

**HB**

**44**

HFFIN

FILE

# HOUSE COMMITTEE REPORT

(11)

Date Referred to Committee: March 19, 2008

FURTHER REFERRALS:

Date of Committee Action: 3/28/08

The FINANCE Committee considered:

HB 44

HOUSE BILL NO. 44

VETERAN INFO ON PFD APPLICATIONS

"An Act relating to information from veterans on the permanent fund dividend application form."

Recommends it be replaced with  HCS or  CS for HB 44 (FIN)  
 For Senate Bills with new title:  Technical Title  New Title: HCR \_\_\_\_\_  Same Title  New Title

- attach amendments
- add new referral to \_\_\_\_\_ Committee
- Letter of Intent \_\_\_\_\_ Committee

List of Abbrev for Depts:  
 ADM  
 CED  
 COR  
 CRT  
 EED  
 DEC  
 DFG  
 GOV  
 HSS  
 LWF  
 LAW  
 LEG  
 MVA  
 DNR  
 DPS  
 REV  
 DOT  
 CA

<u>NEW FISCAL NOTES</u>				
*Assigned by Chief Clerk's Office				
List by Dept(s):	*FN#	Fiscal	Indet.	Zero
REV				✓

<u>PREVIOUS FISCAL NOTES</u>				
List by Dept(s):	FN#	Fiscal	Indet.	Zero
MVA	1			✓

Signing with recommendations	Printed Last Name	DP	DNP	NR	AM
<i>[Signature]</i>	Hawker	*			
<i>[Signature]</i>	CRAWFORD	X			
<i>[Signature]</i>	STATIN	X			
<i>[Signature]</i>	Scoble	X			
<i>[Signature]</i>	Thomas	X			
<i>[Signature]</i>	KELLY	X			
Chair: <i>[Signature]</i>	Meyer	X			
Chair: <i>[Signature]</i>	Cherault	X			

# FISCAL NOTE

STATE OF ALASKA  
2008 LEGISLATIVE SESSION

Fiscal Note Number: \_\_\_\_\_  
 Bill Version: CSHB 419 FIN  
 ( ) Publish Date: \_\_\_\_\_

Identifier (file name): \_\_\_\_\_ Dept. Affected: Revenue  
 Title: Vetran Info on PFD Applications RDU: Tax and Treasury  
 Component: Permanont Fund Dividend Division  
 Sponsor: Guttenberg  
 Requester: House Finance Committee Component Number: 981

**Expenditures/Revenues** (Thousands of Dollars)

Note: Amounts do not include inflation unless otherwise noted below.

	Appropriation Required	Information						
		FY 2009	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013	FY 2014
<b>OPERATING EXPENDITURES</b>								
Personal Services								
Travel								
Contractual								
Supplies								
Equipment								
Land & Structures								
Grants & Claims								
Miscellaneous								
<b>TOTAL OPERATING</b>		<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>

<b>CAPITAL EXPENDITURES</b>								
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<b>CHANGE IN REVENUES ( )</b>								
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**FUND SOURCE** (Thousands of Dollars)

1002 Federal Receipts								
1003 GF Match								
1004 GF								
1005 GF/Program Receipts								
1037 GF/Mental Health								
Other Interagency Receipts								
<b>TOTAL</b>		<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>

Estimate of any current year (FY2008) cost: \_\_\_\_\_

**POSITIONS**

Full-time								
Part-time								
Temporary								

**ANALYSIS:** (Attach a separate page if necessary)

By: Rep. Kevin Meyer Phone: 465-4945  
Co-Chair, House Finance Committee  
Rep. Mike Chenault Date: 3/31/2008  
Co-Chair, House Finance Committee

# FISCAL NOTE

STATE OF ALASKA  
2008 LEGISLATIVE SESSION

Fiscal Note Number: 1  
Bill Version: CSHB 44(MLV)  
(H) Publish Date: 2/29/08

Identifier (file name): HB44-DMVA-NGMHQ-2-22-08 Dept. Affected: DMVA  
Title: An Act relating to information from veterans on the permanent RDU: Military and Veterans Affairs  
fund dividend application form Component: NGMHQ  
Sponsor: Rep. Guttberg, Dahlstrom, Kertula, Lynn, Fairclough, Kawasaki  
Requester: House Special Comm on MVA, State Affairs Component Number: 2135

**Expenditures/Revenues** (Thousands of Dollars)

Note: Amounts do not include inflation unless otherwise noted below.

	Appropriation Required	Information						
		FY 2009	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013	FY 2014
<b>OPERATING EXPENDITURES</b>								
Personal Services	0.0	0.0	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	0.0	0.0
Contractual	0.0	0.0	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	0.0	0.0
Equipment	0.0	0.0	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	0.0	0.0
Grants & Claims	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Miscellaneous	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
<b>TOTAL OPERATING</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>

<b>CAPITAL EXPENDITURES</b>								
-----------------------------	--	--	--	--	--	--	--	--

<b>CHANGE IN REVENUES ( )</b>								
-------------------------------	--	--	--	--	--	--	--	--

**FUND SOURCE** (Thousands of Dollars)

1002 Federal Receipts	0.0	0.0	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	0.0	0.0
1004 GF	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
1005 GF/Program Receipts	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
1037 GF/Mental Health	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Other Interagency Receipts	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
<b>TOTAL</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>

Estimate of any current year (FY2008) cost: \_\_\_\_\_

**POSITIONS**

Full-time								
Part-time								
Temporary								

**ANALYSIS:** (Attach a separate page if necessary)

No expected fiscal impact to the Department of Military and Veterans Affairs.

