understood Current recipients continue bonus at \$250 Provides for a reasonable transition |

6. *Isn't a three year phase out short notice?*

Alaskans have been on notice that the Longevity Bonus was not likely to continue since 1986 when the legislature began considering proposals to phase out the program. Therefore, with the proposed three-year phase out, Alaskans will have known for over ten years that it was not likely that the program could be sustained indefinitely.

7. *Will phase out of the Longevity Bonus adversely affect the Alaska economy?*

No. The phase out will be gradual over 41 years so the effect will not be significant. With necessary budget reductions, the funds otherwise spent on the Longevity Bonus will be shifted to other priorities.

8. *In 1986 there was an advisory vote to end the Longevity Bonus and create an annuity program. Why doesn't this proposal contain an annuity plan?*

Economic conditions, investment options, and available technology have changed during the ensuing 7 years. The annuity plan calls for creation of a new government program at a time when it is necessary to downsize government operations. Additionally, Alaskans can now self-direct investment of their PFD to any number of options through direct deposit.

9. *Under other proposals that include an annuity plan, will seniors be guaranteed payment of \$250 per month when they reach age 65?*

Absolutely not. They will receive payments based only upon how much money they actually deposited in the program. The size of monthly payments will depend on the amount of annual investment; number of years in the program; and rate of interest earned. Those who did not invest any portion of their PFD will receive nothing.

10. *What costs has the state incurred by not ending the Longevity Bonus in 1986?*

The state has spent over \$88 million more than it would have if the growth had been held to the \$44 million budget of 1986. Today, the program serves 23,000 recipients and adds an additional \$5 million to the budget annually.

11. *Why will this approach to phasing out the Longevity Bonus program work when others have failed?*

This plan is simple. It is a single issue, not tied to development of new and financially complex programs. It is not dependent on uncertainties of the financial markets. It is sensitive to people's needs. It recognizes the special role of Senior Alaskans. It simply makes sense.

**ALASKA LONGEVITY BONUS
-PHASE OUT
Questions and-Answers**

1. *Whom was the Longevity Bonus intended to serve?*

In 1972 the Legislature established the Longevity Bonus Program to serve seniors who were 25 year residents and lived in Alaska prior to statehood.

2. *What was the purpose of the Longevity Bonus Program?*

"The sole purpose of this chapter is to offer..... an incentive to continue uninterrupted residency in the state." Chapter 205 SLA 1972

3. *What changes have occurred since the creation of the Longevity Bonus Program in 1972 that reduce the need for the program?*

The need for future seniors to rely on the Longevity Bonus has been mitigated by a number of programs/protections that were not available when the Longevity Bonus was created.

- ~ Alaska's life style and cost of living are now comparable to other states
- ~ More traditional employment opportunities have employer-based pensions
- ~ Social Security benefits have increased
- ~ Medical assistance programs are now available
- ~ ERISA protection for pensions is now provided
- ~ The Permanent Fund Dividend program was initiated
- ~ Senior citizen tax relief is available
- ~ Free and/or subsidized private and governmental services are available for all senior citizens
- ~ OAC grant programs which fund a variety of community-based senior services have been initiated

In addition, elimination of the 25 year residency and requirement to be in Alaska before January 3, 1959, (Statehood) has drastically enlarged the group the program was designed to served.

4. *Why phase out the Longevity Bonus program?*

The state budget cannot sustain the projected growth of this program. Current recipients who are dependent on the Longevity Bonus are in jeopardy of eventually losing the benefit if growth is not curtailed. Projections indicate the program will exceed \$100,000,000 in the year 2002.

5. *Why end eligibility with those who are now age 62?*

This provides those with reasonable expectations of receiving the bonus some financial support from the Longevity Bonus. It provides adequate notice to others who have time for planning that the Longevity Bonus will no longer be available.

