ALASKA LEGISLATURE SPECIAL COMMITTEE/SUBJECT FILES 8672

2260 SCOMM 90 HOUSE SPEC. COMM. MILITARY & VET. AFFAIRS, 1993-94

SCOMM 90: HOUSE SPECIAL COMMITTEE ON MILITARY & VETERANS AFFAIRS, 1993

MEMBERS:

REPRESENTATIVE RICHARD FOSTER, CO-CHAIR
REPRESENTATIVE ELDON MULDER, CO-CHAIR
REPRESENTATIVE PETE KOTT
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REPRESENTATIVE MIKE NAVARRE

Established by HR 2, 1993.

Contents: 9 files. 12 cassettes are also available of hearings held 1/28/93 - 3/09/94.

LIST OF FILES (PAGE 1) MICROFICHE #

1. HB 59
2. HB 75
3. HB 98
4. HB 175
5. HB 196
6. HB 364
7. HB 421
8. HB 504
9. HJR 18
10. HJR 51

RECORDS CERTIFICATION

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Signature of Camera Operator

11/6/97
Date

02-519 (REV 8/78)

SCOMM

90:1

House Bill #59

Information List

•Notify: Dave Mallette
P.O. Box 1373
Palmer, AK 99645
(907) 745-4939

Jeff Sisson
2525 Aspen Dr.
Anchorage, AK 99517
(907) 243-3296

Whenever HB 59 moves from committee.

ALASKA STATE LEGISLATURE

- Co Chair -
Representative Eldon Mulder

- Co Chair -
Representative Richard Foster

HOUSE SPECIAL COMMITTEE
MILITARY & VETERANS AFFAIRS

House Bill #59 - Veterans Land Discount Refunds
House Special Committee on Military & Veterans Affairs
February 24, 1993

1. Copy of Bill
2. DNR Fiscal Note
3. Sponsor Statement
4. Letter of Support from Commissioner, DNR
5. Back-up Information
   - Status Report from Division of Land
   - List of Veterans affected by HB 59
6. Amendment #1

Alaska State Capitol, Juneau AK 99801-1182

FISCAL NOTE

STATE OF ALASKA
1993 LEGISLATIVE SESSION

BILL NO. HB 59

Revision Date:

Department Affected: Natural Resources

Title: "Making a special appropriation for refunds to the Veteran's Land Discount"

BRU: Resource Management

Components: Land Management

Sponsor: House Military and Veterans

Requestor: House Military and Veterans

Component Serial No. 431

EXPENDITURES/REVENUES: (Thousands of Dollars)

OPERATING	FY 94	FY 95	FY 96	FY 97	FY 98	FY 99
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	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
TOTAL OPERATING	0.0	0.0	0.0	0.0	0.0	0.0
CAPITAL	0.0	0.0	0.0	0.0	0.0	0.0
REVENUE fund source:	0.0	0.0	0.0	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	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
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	0.0	0.0	0.0	0.0	0.0	0.0

POSITIONS:

FULL-TIME	0.0	0.0	0.0	0.0	0.0	0.0
PART-TIME	0.0	0.0	0.0	0.0	0.0	0.0
TEMPORARY	0.0	0.0	0.0	0.0	0.0	0.0

Estimate of current year (FY93) impact: $ No fiscal impact anticipated

ANALYSIS: (Attach a separate page if necessary)

See Attached

Prepared by: Ron Swanson Phone: 762-2692

Division: Land Management Date: 27-Jan-93

Approved by Commissioner: Glenn A. Olds for [signature] Date: 1/28/93

Agency: Department of Natural Resources

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Department of Natural Resources

Bill Analysis on HB 59

HB 134 enacted in 1991 allowed eligible veterans who were not permitted to claim a veteran's land discount between April 1, 1983 and July 6, 1984 to retroactively claim that discount. Veterans purchasing state land had been denied the discount during the period between the court's invalidation of the old discount law and the enactment of a new discount law. According to the terms of HB 134, the department credited the veteran's discount against the remaining amount owed on the land. However, in cases where the land contract is paid off we are required to issue a refund to the veteran for the discount amount. We are also required to reimburse the University of Alaska for discounts credited to University land. No funds have yet been appropriated for these purposes. Attached is a status report on HB 134 discounts that have been approved. The opportunity to apply for a veterans' discount expired on June 27, 1992. This bill would allow the department to fulfill the conditions of HB 134, enacted in 1991. The exact refund amounts are attached and match the requested appropriation.

House Bill #59
SPONSOR STATEMENT

OVERVIEW

In 1978, the Land Discount Program was created by the Tenth Legislature. This program granted eligible persons a discount on the purchase price of land sold for residential use. The discount amounted to a rate of five pecent of the price of the land for each full year that the purchaser had been a resident of the state. The discount was limited to 50% or $25,000, whichever was less. To be eligible, a person must have been physically present in the state for at least 12 months.