Prepared by: McHugh Pierre, Legislative Liaison, Director of Communications  
Division: National Guard Military Headquarters, Commissioner's Office  
Approved by: Commissioner Craig Campbell

Phone: 465-4402  
Date/Time: 2/22/08 @ 2:30 pm  
Date: 2/22/2008

sev

3/28/08

AMENDMENT

adopted nio

OFFERED IN THE HOUSE

BY REPRESENTATIVE HAWKER

TO: CS HB 44 (Work Draft 25-I.S0229\E)

1 Page 1, starting on line 9:

2 Delete "under this subsection to the Department of Military and Veterans' Affairs and, on  
3 request, to congressionally chartered veterans service organizations in the state. The  
4 department may not otherwise release the information."

5  
6 Insert "under this subsection to the Department of Military and Veterans' Affairs and may  
7 not otherwise release the information. The Department of Military and Veterans' Affairs  
8 may only release the information to congressionally chartered veterans service organizations  
9 in the state."

10  
11 Page 1, line 13:

12 Delete "by the department"

13  
14 Page 1, line 14:

15 Delete "recipients of the information"

16 Insert "veterans service organizations"

17

*adopted  
3/20/08*

25-LS0229E

Cook

3/17/08

**CS FOR HOUSE BILL NO. 44( )**

**IN THE LEGISLATURE OF THE STATE OF ALASKA**

**TWENTY-FIFTH LEGISLATURE - SECOND SESSION**

**BY**

**Offered:**

**Referred:**

**Sponsor(s): REPRESENTATIVES GUTTENBERG, DAHLSTROM AND KERTTULA, Lynn, Fairclough, Kawasaki**

**A BILL**

**FOR AN ACT ENTITLED**

1 "An Act relating to information from veterans on the permanent fund dividend  
2 application form."

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

4 \* Section 1. AS 43.23.015 is amended by adding a new subsection to read:

5 (j) The application form for claiming a permanent fund dividend must include  
6 a place for the applicant to voluntarily indicate that the applicant is a veteran, the  
7 branch of service, including the Alaska Territorial Guard, and the dates of service.  
8 Notwithstanding AS 43.23.017, the department shall release information provided  
9 under this subsection to the Department of Military and Veterans' Affairs and, on  
10 request, to congressionally chartered veterans service organizations in the state. The  
11 department may not otherwise release the information. The application form must  
12 contain notice that providing the information under this subsection is voluntary, that  
13 the information will be released by the department as provided in this subsection, and  
14 that the recipients of the information are not required to keep it confidential.

# ALASKA STATE LEGISLATURE

Sponsor



Statement

SESSION  
Alaska State Capitol, Room 418  
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Fairbanks, AK 99701  
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## Representative David Guttenberg

### House Bill 44 – Veteran Info on PFD Application

HB 44 adds the question to the Permanent Fund Dividend application: Are you an American military veteran? By offering veterans the option to identify themselves as veterans on the PFD application, as well as their military branch and dates of service, we will be better able to find and engage our veterans and their families in helping them secure their legal rights to programs and benefits they have earned under federal and state laws.

With 74,500 veterans (2005 US Census) and about 35,000 active duty, National Guard, and Reserves across our state, Alaska has the highest veteran's population per capita in the nation. HB 44 seeks to enable the State of Alaska and Alaskan-based Veteran Service Organizations to better inform these veterans of changes in programs or policies that affect them and their families.

It is in the best interest of Alaska to ensure that all resident veterans receive the federal benefits they have earned from the Veterans Administration, the Department of Defense, and other agencies. The retirement checks and/or benefits of Alaska veterans represent over a billion dollars to our economy every year, yet only one in five veterans receive benefits. If we were to double the number of veterans receiving benefits, we could create a significant economic impact in communities throughout the state.

As a result of federal and state privacy laws, it has become almost impossible to find and connect with our veterans. It is clearly in the State's best interest to ensure all veterans are informed of their rights to VA healthcare, burial rights, disability compensation, survivor benefits, housing loans, spousal assistance, college assistance, and vocational assistance. HB 44 attempts to reach these veterans who, for whatever reason, are not currently receiving the benefits they have earned or may be unaware of changes in the status of these programs.

Only the state and congressionally chartered and state approved Veteran Service Organizations will have access to this register for the purposes of contacting and informing our resident veterans of their legal rights and benefits they have earned.

I urge you to support this legislation.

2/28/08

Congressionally-Chartered Veterans Service Organizations (By Date of Charter)

