

AK LEGISLATURE SPECIAL COMMITTEE FILES SCOMM 149 3244

FISCAL NOTE

STATE OF ALASKA
2008 LEGISLATIVE SESSION

Fiscal Note Number: 1
 Bill Version: SJR 11
 (S) Publish Date: 2/6/08

Identifier (file name): _____ Dept. Affected: _____
 Title SJR 11 Supporting U.S. Veterans' Health Care RDU _____
 Sponsor Senator Wielechowski Component _____
 Requester (S) Health, Education and Social Services Committee Component Number _____

Expenditures/Revenues (Thousands of Dollars)

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

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

CAPITAL EXPENDITURES								
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CHANGE IN REVENUES ()								
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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								
TOTAL		0.0	0.0	0.0	0.0	0.0	0.0	0.0

Estimate of any current year (FY2008) cost: _____

POSITIONS

Full-time								
Part-time								
Temporary								

ANALYSIS: (Attach a separate page if necessary)

Prepared by: SENATE HEALTH, EDUCATION & SOCIAL SERVICES COMMITTEE
 Division _____
 Approved by: /s/ Senator Davis, Chair

Phone 465-3822
 Date/Time 2/4/2008 1:00 p.m.
 Date 2/4/2008

ALASKA VETERANS FOUNDATION

The Value of Alaska's Veterans over \$1 Billion annually

With almost 80,000 veterans, (2000 U.S. Census Bureau/74,500), Alaska continues to have the highest per-capita number of veterans of any state in the union. South Central Alaska houses better than half of this total.

A part of the mission of the Foundation, as a statewide veteran's service organization, is to educate our communities about veterans and their ongoing personal, professional, and economic contributions in Alaska. In addition to the intrinsic value of veterans we are attempting to inform the public and our local, state, and federally elected officials of the economic value of veterans to our state's economy.

As you can see in the box below we have gathered some significant numbers and continue to find additional numbers we believe to be significant to our annual state's economy.

We also need some understanding of the total annual federal military (active duty, reserves, and National Guard) payrolls and benefits (such as housing allowances, etc) in our state and the value of other assets on our Army, Air Force, and Coast Guard bases. We believe these numbers to be significant in comparison to the economic impact of other large employers and capital investors across Alaska.

Annual fiscal impact of Veterans in Alaska:

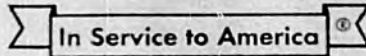
- VA home loans represent **over half a billion** to our economy every year. (FY05 \$584M/3,500 homes)
- Military retirement payments account for over **\$165 Million** in direct cash to Alaskan families each year.
- Compensation for disabled veterans adds **\$97.2 Million** every year to our economy. (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 totals **\$11 Million**.
- VA Survivor/dependent benefits **\$6.2 Million** in FY05
- Total military payroll in Alaska for all active duty members is \$ _____ per year.
- Total FEDERAL payroll for Alaska National Guard and Alaska Air Guard is \$ _____.
- Total Federal payroll for all military reservists in Alaska per year is \$ _____.
- Total economic value of our Federal military in Alaska is \$ _____

With this level of economic impact, and the Veterans Administration serving less than 20% of our veterans, even the smallest increase in services to all of our veterans could be economically significant. In our continued search for such information, we have asked our Congressional delegation to accelerate the timely provision of this data.

We were surprised at a recent national veterans meeting in Washington D.C. to learn that our educational effort is quite unique and not institutionalized in other states. We are thus working with other statewide veteran service organizations across America to help them understand the value of this information in their generic efforts to inform their members and their communities of the economic value of veterans and our military.

It is an honor,

Ric Davidge, Chairman/CEO



ALASKA STATE COUNCIL

Representative Bob Roses, Chairman
House Military and Veterans Affairs Committee
REF: SJR11

Chairman Roses:

Senator Wielechowski, Senate Chairman of the House/Senate Joint Committee on Military and Veterans Affairs, introduced **Senate Joint Resolution 11** in support of federally assured funding for veterans healthcare at our request. In Congress, **HB 2514** enacting "assured funding" is in the House Veterans Affairs Committee and has 115 cosponsors. Additionally, a major new GI Bill is being crafted that will also address assuring veteran healthcare funding.

We request your full and impassioned support of **SJR11**. This is an important official statement by Alaska to its veterans and especially those injured while standing guard for America. In passing SJR11 Alaska will join over twenty other states formally speaking out on this critical issue. We also hope you will carry this resolution to your respective national legislative organizations and ask for a similar national resolution by them as well.