This program was amended in 1979 to increase the discount for eligible veterans. Under the amended program, a veteran could receive a discount which was limited to 75% or $37,500, whichever was less.

In Gilman v. Martin, 62 P. 2d 120 (Alaska 1983), the Alaska Supreme Court considered the granting of a land discount by a municipal ordinance based on the applicant's length of residence. Applying the decision from Zobel v. Williams, 457 U.S. 55 102 S.Ct. 2309, 72 L.Ed.2d 672 (1982), the court ruled that the municipal ordinance was unconstitutional as it violated the equal protection clauses of the U.S. and Alaska Constitutions. The decision was published on April 1, 1983.

The state land discount program had not been examined in Gilman v. Martin, but considering its comparability to the municipal ordinance in question, the Department of Natural Resources stopped the implementation of the state land discount program. Subsequently, during the First Session of the Thirteenth Legislature, the land discount program (AS 38.05.058) was eliminated effective July 16, 1983.

The Second Session of the Thirteenth Legislature established the current veterans' land discount benefit, AS 38.05.940, effective July 6, 1984. This benefit program differed from the original in two major ways. One, an eligible veteran purchasing state land under this program was entitled to a flat 25% discount. Two, an eligible veteran is not allowed to use this discount toward the purchase of land offered under a restricted sale under AS 38.05.067 (the previous program allowed this).

A problem lied with veterans who had purchased land from the state between April 1, 1983 and July 6, 1984. These veterans had not been granted any discount at all, due to the fact that the program was not being implemented from April 1, 1983, was repealed on July 16, 1983 and the new program did not go into effect until July 6, 1984.

In an effort to correct this inequity, the Sixteenth Legislature passed CSHB 134(RES) which made the current veterans land benefit effective retroactively to April 1, 1983, when DNR stopped the implementation of the former discount program. CSHB 134(RES) did not contain any appropriation language, in effect it only authorized the payment of discounts to affected veterans. House Bill 176, introduced in the Seventeenth Legislature, contained the appropriation for the Veterans Land Discounts. This legislation passed the House and was referred to the Senate, where it passed the Senate Resources and Finance Committees. HB 176 died in the Senate Rules Committee when the Seventeenth Legislature adjourned.

WHAT HOUSE BILL 59 DOES

House Bill 59 makes a special appropriation to the Department of Natural Resources for refunds to veterans who purchased state land between April 1, 1983 and July 6, 1984. It also reimburses the University of Alaska for the veterans' land discount that applied to land that was transferred to the University of Alaska. This bill would allow DNR to fulfill the conditions of CSHB 134 (RES), enacted in 1991.

The Department of Natural Resources has expressed their support for HB 59 with some suggested technical amendments (see attached letter).

TIMELINE OF VETERANS' LAND DISCOUNT PROGRAM

JULY, 1978 — Land Discount Program created by Tenth Legislature

JULY, 1979 — Land Discount Program amended to increase maximum discount for eligible veterans to 75% or $37, 500

APRIL 1, 1983 — Gilman v. Martin decision. DNR stops the implementation of Land Discount Program

JULY 16, 1983 — 13th Legislature repeals AS 38.05.058, eliminating Land Discount Program

Veterans who purchased land during this period did not receive discounts and are affected by HB 59

JULY 6, 1984 — 13th Legislature establishes current Veterans Land Discount Benefit (AS 38.05.940)

JULY 28, 1991 — 16th Legislature passes HB 176, making the Veterans Land Discount Benefit effective retroactively to April 1, 1983.

STATE OF ALASKA

WALTER J. HICKEL, GOVERNOR

DEPARTMENT OF NATURAL RESOURCES

OFFICE OF THE COMMISSIONER

400 WILLOUGHBY AVENUE
JUNEAU, ALASKA 99801-1796
PHONE: (907) 465-2400
FACSIMILE: (907) 586-2754

January 29, 1993

The Honorable Richard Foster, Chair
House Military and Veterans' Affairs Committee
P.O. Box V
Juneau, Alaska 99811

Dear Representative Foster:

Subject: HB 59, Appropriation bill for veterans' discount.

The Department of Natural Resources supports this bill. HB 134, enacted in 1991, allowed eligible veterans who were not permitted to claim a veteran's land discount between April 1, 1983 and July 6, 1984 to retroactively claim that discount. Veterans purchasing state land had been denied the discount during the period between the court's invalidation of the old discount law and the enactment of a new discount law.

According to the terms of HB 134, the department credited the veteran's discount against the remaining amount owed on the land. However, in cases where the land contract is paid off we are required to issue a refund to the veteran for the discount amount. We are also required to reimburse the University of Alaska for discounts credited to University land. No funds have yet been appropriated for these purposes. Attached is a status report on HB 134 discounts that have been approved. The opportunity to apply for a veterans' discount expired on June 27, 1992.