<u>Service Organization</u>	<u>Date of Charter</u>
<u>Navy Mutual Aid Association</u>	<u>Jul. 28, 1879</u>
<u>The American Red Cross</u>	<u>Jan. 5, 1905</u>
<u>The American Legion</u>	<u>Sept. 16, 1919</u>
<u>National Amputation Foundation, Inc.</u>	<u>1919</u>
<u>American War Mothers</u>	<u>Feb. 24, 1925</u>
<u>Disabled American Veterans</u>	<u>June 17, 1932</u>
<u>Veterans of Foreign Wars</u>	<u>May 28, 1936</u>
<u>Marine Corps League</u>	<u>July 4, 1937</u>
<u>United Spanish War Veterans</u>	<u>April 22, 1940</u>
<u>Navy Club of the United States of America</u>	<u>June 6, 1940</u>
<u>American Veterans Committee</u>	<u>1944</u>
<u>American Defenders of Bataan and Corregidor</u>	<u>Mar. 21, 1946</u>
<u>AMVETS (American Veterans)</u>	<u>July 23, 1947</u>
<u>American G.I. Forum</u>	<u>March 1948</u>
<u>Military Chaplains Association of the USA</u>	<u>Sept. 20, 1950</u>
<u>Legion of Valor of the USA, Inc.</u>	<u>July 4, 1955</u>
<u>Congressional Medal of Honor Society</u>	<u>July 14, 1958</u>
<u>Veterans of World War I</u>	<u>July 18, 1958</u>
<u>Military Order of the Purple Heart</u>	<u>Aug. 26, 1958</u>
<u>Blinded Veterans Association</u>	<u>Aug. 27, 1958</u>
<u>Blue Star Mothers of America, Inc.</u>	<u>June 1960</u>
<u>National Association for Black Veterans, Inc.</u>	<u>July 1969</u>
<u>Swords to Plowshares: Veterans Rights Organization</u>	<u>Dec. 23, 1974</u>
<u>Air Force Sergeants Association</u>	<u>Nov. 18, 1997</u>
<u>Paralyzed Veterans of America</u>	<u>Aug. 11, 1971</u>
<u>Veterans of the Vietnam War, Inc.</u>	<u>May 5, 1980</u>
<u>Gold Star Wives</u>	<u>Dec. 4, 1980</u>
<u>Italian American War Veterans</u>	<u>Nov. 20, 1981</u>
<u>U.S. Submarine Veterans, Inc.</u>	<u>Nov. 20, 1981</u>
<u>National Veterans Legal Services Program, Inc.</u>	<u>1981</u>
<u>American Ex-Prisoners of War</u>	<u>Aug. 10, 1982</u>
<u>Women's Army Corps Veterans Association</u>	<u>Oct. 30, 1984</u>
<u>American Gold Star Mothers, Inc.</u>	<u>June 12, 1984</u>
<u>Polish Legion of America</u>	<u>June 23, 1984</u>
<u>Catholic War Veterans</u>	<u>Aug. 17, 1984</u>
<u>Jewish War Veterans</u>	<u>Aug. 21, 1984</u>
<u>Pearl Harbor Survivors</u>	<u>Oct. 7, 1985</u>
<u>Vietnam Veterans of America</u>	<u>May 23, 1986</u>
<u>Army and Navy Union</u>	<u>Nov. 6, 1986</u>
<u>Non-Commissioned Officers Association of America</u>	<u>April 6, 1988</u>
<u>National Association of County Veterans Service Officers, Inc.</u>	<u>June 1990</u>
<u>Military Order of the World Wars</u>	<u>Oct. 23, 1992</u>
<u>The Retired Enlisted Association</u>	<u>Oct. 23, 1992</u>
<u>Fleet Reserve Association</u>	<u>Oct. 23, 1996</u>
<u>National Association of State Directors of Veterans Affairs (NASDVA)</u>	<u>N/A</u>
<u>Women Airforce Service Pilots of World War II</u>	<u>N/A</u>

ON FILE



In Service to America

2/20/08

February 26, 2008

Chairman Roses and Members of the Committee  
House Special Committee on Military and Veterans Affairs

According to the latest statistics, Alaska now has almost 80,000 veterans which, as you know, is the highest per capita in the United States. But under Federal and State privacy laws we are not longer able to find them and inform them of the rights and services they've earned.

Since the introduction last year of HB44 by Rep Guttenberg, Dahlstrom, Kerttula, & Lynn requiring the Permanent Fund Board include the question: "Are you an American Veteran?" on the PFD Dividend Application form we have done some homework.

We have met with the Governor's Advisory Council, staff of the AK Dept of Mil and Vet Affairs, and a number of Members of the House and Senate to examine the few concerns that have been raised. We believe that with a committee substitute, such as we have suggested, we have resolved these issues; mainly of list confidentiality. We respectfully request your consideration of the substitute language suggested and move this bill forward.

This is not just an act that will benefit our veterans and their families. This act is in the economic best interest of Alaska. Veterans annually generate over \$1 Billion in funds and services to our state's economy - that with the VA serving less than 20% of our veterans. This small act enables our Alaska Department of Military and Veterans Affairs to locate and communicate with our veterans and their families. Every year Congress scolds the VA for its failure in "outreach" but this is honestly unfair, given all the restrictions now. In Alaska we have a unique means to accomplish this, by putting this simple question on the annual PFD Dividend Application. Then we can inform our veterans and their families of their rights to access services they earned.

#### VETERAN ECONOMIC VALUE TO ALASKA

- VA home loans represent **over half a billion** to our economy every year. (FY05 \$584M 3,500 homes)
- Military retirement payments account for over **\$165 Million** in direct cash to Alaskan families each year.
- Compensation for disabled veterans adds **\$97.2 Million** every year to our economy. (FY05 12,000 AK veterans w/in-service connected disabilities. FY06 it will be well over \$100 Million, 300 AK veterans received non-service connected pensions \$2.2 Million)
- VA medical services, provided in Alaska represent over **\$103 Million** in FY05
- VA Education benefits 1,300 Alaska veterans totaling **\$11 Million**
- VA Survivor dependent benefits **\$6.2 Million** in FY05

As you can see an increase of just 20% in the levels of service provided Alaska's veterans would have a significant positive economic impact on our state and these deserving families

Thank you for your consideration of this important legislation.