Under the leadership of Vietnam Veterans of America, in 2004, the nine national Veteran Service Organizations, for the first time, came together and agreed that the highest priority for veterans across the nation was moving veteran healthcare funding from the "discretionary" budget to an assured funding mechanism. Following this historic agreement these nine national veteran organizations called on Congress to pass a federal law changing the manner of funding for veterans healthcare. All previous bills have failed on partisan votes. Frankly, we were surprised given the historic support a wide majority of veterans give to candidates, but that is changing. We believe that veteran healthcare should not be a partisan issue. It is the moral obligation of our nation, a "contract" signed with the blood of those willing to stand guard for America.

The Partnership for Veterans Health Care Funding Reform has published a small booklet that we would like to provide you and the members of your committee prior to the hearing. With your agreement we would like to send you the appropriate number of copies as soon as possible.

What are the key questions in the minds of legislators when they consider this issue?

1. Does direct funding create a new entitlement?

No. Direct funding neither creates an individual health care entitlement nor changes the VA's current mission, eligibility requirements, or medical benefits package. Remember these are "earned" rights.

2. Will direct funding result in runaway costs?

No. The Secretary of Veterans Affairs will retain the right to make an annual priority enrollment decision based on available resources. The vast majority of our veterans choose other healthcare options, although many may also be registered with the VA, they do not use its programs or facilities.

3. Will Congress lose oversight if direct funding of the veterans healthcare system is instituted?

No. As with other direct funded federal programs, Congress will retain oversight of VA programs and healthcare services. The VA will still be accountable to Congress for how its funds are spent and how well its healthcare programs are managed. Almost 90% of federal healthcare spending is direct rather than discretionary. Only funding for our active duty military, Native Americans, and veterans healthcare are left up to the annual partisan battles. Veteran healthcare should not be a partisan issue. These are "earned" rights by men and women injured while standing guard for America.

4. Why should the Alaska State Legislature support this resolution?

Alaska has just less than 80,000 veterans, the highest per capita number of veterans in America. [74,500 according to the 2000 US Census] We have already identified over \$1 Billion in annual federal revenue to Alaska's veterans and their families, and this does not include military retirement, National Guard, reserve, active duty, or military contracts in Alaska. Stated simply, **it is in the financial best interest of Alaska** to ensure federal funding for veteran healthcare. Otherwise our state and local governments will have to cover, in many cases, the costs of medical services to our veterans.

Americans correctly believe this is a "contract" a moral obligation of our nation to those who voluntarily step forward to stand guard for America. We **MUST** honor this service, we must care for those injured while in service, and we must honor the contract because if we don't fewer Americans will be willing to step up to that line of defense for America.

Unfortunately both of our national political parties have played the smoke and mirrors game on veteran healthcare funding. Claims of significant increases in funding are not fully honest, as most of these increases fail to keep up with medical cost inflation and new demands as a result of the war we are now engaged in. These reports do not honestly report on the whole VA healthcare system nor candidly place this care in the context of our overall national healthcare needs or system costs.

One of the greatest problems in Alaska is that **we do not know where our veterans are**. VVA supports a volunteer group of private retired military pilots and planes that go into rural Alaska to find our veterans and "connect" them to the services they legally are due. The VA is currently serving less than 20% of our veterans. We continue to ask for state legislation (previously introduced in the House as **HB44**) allowing the voluntary registration of all Alaskan veterans through the Permanent Fund Application form. This way the Alaska Department of Military and Veterans Affairs and our Congressionally Chartered Veteran Service Organizations can find and advise our veterans on their and their families, legal rights. If we could but double the percentage of Alaskan veterans served to 40%, we would significantly increase the annual federal injection of funds and services far beyond the current \$1 Billion each year veterans generate to our economy. Please consider this additional legislative item soon. **It's in Alaska's best interest** and in the best interest of thousands of our veterans and their families.

With the recent national media attention to the problems of military and veteran healthcare highlighted by a part of the facility at Walter Reed Hospital, now is the time to act. Our nation's political will is poised to correct this historic failure of our government to honor its commitments to veterans.

We are asking state legislatures, national legislative organizations, the National Conference of Mayors, the National Governor's Association and any other national organization that cares about veterans to pass a simple resolution calling for Congress to act on assured funding for veteran healthcare.

We ask you to join Senator Wielechowski and the other members of the Alaska Legislature supporting SJR11, the nine national Veteran Service Organizations, and more than 20 other states across America, in calling upon Congress to change the way veteran healthcare is funded. It is time we honored the "contract" and assured funding for veteran healthcare. Our veterans deserve nothing less.

We want to thank the staff of the Alaska State Legislature's Joint Military and Veterans Affairs Committee Chairs who helped craft this resolution for Alaska and are delighted with its introduction.

It is an honor,

Ric Davidge
Alaska State Council President
Vietnam Veterans of America