SB

54

TONY KNOWLES
GOVERNOR

P.O. Box 110001
Juneau, Alaska 99811-0001
(907) 465-3500
Fax (907) 465-3532

STATE OF ALASKA
OFFICE OF THE GOVERNOR
JUNEAU

January 16, 1997

The Honorable Mike Miller
President of the Senate
Alaska State Legislature
State Capitol
Juneau, AK 99801-1182

Dear President Miller:

As part of my Administration's effort to reduce state spending and address our budget gap, I am reintroducing a bill that sets income limits on the longevity bonus. These limits would be set so that only those senior citizens in upper income brackets who least rely on the bonus would no longer be eligible for the program. I asked the legislature to consider this proposal last year and still believe it is a responsible approach to our need to cut state spending.

This bill would limit the longevity bonus to those senior citizens with gross incomes of less than $60,000 a year or, for married seniors, a combined annual gross income of $80,000.

Although the 1993 amendments to the bonus statutes closed the program to any new applicants as of this year, the savings over the next few years are relatively small. The plan presented in this bill is estimated to reduce program costs by about 8 percent, or about $6 million annually. Another $2 million would be saved in accompanying "hold harmless" provisions of the Adult Public Assistance budget because the federal government will not count the longevity bonus against public assistance payments if the bonus carries an income restriction--such as contained in this bill.

This proposal does not "needs base" the bonus program which some seniors oppose, believing that equates to welfare. Approximately 92 percent of seniors currently on the program, or more than 25,000 people, would see no change in their bonuses. The relatively high income level of $60,000 means the bonus would not just be limited to those seniors at lower incomes, but would continue to recognize the contributions of our Alaska seniors.

This bill considers only income, not assets, so recipients with moderate incomes will continue to receive the bonus even if they own valuable but non-liquid assets, such as homestead property or a residence which has greatly increased in value over the years. Also, a senior made ineligible for the bonus by this law would be reinstated to the program if his or her income later dropped below the cutoff levels.

This proposal is a logical approach to trimming our budget gap without reducing essential programs and services to our residents. I urge your consideration of this measure.

Sincerely,

Tony Knowles
Governor

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FEB 1 8 1997
Ans'd.....

5354

Facsimile Transmittal Cover Sheet

JACK COLE
P. O. Box 178
Willow, Alaska 99688

Voice: 907-495-6447
Fax: 907-495-6447

Send To

OPPOSED

Senator Lyda Green

Fax: 907-465-3805

Date: Feb. 18, 1997

Number of Pages: 2

Dear Senator Green:

I sincerely regret being unable to attend the Town Meeting Saturday, Feb. 15th. at the Mat-Su Borough Assembly Chambers. Saturday is my shift change day from Prudhoe Bay where I am Airport Manager of the Deadhorse Airport.

This is my 6th year in this position with the State of Alaska, during which time my wife and I have been able to pay off our home mortgage and start to consider an investment program to add to my retirement. I am 74 years of age at this time and still working in effort to have a retirement that will allow me to stay in Alaska in our present home, living a modest lifestyle like the one we enjoy at this time.

Any reduction in income from our present level, which includes the Longevity Bonus for me would interrupt our forecasted plans and retirement date which I had hopefully set at June 1, 1998, at which time I will be six months beyond 75 years of age.

I am naturally opposed to any reduction in benefits to seniors at a time when the Governor sees fit to make deals that reduces the states income. I urge you to do what you can to block reductions from those of us who are still forced to work at this age trying to accumulate enough to retire upon.

Respectfully,

Jack E. Cole

Jack E. Cole

Senator Lyda Green

I really commend you for your effort in offering legislation to protect the permanent fund as well as all you are doing to provide funding for the senior and disabled veterans property tax exemption.

Thank you

Jack E. Cole

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Ans'd.....

2-11-97

Dear Senator Green:

Thank you for your invitation to attend the Town Meeting scheduled for 2/15/97. Since I may be unable to attend I am taking this opportunity to comment on senior issues.