Ric Davidge  
State Council President

ON FILE



In Service to America

## Chapter 904 - Anchorage, Alaska "An Agenda of Service"

February 26, 2008

Chairman Lynn  
House State Affairs Committee  
Juneau, AK

Mr. Chairman:

This is to inform you of our strong support for the passage of HB44.

In these trying times our veterans, old and new, need all of the support that our state and country can possibly give them. Let us not forget all of the sacrifices our veterans have made for us. Lots of veterans get out of the service not knowing and not caring about benefits that are rightfully theirs. They just want to be left alone. Each and every day, in our work with veterans of all wars, we are finding more and more down and out and needy veterans that don't have a clue that they have any kind of help coming from the VA. A lot of these veterans have suffered through forty years without any sort of VA help to which they are entitled.

**THIS HAS TO BE CORRECTED NOW**, and Alaska has a unique opportunity to do this through the PFD application question "Are you an American Veteran?"

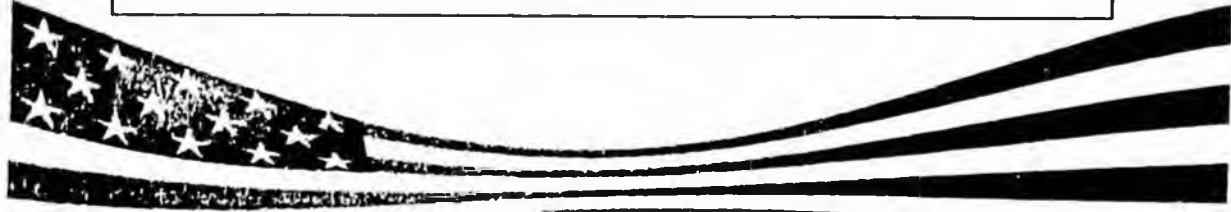
HB44 will go a long way in helping find Alaska's vets and informing them of their benefits.

Hats off to every legislator supporting this bill. You have our vote.

Best wishes,

Al Ballone  
Vice President, VVA Chapter 904 (Anchorage)

ALASKA SERVICE-DISABLED VETERAN-OWNED BUSINESS  
ALLIANCE



Rep. David Guttenberg  
State Capitol Bldg. Room 413  
Juneau, AK. 99801

Rep. Guttenberg,

As the Secretary of the Alaska Service Disabled Veteran Owned Business Alliance and a member of the Veterans of Modern Warfare I am in contact with Veterans throughout our State of Alaska. You would not believe how many Veterans out there that don't know what benefits or information that they need to know. With HB44 this would bring the Veteran population into one database to get required information to all Veterans whether it is updates or new legislation from the Veterans Affairs or links to websites for all us Veterans. I ask you and the rest of your colleagues to pass this bill because this is a necessity to keep all veterans informed.

Thank you,

Tim Wheeler, Secretary  
Alaska Service Disabled Veteran Owned Business Alliance  
And  
Veterans of Modern Warfare



## Military Order of the *Purple Heart*

Department of Alaska  
"Combat Wounded Veterans"

Date: February 28, 2008



Our combat wounded veteran's organization lends its full support to HB44. The question of "Are you an American Veteran" on the PFD application is critical to enable all Alaska veteran organizations to be able to reach out to the many Alaska veterans who are in remote locations. Those Alaska veterans who do not have ready access to the assistance centers in major cities still need and have justly earned the benefits they have long been denied. By passing HB44 we in the major population centers will have a vehicle that will enable us to provide the support that those military members in remote areas have earned.

The MOPH (Military Order of the Purple Heart) is proud to be in full support of HB44. We ask that you assist in the cause of providing us a means to reach out to those veterans who are denied the easy access to the benefits they have justly earned as result of their honored military service.

*Ron Siebels*

Ron Siebels

MOPH, Sr-Vice, Dept of Alaska

MOPH, Commander, Chapter 593, Anchorage



In Service to America

### Chapter 891 - Wasilla, Alaska

No generation will one generation of Veterans abandon another

March 1, 2008

Greeting: Chairman Lynn and Members of the Committee  
House State Affairs Committee

As a Veteran of over 40 years active Military Service, I have seen many missed opportunities of Veterans who came to Alaska to hide from people when they were young. Now these Veterans who served this Country so well are getting older. These Veterans need to get into the Veterans Administrations health care system and receive the care they have earned. Please take this small action to pass on HB 44.

In the Mat-Su Valley we are supporting the Veterans Aviation Outreach program where they go into the bush and find Veterans. Most of these Veterans are in need of health care.

I am writing in support of HB 44. The bill will help the department of Veterans Affairs to locate Veterans and get information to them about their earned Veterans Benefits.

Thank you for supporting this Bill to Aid Veterans

William (Bill) Farling  
President Vietnam Veterans Chapter 891

Representative Bob Lynn, Chair  
House State Affairs Committee  
State Capitol  
Juneau, AK 99801

February 28, 2008

Dear Chairman Lynn,

Our combat wounded veterans' organization lends its full support to HB44. The question of "Are you an American Veteran?" on the PFD application is critical to enable all Alaska veteran organizations to be able to reach out to the many Alaska veterans who are in remote locations. Those Alaska veterans who do not have ready access to the assistance centers in major cities still need and have justly earned the benefits they have long been denied. By passing HB44 we in the major population centers will have a vehicle that will enable us to provide the support that those military members in remote areas have earned.