- ~ The Permanent Fund Dividend program was initiated
- ~ Senior citizen tax relief is available
- ~ Free and/or subsidized private and governmental services are available for all senior citizens
- ~ OAC grant programs which fund a variety of community based senior services have been initiated

Annuity programs

- ~ After six years of trying, the issue has still not been resolved.
- ~ Government-operated annuity program will require new expenditures and new administrative programs
- ~ The new direct deposit feature for the PFD allows recipients to self-direct dividends to an account of their choice
- ~ Annuity concept requires large pool of participants to ensure financial viability
- ~ The less affluent will be able to invest little or none of their PFD

Time to act

- ~ Current year is a window of opportunity to assure grandfathering of existing recipients
- ~ Ability to provide any transition time is becoming more difficult
- ~ Pressure to terminate all non-needs based benefits is growing

**GOVERNOR'S PROPOSAL
LONGEVITY BONUS PHASE OUT
TALKING POINTS**

Phase out program

- ~ Grandfathering all current recipients
- ~ End new enrollment with those who turn 65 before January 1, 1997
- ~ Reduce payment for new eligibles over next three years (94 -- \$200; 95 -- \$150; 96 -- \$100)

Origin of program

- ~ Established in 1972 to pay \$100/month to those over age 65 who lived in Alaska prior to statehood (January 3, 1959)
- ~ Intended to provide for Alaskans who helped build our state but didn't have retirement income to stay in Alaska

Program changes

- ~ Vest case (1984) eliminated original residency requirements
- ~ Changes focus of program and made it open ended
- ~ Monthly bonus increased from \$100 to \$250

Program growth and costs

- | | | |
|--------|-------------------|----------------------------|
| ~ 1973 | 4,753 recipients | \$346,100 annual cost |
| ~ 1983 | 9,731 recipients | \$27.5 million annual cost |
| ~ 1986 | 15,763 recipients | \$44 million annual cost |
| ~ 1993 | 23,000 recipients | \$66 million annual cost |
| ~ 2000 | 31,000 recipients | \$93 million annual cost |
- ~ We've spent \$88 million more than we would if the program had been phased out in 1986.
 - ~ Each year phase out is delayed, the total (aggregate through end) cost of the program increases over \$100 million.

Changes for today's seniors

- ~ Alaska's life style and cost of living are now comparable to other states
- ~ More traditional employment opportunities have employer-based pensions
- ~ Social Security benefits have increased
- ~ Medical assistance programs are now available
- ~ ERISA protection for pensions is now provided

House Bill 81
Sectional Analysis

Sec. 1: Provides for phase out of the Longevity Bonus Program.
Specifically:

- a. All current Longevity Bonus recipients and persons reaching age 65 before January 1, 1994, would receive the current \$250 per month bonus payment.
- b. Persons reaching age 65 during calendar year 1994 would receive \$200 per month.
- c. Persons reaching age 65 during calendar year 1995 would receive \$150 per month.
- d. Persons reaching age 65 during calendar year 1996 would receive \$100 per month.

Under current law, all persons 65 or older are eligible to receive a \$250 per month bonus payment.

Sec. 2: Provides that persons must be 65 before January 1, 1997, to receive a bonus payment. Persons turning 65 after that time would not be eligible.

2/1/93
IN THE LEGISLATURE OF THE STATE OF ALASKA
with reference to:

In the HOUSE, Bill No. 58
In the SENATE, Bill No. 81

2/15/93
JES

Please do not support these bills requested by the Governor.

This is my second shot at writing this. The first attempt is in the circular file because it seemed even to me that all I did was cry about how it would impact me personally. Let it suffice to say we have been here 23 years and have toughed out a lot and made difficult family decisions because of the thought there would be a pay-off at the end to make it all worthwhile.

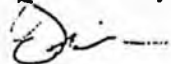
I am a grandfather now, but not yet old enough to fit in the slot of the Governor's program. I find it incredible that he would offer these benefits to a one year resident and deny them later to a family with our history in the state.

Please consider this alternative. I do not particularly like it but I understand your need to balance budgets and I would consider it much more fair:

1. Determine the amount of money funding the existing longevity bonus program requires annually and set up a cost of living adjustment factor.
2. Require applications each year like the permanent fund system, for example.
3. Divide the annual amount by the number of approved applications and send out the checks.