I am strongly opposed to any change in the longevity bonus program, the property tax exemption or any other change which adversely effects the financial status of senior Alaskans.

Those of us who were Alakans in 1972 when the longevity bonus and later the property tax exemption programs were enacted were pleased that the State recognized the contributions made by long time residents by offering a financial incentive to remain and enjoy the fruits of their labors.

These programs were never meant to be a form of income based welfare nor should they be. Most senior Alaskans are on fixed incomes which include these programs and would be unable to make up any financial loss.

One wonders how many senior families would be forced to leave the state if those programs

were reduced or discontinued and what the financial impact would be to the states economy with the loss of those family incomes. If only 12 "higher" income families left, the state would lose nearly $1,000,000 from the economy.

One also wonders if the permanent fund dividend might also become an income based welfare program.

While it is understandable that the state is trying to reduce its budget and/or increase its income, to accomplish this on the backs of the people who can least afford it is totally unacceptable and in the long run would be detrimental to the State.

I would have no objection to a 2% capped state sales tax, a capped or reduced permanent fund dividend, the use of undistributed earnings or an inflation proofing deposit (but probably not both).

I feel sure that the permanent fund will continue to grow and provide a reasonable dividend to state residents.

Thank You for your Consideration.

James and Andrea Mayer
Box 4158 Palmer, ak 99645

cc. Senator Helfork.

Alaska State Legislature

Please enter into the record my testimony to the committee on (S) State Affairs (committee name) Senate Bill 54 (bill/subject), dated March 8,

Nursing home private care $ 84,000 a year. I intend to pay my own way. I pay property taxes (with no income return) to Anchorage, Kenai & Matsu equal to my longevity bonus. As I sell my home, vacant land inorder to remain independent, & then can no longer stay in my home, where would the $40,00$ needed to pay for the income gap. I am handicapped with a rare disease "post-polio syndrome, in a body cast. I have slept in in 1980 Dodge Van to obtain weeks of special care (with out of State care). How does a handicapped person figure in your $60,000 income limit? Tony Knowles Trail costs Mullimillions, miles long TO serve Bate Board/Chiens the $1,500,000 twinsting Tudor Road at Bragaw doesn't meet ADA Handicapped Standards; However, there is no legal remedy because wheel chairs & walkers can stay on the sidewalk & dodge cars turning after the red light. This Bill pitches no one receiving Medicaid, no ~~less homes~~, nursing Vest-
Thank you Senator Green & comm. tee for your help

Signed: _____

Testifier: Terry Burrell (sorry my right hand is in a splint)

Representing (Optional): _____

Address: 3216 Wesley Ave Anch 99508

Phone No.: 333-2774

Alaska State Legislature

Please enter into the record my testimony to the Senate State Affairs Committee
committee name

committee on SB 54, dated March 8, 1997.
bill/subject

Please pass SB 54. It is irresponsible to dole out public money to people simply on the basis of age.

All senior citizens are already favored, and I am usually considered one of them, I am 64, but as an Alaskan since 1974, I have always considered the state owed me no handout and it would have to trim the handouts others as we faced the reality of paying to have a good state.

Education, infrastructure, maintenance of facilities already being neglected need the money.

The savings from this bill would more than pay for such programs for our youth as the Youth Corps Challenge Programs.

Alaska must convince its people that all segments of the population should do their part.

Signed: Ed Earnhart
Testifier

My community school support crime control improved education and personal responsibility
Representing (Optional)

1043 W. 74th Ave, Anch, AK 99518
Address

349-1160
Phone No.

RECEIVED
MAR 1 2 1997
Ans'd.....

FACSIMILE COVER SHEET

FROM: LORENA SHOWERS
923 W. 11th #217, ANCHORAGE, AK 99501

Hotel Employees, Restaurant Employees Union
Local 878
Anchorage, Alaska

FAX No. (907) 277-8595
PHONE No. (907) 272-6591
or (800) 478-4373

TO: CHAIRMAN
SENATE AFFAIRS COMMITTEE

FAX No: (907) 465-3805

RE: TELECONFERENCE

DATE SENT: 3/11/97

Number of pages, including cover page: 2

Lorana Showers
923 W 11th #217
Anchorage, Alaska 99501-4387

REMARKS: MADE AT THE TELECONFERENCE IN ANCHORAGE
MARCH 08, 1997

Concerning needs based Longevity Bonus

I have carefully read your letter concerning your plans benefits for older Alaskans and state employees, which is great for all of them.