This bill would allow the department to fulfill the conditions of HB 134, enacted in 1991. The exact refund amounts are attached and match the requested appropriation.

Technical amendments are proposed on lines 9 and 10 to clarify that the opportunity to apply for a discount has expired. On line 9 change qualify to qualified and on line 10 delete "may" and change apply to applied.

Cordially,

Glenn A. Olds

Glenn A. Olds
Commissioner

enclosure

cc: Ron Swanson, Director, Division of Land
Janet Burleson, Division of Land

10-J9LH

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MEMORANDUM

DNR - Division of Land

State of Alaska

TO: Ron Swanson
Director

DATE: July 1, 1992

FILE NO:

THRU:

TELEPHONE NO: 2244

SUBJECT: Status Report
Retroactive Veteran's
Discount Pursuant to
Chapter 82, SLA 1991

FROM: Robert A. Baker RAB
Natural Resource Manager

The following is a status report on the retroactive veteran's land discounts received to date and how monies have been applied to those accounts approved.

Approved	36
Denied	6
Pending	0
Total Apln. Received	42

Financial Status:

Total amount approved (non-University)	$ 75,761.99
Total amount approved (University)	$ 49,925.00
Total amount approved	$125,686.99
Total excess credit (refund due)	$ 24,605.13
Total University reimbursement	$ 49,925.00
Total funds needed as of ~~5/31~~ 6/30/92	$ 74,530.13

If additional data is required to support legislative appropriation to fund University reimbursement and excess credit to title holders, please let us know.

A spreadsheet is attached which details how monies were applied to individual accounts.

cc: Sharon Barton, DNR, Division of Management
Marty Epstein, University of AK, Office of Statewide Land Mgmt

CHAPTER 82 SLA 1991

7/1/92

ADL #	NAME	DATE APLN RECD	STATUS	APPROVAL DATE	CREDIT APPLIED TO ACCT	EXCESS CREDIT (REFUND)	TOTAL DISCOUNT AMOUNT		UNIV	COMMENTS
216600	Stafford, Bruce	11-Jul-91	Approved	30-Sep-91			8000.00	U	8000.00	Was subj to default
216634	Johnson, Bernard	18-Jul-91	Approved	24-Jul-91	0.00	5050.00	5050.00			
216514	Vail, Mark A.	29-Jul-91	Approved	29-Aug-91			2575.00			Discount used to bring current
216568	Allison, Danny R.	02-Aug-91	Approved	22-Aug-91	730.00	0.00	730.00			
[illegible]56	Brown, Delon A.	07-Aug-91	Approved	22-Aug-91	0.00	803.00	803.00			
216739	Musgrove, John W.	07-Aug-91	Approved	22-Aug-91	0.00	3160.99	3160.99			
216593	Malette, David J.	20-Aug-91	Approved	30-Sep-91	0.00	6125.00	6125.00	U		
103704	Gross, Harvey B.	21-Aug-91	Approved	22-Aug-91	4141.40	0.00	4141.40			
216586	Sisson, Glen S.	28-Aug-91	Approved	30-Sep-91			6625.00	U	6625.00	Was subj to default
410017	Wilcox, Theodore C.	04-Sep-91	Approved	16-Sep-91	1711.23	0.00	1711.23			Was subj to default
103670	Lewis, James F.	15-Oct-91	Approved	13-Nov-91	3276.79	0.00	3276.79			
204483	Richardson, William	01-Oct-91	Approved	8-Nov-91	840.72	0.00	840.72			Was subj to default
410330	Weaver, Clay J.	06-Sep-91	Denied	26-Sep-91						
410332	Keltner, Tom R.	06-Sep-91	Denied	26-Sep-91						
216574	Unsderfer, Hayden A.	09-Sep-91	Approv[illegible]	16-Sep-91	1702.50	0.00	1702.50			
103569	Carpenter, George R.	11-Sep-91	Approve[illegible]	20-Sep-91	7034.05	0.00	7034.05			
216625	Umlauf, Paul	12-Sep-91	Approved	30-Sep-91			5750.00	U	5750.00	
103582	Nordmark, William D.	23-Sep-91	Approved	25-Sep-91	7227.61	0.00	7227.61			
103894	Lockhart, Greg	27-Sep-91	Denied	9-Oct-91						
103891	Ballentine, George	30-Sep-91	Approved	25-Nov-91	2336.24	0.00	2336.24			Was subj to default & on MH Land
206761	Christie, Chris	09-Oct-91	Approved	11-Oct-91	2025.00	0.00	2025.00			
216589	Hartley, Robert G.	08-Oct-91	Approved	8-Nov-91			6750.00	U	6750.00	Was subj to default
410333	Cool, Jack G.	10-Oct-91	Denied	15-Oct-91						
[illegible]3	Novy, Michael E.	10-Oct-91	Approved	24-Oct-91	1354.88	0.00	1354.88			
103565	McFarland, James	21-Oct-91	Approved	13-Nov-91	0.00	6534.57	6534.57			
408086	Ambuehl, Fred	24-Oct-91	Approved	3-Dec-91	523.46	0.00	523.46			
216630	Mundy, Wayne	01-Nov-91	Approved	22-Nov-91			5750.00	U	5750.00	Was subj to default
220912	Davis, Gordon	04-Nov-91	Denied	21-Nov-91						
103584	Cotman, Brian G.	21-Nov-91	Approved	22-Nov-91	7045.91	0.00	7045.91			
216642	Okuley , Marcus	12-Dec-91	Approved	19-Dec-91			10050.00	U	10050.00	Was subj to default
409826	Robinson, Benjamin P.	02-Jan-92	Approved	11-Mar-92	0.00	545.88	545.88	U		
106419	Holland, Bernard G.	09-Jan-92	Approved	29-Jan-92	948.75	0.00	948.75			Was subj to default