The MOPH (Military Order of the Purple Heart) is proud to be in full support of HB44. We ask that you assist in the cause of providing us a means to reach out to those veterans who are denied the easy access to the benefits they have justly earned as result of their honored military service.

Ron Siebels

MOPH, Sr-Vice, Dept of Alaska  
MOPH, Commander, Chapter 593, Anchorage

# LEGAL SERVICES

DIVISION OF LEGAL AND RESEARCH SERVICES  
LEGISLATIVE AFFAIRS AGENCY  
STATE OF ALASKA

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FAX (907) 465-2029  
Mail Stop 3101

State Capitol  
Juneau, Alaska 99801-1182  
Deliveries to: 129 6th St., Rm. 329

## MEMORANDUM

January 29, 2008

**SUBJECT:** Information from veterans on PFD forms; sectional summary of HB 44 (Work Order No. 25-LS0229\A)

**TO:** Representative David Guttenberg  
Attn: Jeff Stepp

**FROM:** Tamara Brandt Cook  
Director

**Section 1.** The permanent fund dividend application form is required to include a place to voluntarily indicate that the applicant is a veteran, branch of service, and dates of service. The Department of Revenue is required to release the information only to the Department of Military and Veterans' Affairs and, if requested, to veterans service organizations.

TBC:med  
08-059.med

# LEGISLATIVE RESEARCH REPORT

FEBRUARY 8, 2008



REPORT NUMBER 08.154

## ACTIVE MILITARY PERSONNEL AND VETERANS IN ALASKA

PREPARED FOR REPRESENTATIVE DAVID GUTTENBERG

BY PATRICIA YOUNG, MANAGER

You asked for information on the current military population and the number of veterans in Alaska. Specifically, you wished to know the number of active duty military personnel and the numbers of National Guard and Reserve forces currently in the state. You also wished to know the number of veterans in Alaska and how Alaska compares to other states in regard to the percent of the population who are veterans.

The Alaska Department of Military and Veterans Affairs provided the following data on active, Guard, and Reserve forces in the state as of December 31, 2007.

Active Military Population in Alaska (December 31, 2007)		
Active Forces	Army	11,402
	Navy	27
	Air Force	8,000
	Marines	22
	Coast Guard	2,116
<b>Total Active Forces</b>		<b>21,567</b>
National Guard and Reserves	Army National Guard	1,972
	Air National Guard	1,920
	Army Reserves	309
	Air Force Reserves	164
	Navy Reserves	78
	Marine Reserves	46
<b>Total Guard and Reserves</b>		<b>4,579</b>
Canadian Forces		30
<b>Total Military Population in Alaska</b>		<b>26,176</b>

**SOURCE:** Alaska Command (US Department of Defense and Alaska Department of Military and Veterans Affairs)

The U.S. Department of Veterans Affairs (VA)—using data from the VA, from the Department of Defense (DoD), and from the Bureau of the Census—provides official estimates and projections of the veteran population using a specifically designed model (VetPop2007) that is updated periodically for improved methodology, more recent data, and changing needs. Each year, the model generates the estimated number of veterans by certain selected characteristics at the state and national levels. According to the VA model, as of September 30, 2007, the number of veterans in Alaska was 74,557.

In order to arrive at an estimate of the percent of the Alaska population represented by veterans, and to compare that with the percentage in other states, we combined the VA model estimates of state veteran populations with Census Bureau estimates of state populations as of July 1, 2007. Using those figures, we calculate that veterans currently make up approximately 11 percent of the total Alaska population. Veterans make up more than ten percent of the overall population in only six states, with similar percentages in Maine, Alaska, and Montana, followed closely by percentages in Wyoming, Virginia, and New Hampshire.

Looking at the portion of the population that is 18 years or over, however, may provide a more realistic picture of how veterans fit into state demographics. Because the most current available estimates of population by age group are for July 1, 2006, we paired those data with VA model estimates for September 30, 2006. Using these data, we calculate that in 2006, veterans made up 15 percent of the adult population of Alaska, the highest percentage in the nation.<sup>1</sup>

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We hope you find this information to be useful. Please do not hesitate to contact us if you have questions or need additional information.

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<sup>1</sup> Montana and Wyoming followed Alaska, with 14.4 percent and 14.2 percent, respectively.

# ALASKA VETERANS POLITICAL ACTION COMMITTEE (AK VET PAC) 2/20/08

Vietnam Veterans of America/Alaska Veterans of Modern Warfare/Alaska Military Order of the Purple Heart Anch Alaska Veterans Foundation, Inc. Alaska Veterans Business Alliance

The purpose/function of this newsletter is to let you know who in Juneau and Washington, DC are supporting veterans by their actions and not just more talk. It will also help you keep up with legislation or executive actions of interest to veterans in Alaska and assist you in participating in them.

**HB44 – FINDING ALASKA'S VETERANS** Originally introduced as HB44 by Rep Guttenberg, Dahlstrom, Kerttula, and Lynn in January 2007, it remains in the House Special Committee on Military and veterans' Affairs pending a hearing. We have been working with a number of interested parties on any concerns and have address all informed questions on ensuring the lists protection with some new language. We have asked that this critical legislation be rewritten to address the lists confidentiality concerns.

The PFD application is the only instrument that can provide this *voluntary* information annually and does no harm to the PFD process while providing significant help to likely thousands of Alaskan veterans and their families. We have not found any other means to accomplish this goal, and the return on this small effort will be in the tens of millions of dollars a year to our veterans and their families. The bill number will be announced with its reintroduction.