I think this system could be implemented simply and efficiently, would put a cap on the annual fund, would reward those who stayed thru the tough times, and would only gradually diminish the amount each recipient received as population increased within this age group.

Sincerely,



Bruce E. Schirmers

FAX 262 4121

FEB 10 1993

 **Bruce & Co.**
REALTOR

P.O. Box 2559 2856

262-4500

Soldotna, Alaska 99669

2-13-93
 HB-81
 Comm. USERRA

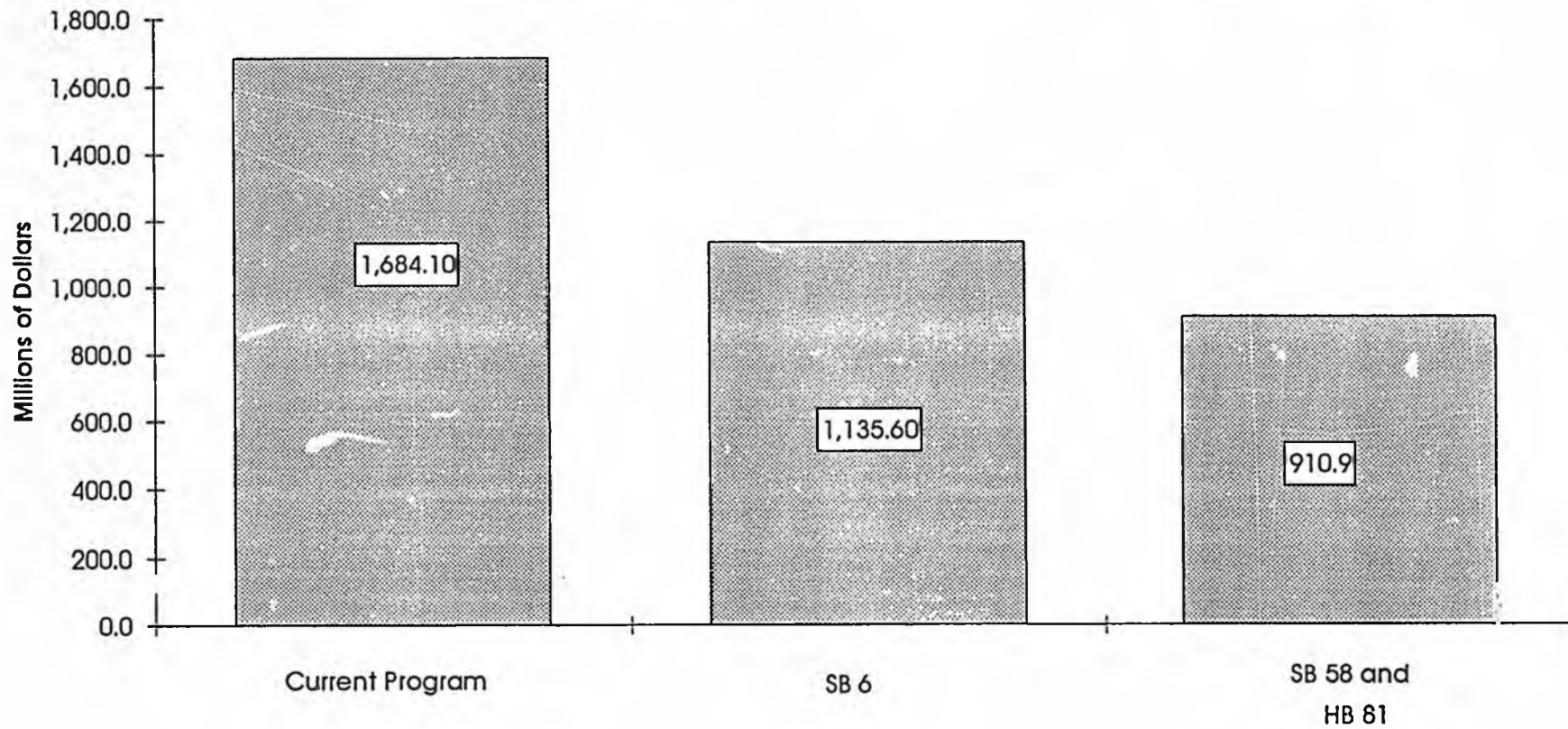
Longevity Bonus Program Alternative Funding Proposals