I find only one group in your letter who will lose income. It is very unfair to older Alaskans who have worked hard for many years, built Alaska, saved their money to enable them to have a better life as they grow older. A needs based program is never fair. You can know their income but not their expenses.

In this case those persons reaching 65 with income $100 less that $6000 may get the $3000 per year, while the persons with $100 over the $6000 must lose $3000 a year. The same thing applies to couples, they lose $6000 income per year. It is a crime to reduce older Alaskans by $3000 per year.

Medicare does not cover prescriptions, eye glasses, hearing aids or dental work. All very expensive for older persons. Many of this group care for ill and handicapped relatives, as well as some with low incomes.

If you would check in our daily newspaper you would find that many are dying who are in their 70's and 80's. There are from 2 to 8 every day. They no longer will be recieving the bonus which leaves more in the fund.

How can you give state employees a pension raise even retro-active when you cut these older persons income by $3000 a year? Perhaps you have never considered some of these things. Just wait 2 or 3 more years, all those citizens in their 70's and 80's will be gone. Most of them anyway.

Please carefully detach at perforation

33204829
33215675

Dear Longevity Bonus Recipient,

I wanted to update you this month on my proposed 1998 capital budget which includes: money for a Senior Citizens Housing Development program which will provide grants for buying land; site preparation and building materials; continuing maintenance of Pioneers Homes across Alaska; and completion of Special Care units in the Sitka and Palmer Pioneers Homes for the care of residents with Alzheimers disease and related disorders. Do not forget the deadline for filing your 1997 PFD application is Monday, March 31st.

Sincerely,
Governor Tony Knowles

Please detach and return only the bottom validation form

Alaska State Legislature

RECEIVED MAR 8 Ans'd

Please enter into the record my testimony to the Senate Stat Affairs committee name

committee on 54 bill/subject, dated 3-8-97.

I am opposed To this bill, Because Longevity is earned — not welfare based on Income — The Longevity is already fased out so should be left alone — Oethough income brackets high This year what prevent legislature to decrease the income level in future years — My opinion is if Longevity is taken away The state will lose alot of their Valued Seniors — 90% of Seniors longevity monies stays in Alaska and help the economy to Alaska

Signed: Mary Halpin (I am 47 & do not recieve Longevity)
Testifier

Mid-Valley Seniors, Houston Ak.
Representing (Optional)

(mine) POB 518 Palmer AK 99645
Address

907-746 1146
Phone No.

State Legislative Information Office

Our Governor is Shipping Our Seniors down River with road to Pollo!

Have you figured out what it
cost to the state to save
$000,000 dollar? The loss of Income
from Seniors who will leave the state,
The cost of monitoring the eligibility
for longevity? It will cost 3X's
if not more to save $8,000,000 —

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Senate State Affairs
Halpin
p 5 2

Alaska State Legislature

Please enter into the record my testimony to the Senate State Affairs
committee name

committee on 54, dated 3/8/97.
bill/subject

I am opposed to Senate Bill 54. I have been on Longevity Funds since its beginning living here 38 yr. 90% of Srs don't make 60-50 thou in income so paper work is wasted. Most of the funds are spent in Alaska. If we can't afford to live here will be forced to move outside. That will hurt the economy of Alaska. Most Srs are on fixed income and need this funding to live in comfort and dignity.

Mary Halpin is not a Sr. Citz but a concerned citizen, does not recieve Longevity and probably never will

Signed: Nora E Giordano, Board member to
Testifier
Mid Valley Sr. Houston, Ak
Representing (Optional)
Po Box 318 Phyl Covert Palmer Ak 99645
Address
746-1146
Phone No.

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