Alaska has just less than 80,000 veterans (2000 US Census 74,500), the highest per capita in the nation. But given new federal and state privacy laws, we are no longer able to find our veterans using driver's licenses and agency lists. We found a way to do this voluntarily with the cooperation of the Permanent Fund Board.

Why is it important to find our veterans and their families? Hundreds of millions of dollars in direct payments and services to our veterans and their families await their request. Currently, the Veterans Administration in Alaska serves less than 20% of our veterans, yet this and other programs, generate over a billion dollars in revenue to Alaska annually. By providing our veterans and their families the annual booklet of VA services and a listing of Alaska services, we can directly improve the lives of thousands of Alaskan veterans and their families. *These are rights and services earned by service and sacrifice, not welfare.*

If you consider that every veteran has at least two family members in Alaska, this single group represents at least one third of our state's population.

Very simply, the PFD Application asks, "Are you an American veteran?" This is a voluntary question that in no way affects the dividend itself. Annually collected from all Alaskans, this information would be provided via a simple computer program to the Alaska Department of Military and Veterans Affairs so that they can mail out state/federal veteran benefits booklets and information. Any Alaskan veteran who wishes to avail themselves of these services would do so through the regular processes of the Veterans Administration or other federal or state agency showing they meet the requirements of that program.

This weekly update is provided as a free service to all veterans and their families who may be concerned with state and federal legislation that may impact their lives. If you discover any errors or omissions, please contact Ric Davidge and inform him of such. E-mail: [ricdavidge.ak@getnet](mailto:ricdavidge.ak@getnet) office (907) 222-6927 fax (907) 222-6933



## Department of Veterans Affairs

### Introduction

Politics continues to trump veterans' needs when it comes to funding and resource allocation at the Department of Veterans Affairs (VA). AFGE Local 3028 renews its call for mandatory funding of the VA health care system after another round of continuing resolutions and political power plays delayed the arrival of much needed funding increases for the Veterans Health Administration (VHA) as well as dollars needed to hire new claims processors at the Veterans Benefits Administration (VBA).

AFGE Local 3028 also urges increased oversight of VA spending, to ensure that the substantial increases in its FY 2008 budget are spent on veterans' needs rather than excessive management bonuses and illegal outsourcing. Other AFGE legislative priorities including improving VBA training and restoring the bargaining rights of VA's health care professionals.

### VA Funding: A broken process and lack of accountability

#### *Mandatory Funding for VA Health Care:*

The lack of predictability and methodology in VA's discretionary funding process threatens to unravel the impressive accomplishments of this world-class health care system, and diminish its ability to meet the growing demands arising from two wars and an aging patient population. Medical center directors are reluctant to hire more staff or commit to repairs or new equipment purchases because the next influx of funds is so uncertain. VA health care must be funded on the mandatory side of the budget, using a systematic funding methodology based on the number of enrollees.

The current funding process exacerbates VA's recruitment and retention challenges. It is not just the veteran population that is aging, so is its health care workforce. VA will not be able to undertake meaningful succession planning, effectively address recruitment and retention problems, or engage in strategic, long range planning for other aspects of health care delivery so long as discretionary funding is creating a constant state of financial uncertainty.

If there were any doubt before the last appropriations cycle, the politics surrounding Fiscal Year 2008 VA appropriations made the case for mandatory funding crystal clear. After twelve continuing resolutions (CR) in thirteen years, appropriators were hopeful that they could pass funding increases for the VA before the start of the fiscal year 2008 on October 1st. By early September 2007, the House and Senate had passed appropriations bills with substantial funding increases by near unanimous votes. Due to more politics and a last minute White House maneuver to withhold new dollars as emergency funding, the VA had to keep running under a CR based on last year's funding levels for nearly four more months.

When it comes to veterans' health care, CRs are more than a budget category; they are the cause of harmful delays in diagnostic testing, hospital admissions, medical equipment purchases and filling vacant medical staff positions. CRs also have a dollar cost: medical center directors are forced to fill the gaps with high-priced private agency nurses, private physicians and diversion of patients to non-VA facilities. Similarly, the VA is a leader in state-of the art patient lifting equipment and a model for other health care systems, yet many of its own hospitals and nursing homes lack the funds to purchase patient lifting equipment, resulting in nurse back injuries, lost work time and workers compensation claims.

The exemplary quality of VA health care is also impacted by roller coasting discretionary funding. The VA attempts to implement laudable initiatives addressing polytrauma, suicide prevention and hospital infections, but fails to add sufficient staff to maximize their potential benefits.

### Oversight of VA Spending

The significant funding increases provided to the VA in FY 2008 make it all the more urgent to curb improper spending practices that have recently come to light. AFGE also remains concerned about the growing share of VA's budget that is being diverted from direct patient care to new layers of management at hospitals and offices of the Veterans Integrated Service Networks (VISNs).

AFGE Local 3028 applauds Congress for adding quarterly reporting requirements to the VA appropriations process after billion dollar shortfalls came to light several years ago.

However, we are disappointed (though not surprised) at the limited value of the information the VA provides.

We urge Congress to strengthen oversight of spending practices that were recently the focus of government investigations, specifically:

More than two years ago, the Government Accountability Office (GAO) found that VA had spent substantial medical dollars on privatization studies in violation of Title 38. It also found that the VA lacked the ability to track and restore the misspent dollars in order to comply with the Anti-Deficiency Act. Subsequent to that report, the VA has failed to take steps improve its tracking abilities, and instead, has engaged in more illegal contracting out.