| Fiscal Year | Projected Cost | | | Projected Number of Participants | | |
|-------------|-----------------|---------------|----------------------------------|----------------------------------|---------------|----------------------------------|
| | Current Program | Senate Bill 6 | Senate Bill 58 and House Bill 81 | Current Program | Senate Bill 6 | Senate Bill 58 and House Bill 81 |
| 1994 | 69.6 | 69.6 | 69.1 | 24,059 | 24,059 | 24,059 |
| 1995 | 74.8 | 74.7 | 70.8 | 25,864 | 25,864 | 25,864 |
| 1996 | 78.2 | 77.5 | 71.1 | 27,021 | 27,021 | 27,021 |
| 1997 | 81.2 | 79.5 | 69.9 | 28,081 | 28,081 | 26,581 |
| 1998 | 84.4 | 81.1 | 66.9 | 29,188 | 29,188 | 25,525 |
| 1999 | 87.5 | 82.0 | 63.9 | 30,266 | 30,266 | 24,444 |
| 2000 | 90.8 | 82.3 | 60.9 | 31,408 | 31,408 | 23,385 |
| 2001 | 93.9 | 81.4 | 57.7 | 32,456 | 32,456 | 22,272 |
| 2002 | 97.1 | 79.7 | 54.7 | 33,557 | 33,557 | 21,181 |
| 2003 | 100.4 | 76.9 | 51.6 | 34,704 | 34,704 | 20,087 |
| 2004 | 103.8 | 72.9 | 48.5 | 35,880 | 35,880 | 18,950 |
| 2005 | 107.5 | 67.7 | 45.4 | 37,153 | 37,153 | 17,814 |
| 2006 | 111.9 | 61.0 | 42.2 | 38,675 | 38,675 | 16,666 |
| 2007 | 116.9 | 52.7 | 39.1 | 40,428 | 40,428 | 15,512 |
| 2008 | 123.1 | 42.3 | 36.0 | 42,572 | 42,572 | 14,367 |
| 2009 | 128.9 | 29.3 | 33.0 | 44,559 | 44,559 | 13,239 |
| 2010 | 134.1 | 25.0 | 30.1 | 46,376 | 46,376 | 12,136 |

| Cumulative Costs Through 2010 | | |
|-------------------------------|---------|-------|
| 1,684.1 | 1,135.6 | 910.9 |

All dollars in millions

Longevity Bonus Proposals - Cumulative Cost Through Fiscal Year 2010



Longevity Bonus Fiscal Note

Analysis of New Program Costs

| FY | | Cost Increase | Net Increase From Year to Year | Average Monthly ALB Warrants | ALB Grants | Projected Cost of Proposed Changes | Savings to the State |
|------|------------|---------------|--------------------------------|------------------------------|------------|------------------------------------|----------------------|
| 1989 | Actual | | | 17,824 | 53,472,250 | | |
| 1990 | Actual | 6.92% | 1,234 | 19,058 | 57,172,700 | | |
| 1991 | Actual | 5.31% | 1,012 | 20,070 | 60,209,600 | | |
| 1992 | Actual | 4.70% | 955 | 21,025 | 63,073,750 | | |
| 1993 | Projection | 5.03% | 1,058 | 22,083 | 66,249,000 | 66,249,000 | 0 |
| 1994 | Projection | 5.03% | 1,112 | 23,195 | 69,584,250 | 69,170,302 | 413,948 |
| 1995 | Projection | 5.03% | 1,167 | 24,362 | 73,084,500 | 70,910,273 | 2,174,227 |
| 1996 | Projection | 5.03% | 1,225 | 25,587 | 76,760,500 | 70,621,770 | 6,138,730 |
| 1997 | Projection | 5.03% | 1,287 | 26,874 | 80,621,500 | 67,596,525 | 13,024,975 |
| 1998 | Projection | 5.03% | 1,352 | 28,226 | 84,677,000 | 64,659,990 | 20,017,010 |
| 1999 | Projection | 5.03% | 1,419 | 29,645 | 88,936,000 | 61,653,512 | 27,282,488 |