- Last fall, the VA's Inspector General found that that the VA made false reports to Congress about patient wait times, repeatedly understating how long injured veterans waited for care.

Congress held hearings last year in response to disclosures that top and mid-level managers received very large bonuses, despite their poor track records in health care budgeting and managing disability claims. Yet, high performing employees on the front lines of health care and claims processing rarely receive bonuses, even when recruitment and retention problems exist.

AFGE has the "eyes and ears" on the ground to play a valuable role in ensuring that VA appropriations are properly spent. However, over the last seven years, the VA has shut employee representatives out of meetings and policy setting groups and has largely ignored our rights to information under the Freedom of Information Act and federal labor law.

### *Congressional Action Needed:*

- Enact H.R. 2514, Assured Funding for Veterans Health Care Act to fund VA health care with mandatory dollars based on current need and health care costs.
- Require the VA to carry out GAO's recommendation to implement a mechanism to track all costs associated with conducting cost comparison and Business Process Reengineering studies, and provide quarterly reports to Congress on all costs associated with these studies.
- Increase oversight of the VA's bonus policies to ensure that bonuses at all levels are aligned with performance and set at equitable levels for all employees. Require regular disclosure of bonus awards to Congress and employee representatives.

### *Veterans Benefits Administration*

Last year, with a backlog of disability claims exceeding 600,000 cases, lawmakers considered a number of proposals for major reform of the VBA claims processing system. AFGE is keeping a watchful eye on troubling proposals that may have unintended consequences, such as presumptive benefits, use of artificial intelligence to adjudicate claims and withholding work credits for VBA regional offices until all appeals are exhausted.

Rather than coming up with a quick fix, lawmakers should better utilize easier solutions that are close at hand:

**Training:** It takes at least two to three years for a new Veterans Service Representatives (VSR) to operate at a fully productive, independent level, and VSRs with fewer than five years of experience still need ongoing training and intense. Government investigators have linked training deficiencies to backlogs and decision inconsistencies, and found a direct correlation between the frequency of classroom instruction and payment levels. Nevertheless, managers push new employees into case production before they are fully trained or rotated between all four VBA teams, and they cut short opportunities for older employees to update their skills or confer with colleagues on new laws and best practices.

AFGE supports VBA's centralized training programs but more needs to be done to ensure that all employees receive quality and consistent training.

**Production standards:** In light of the growing number of claimants with multiple claims and complex Post Traumatic Stress Disorder and Traumatic Brain Injury claims, there is a greater need than ever for VBA to conduct a scientifically based time and measurement study of the claims process so that sufficient staff hours and expertise are available to process the wide range of pending claims. Currently, managers facing intense production pressures from their managers push employees to move cases that are not fully developed, or to handle cases without adequate supervision.

**Skills Certification Testing:** These pressures also take their toll on VSRs who are not giving adequate time to prepare for the skills certification test that allows them to be promoted to a GS-11. In addition, some trainers lack sufficient expertise on the test topics. Unfortunately, after

having an active role in designing the test, employee representatives are no longer included in certification testing discussions.

**VSR Classification:** VBA needs to update the career ladder for VSRs so that they have the same promotion opportunities as their peers who process claims for other federal agencies. VBA has already completed a VSR Reclassification Study but has taken no further action. VBA is facing an aging workforce nearing retirement, and high attrition among new employees. It should take immediate steps to be competitive with other agencies.

VBA rarely includes employee representatives in decisions impacting training, skills certification testing or revisions of the claims process. AFGÉ greatly appreciates the House VA Committee's invitations to present our views at hearings and a recent roundtable. In addition, we thank HVAC Chairman Filner for requesting a GAO investigation of VBA training. It is a loss to veterans and VBA's dedicated workforce that employee representatives were not invited to testify before either of the Dole-Shalala or Veterans' Disability Benefits Commission.

#### *Congressional Action Needed:*

- VBA should undertake meaningful workforce succession planning, and Congress should investigate the causes of high attrition and early retirements among VBA employees.
- VBA should conduct a scientific time and measurement study of the claims process, and the time and skills required to process different types of cases, for proper staffing and realistic production quotas.
- Congress should increase oversight of VBA training to ensure quality, consistency and completion of all needed training throughout regional offices. A joint VBA-stakeholder team should develop a national training plan.
- Employee representatives should be brought back in to groups setting policies for claims processing, training and performance standards.
- Rotation of VSRs through all claims processing teams should be mandatory and monitored.
- VBA should develop a cadre of effective, competent trainers with formalized training skills and adequate subject matter expertise.

#### *Decision Review Officer*

The Alaska VA Regional Office is without these vital VBA staff personnel on site. The responsibility of this function is "outsourced" to the VBA Regional Office in Salt Lake City, Utah. This process puts Alaska veterans at a disadvantage for not having the ability to have a determination on their appeal claims being provided locally and/or deprives Alaska veterans the possibility of having a direct face-to-face appeal hearing.

The DRO program was first pilot tested in 1997, with permanent implementation in 2000. From 1997 until the present time, a number of things have changed with the DRO position, notably the introduction of the post-decision review process, as codified in 38 CFR 3.2600, and the creation of the Claims Process Improvement (CPI) structure. This white paper clarifies the:

- Role of the DRO in the appeal process;
- De novo review expectations;
- Functions of the DRO.