Note - There is an additional fiscal note associated with this proposal for the administration component, for \$1,625 for computer modifications.



**ALASKA STATE LEGISLATION
ALASKA LONGEVITY BONUS PROGRAM
POSITION PAPER
1993**

AARP POSITION

The Alaska State Legislative Committee of the American Association of Retired Persons advocates the reform of the Longevity Bonus Program to an annuity program.

This annuity program should include the following recommendations:

- 1) Protect current recipients and continue their benefits.
- 2) Assure program stability to recipients.

Discussion

Monthly longevity bonus payments by the State of Alaska to persons 65 years or more of age were initiated in 1972 with stipulations. The payments were intended to acknowledge long time contributions to the state and to encourage post-retirement residency. The courts nullified all but limited residency requirements.

The program has expanded and exceeded expectations. The rapid growth of the retirement community accelerated the financial obligations upon the Alaska General Fund. The current program is one of the most successful and broadest based programs of state government contributing to the economy and social well being of all Alaskans.

Many proposals have been made to modify the longevity bonus program. In 1985 an annuity program was submitted for a state-wide advisory vote, passing by a 60 percent margin.

Seniors are a valuable contributing force in our state. The longevity bonus program enables seniors to retire in the state. Implementation of an annuity program would solve the accelerating obligations upon the General Fund by phasing out that obligation and would enable current recipients to remain in Alaska.

For further information, please contact:

Mary Lou Melners, Chair
State Legislative Committee
(907) 586-2568

Joe Alter, Coordinator
Capital City Task Force
(907) 586-6680

Seattle Office
9750 Third Ave, NE Ste. 400
Seattle, WA 98115
(206) 526-7918

John Shaffer, Chair
Economic Security Subcommittee
(907) 747-8425

Adopted: December 8, 1992

oblong nre



Alaska State Legislature

Please enter into the record my testimony to the Health 26, B 81
committee name

committee on Health, dated 4-7-93
bill/subject

I am in favor of having the long
longevity program continued as we
need it, and most money is spent
here in ~~our~~ our area, a lot of people
will ~~be~~ have to leave the state without
these longevity.

Signed: Olaf J. Myrnes 945 Westlawn Ct Wasilla
Testifier AK 99654

Representing (Optional)

Address

945 Westlawn Ct Wasilla AK 99654

Phone No.

373-5660



Alaska State Legislature

Please enter into the record my testimony to the H. FINANCE
committee name

committee on H.B. 81, dated 4-7-93
bill/subject

I request that you vote for HB 81.

Signed: *Arnold Williams*
Testifier

Representing (Optional)
HCO1 Bay 6083
Address
745-3665
Phone No.



Alaska State Legislature

Please enter into the record my testimony to the HF 101
committee name

committee on HB 81, dated 4-7-93
bill/subject

*Would like to see the Longevity reduced
\$225 a month & no one else getting into
it after year 1995*

Signed: *Patsy A. Kuehl*
Testifier

Representing (Optional)
HCO1 Box-6083 Palmer, AK 99645
Address
745-3665
Phone No.



Alaska State Legislature

Please enter into the record my testimony to the HFIN
committee name

committee on HB 81, dated 4-7-93
bill/subject

would like to see the Longivity kept as it is.

Signed: Douglas V. Moore
Testifier

Representing (Optional)
1201 Century Cir. D-4 Wasilla, AK
Address 99687
373-5714
Phone No.