### Who is The Decision Review Officer?

The DRO is a valuable VA resource. An individual in this position should possess expert knowledge and well-developed skills and abilities regarding all Compensation and Pension program operations. The DRO should also have strong interpersonal and oral communication skills, and use these skills in working with veterans and their representatives. The position itself describes an individual, not necessarily the actual job duties which are involved. While DROs are typically synonymous with appeals, the DRO may also work in other environments, namely a Rating Team, where they fulfill second signature review, training, mentoring and other needs of the Service Center.

### The Appeal Process

There is only one function in the appeal process *requiring* involvement of the DRO:

- If an appellant elects a post decision review, the DRO must provide a de novo review and new decision.

All other functions of the appeals process can be accomplished by any knowledgeable, experienced RVSR (Rating Veterans Service Representative), or in the case of authorization issues, a SVSR (Senior Veterans Service Representative - Super Senior GS-12), Sr. VCE (Senior Veterans Claims Examiner GS-11) or VSR. What sets the DRO apart is the special review authority and his or her expert job knowledge.

Nothing precludes the DRO from working any other component of the appeal process, however such utilization is determined by Service Center Management based on the needs of the Regional Office (RO).

### Post Decision Review Process and the De Novo Review

The post decision review process is designed to be an optional appeal route, which kicks in at the beginning of the appeal at the notice of disagreement (NOD) stage. If elected by the appellant, the DRO is required to take a fresh look at the same evidence and provide a new decision. The "review" in de novo review ultimately requires an actual new decision. It does not mean that a complete file review is required, but rather a complete review of the pertinent evidence and information used in the decision in disagreement, accompanied by a new decision.

The new decision can be in many forms, depending upon the outcome of the DRO's assessment. The result may be a new rating granting the benefit sought, a Statement of the Case (SOC) giving the reasons for the continued denial of benefits, or a combination of decisions or documents somewhere in between. In all cases, however, the decision must be "new."

The special review authority allows for a *de novo* review *only* when a timely NOD has been submitted *and* the claimant has timely elected the post decision review process. This fresh look at the same evidence can be used only once.

While the DRO also has the option to develop for additional evidence, any decision based on new evidence requested as part of the *de novo* review fulfills the requirement for a new decision. The DRO also conducts formal hearings, as requested.

### *Functions of the DRO*

The primary function of a DRO working on an Appeal Team is appeal resolution. The DRO is tasked with getting involved early in the disagreement, contacting the appellant and/or their representative, preferably in person or by phone, to clarify any issues, engage in frank discussions about possible resolutions while providing an honest and realistic assessment to the veteran.

Extensive development should not be a hallmark of appeals resolution. This would tend to indicate less than complete development in the initial rating which led to the disagreement.

The DRO needs to provide a realistic assessment of the appeal to the veteran. Prolonged development which affords no value to the process or any hope of changing the decision should be avoided. Once the DRO has insured that the necessary claims development is complete and has exhausted all plausible avenues of resolution, the appeal simply needs to be moved forward to the next stage and ultimately to the Board of Veterans Appeals (BVA) to ensure that the veteran is afforded timely appellate review.

Other duties which are tasked to the DRO include providing feedback to RVSRs on appeal cases, providing feedback to local management about trends, training needs and overall quality, and training and mentoring other employees. It is anticipated that a number of these duties will be handled by DROs working in a Rating Team.

### *Other Appeal Issues*

There are no provisions in the regulations or the manual which require the DRO to keep jurisdiction of an appeal after they have conducted the *de novo* review and made a decision. Some ROs may find it helpful to limit DRO jurisdiction after an initial appeal decision has been made, such as a new decision granting a benefit or an SOC, and subsequently hand this work over to RVSRs assigned to the Appeals Team. The DRO would then focus their efforts on continued upfront resolutions, where their skills provide the most value in the appellate process.

Additionally, while the DRO is a designated authorizing official for certification of cases to the Board of Veterans Appeals, the DRO is not the only employee who can certify cases. The Service Center Manager has broad discretionary authority to designate other employees well versed in the appellate process, such as senior RVSRs and Appeals Team Coaches, to these duties.

### *Alternate Resolution*

A DRO is empowered to call clear and unmistakable error, with single signature authority, on any case under appeal, subject to the provisions of 38 CFR 3.105(a). An election of the post-decision review process is not required.

Direct communication and conferencing with the veteran and their representative is not an exclusive feature of the post decision review process. The DRO, RVSR, SVSR, Sr. VCE or VSR can and should contact an appellant when there is reason to believe that some measure of appeal resolution can be achieved.

### *Informal Conferences*

As defined by M21-1 Part IV, Chapter 35, an informal conference can be any form of communication directly between the DRO and the appellant and or his representative, provided it is documented properly. One of the features of this process is to make these discussions more informal and start a dialogue about the appeal, addressing the specific contentions and attempting to focus the appeal, providing explanatory information and determining if other evidence exists which would support the issue on appeal. DROs are expected to make judicious use of informal conferences to resolve appeals, or minimally, to achieve efficient, expeditious appellate review.

The key difference between an informal conference as a procedural tool, and other forms of direct communication is that an informal conference requires a course of agreed upon action. While the actual course of action is not prescribed and contingent on the nature of the discussions, other forms of direct communication are open ended, dependent wholly on the facts of the case and any new information developed or conveyed in the course of discussions.

### *Congressional Action Needed:*

- Congress should mandate that the State of Alaska has the required FTEE for the DRO position physically located in Alaska.