CHAPTER 82 SLA 1991

ADL #	NAME	DATE APLN RECD	STATUS	APPROVAL DATE	CREDIT APPLIED TO ACCT	EXCESS CREDIT (REFUND)	TOTAL DISCOUNT AMOUNT		UNIV	COMMENTS
216601	Schwochert, John E.	17-Jan-92	Approved	6-Mar-92			7000.00	U	7000.00	Was subj to default
103710	Schweizer, Jeffrey L.	22-Jan-92	Approved	29-Jan-92	744.86	0.00	744.86			Was subj to default
103874	Franks, Dennis W.	05-Feb-92	Denied	25-Feb-92						See ADL 406830
213726	Soderstrom, Gary	13-Feb-92	Approved	2-Mar-92	0.00	1060.38	1060.38			
[illegible]706	Stokes, Richard L.	07-Feb-92	Approved	25-Feb-92	3719.29	0.00	3719.29			Received by Assgn - Was orig owner
[illegible]3547	Hillis, Donald G.	31-Mar-92	Approved	8-Apr-92	0.00	1208.53	1208.53			
215864	Mallett, Eric S.	09-Apr-92	Approved	15-Apr-92	0.00	116.78	116.78			
216585	Kern, Edward D.	09-Apr-92	Approved	15-Apr-92	1071.02	0.00	1071.02			Was subj to default
409935	Plaskett, David C.	11-May-92	Approved	12-May-92	1749.39	0.00	1749.39			Was subj to default
406539	Flaharty, Richard R.	22-May-92	Approved	10-Jun-92	398.76	0.00	398.76			Was subj to default
					48581.86	24605.13	125686.99		49925.00	

House Special Committee on
Military & Veterans Affairs
HB #59
February 18, 1993

AMENDMENT TO HOUSE BILL #59

On line 9, replace the word "qualify" with the word "qualified".

On line 10, delete the word "may" and replace the word "apply" with the word "applied".

SCOMM

90:2

ALASKA STATE LEGISLATURE

- Co Chair -
Representative Eldon Mulder

- Co Chair -
Representative Richard Foster

HOUSE SPECIAL COMMITTEE
MILITARY & VETERANS AFFAIRS

March 3, 1993 5:00 PM
Capitol Bldg., Rm. #17

House Bill 75

"An Act relating to qualifications for permanent fund dividends; and providing for an effective date."

---

1. Latest Copy of Bill

2. Fiscal Note

3. Analysis from the Department of Revenue

4. Background Information
   - -Letter from Vincent Usera, Assistant Attorney General
   - -Facts on the Two Year Requirements from PFD Division

Alaska State Capitol, Juneau AK 99801-1182

FISCAL NOTE

STATE OF ALASKA **BILL NO.** HB 75

1993 LEGISLATIVE SESSION

Revision Date:

Dept. Affected: Revenue

Title: An Act relating to qualifications for permanent fund dividends

BRU: Permanent Fund Dividend

Component: Permanent Fund Dividend

Sponsor: MULDER, Martin

Requestor: House Special Committee on Military & Veteran Affairs

COMPONENT SERIAL NO. 9 8 1

Expenditures/Revenues: (Thousands of Dollars)

OPERATING	FY94	FY95	FY96	FY97	FY98	FY99
PERSONAL SERVICES	1.1	1.1	1.1	1.1	1.1	1.1
TRAVEL						
CONTRACTUAL	0.5	0.5	0.5	0.5	0.5	0.5
SUPPLIES	0.1	0.1	0.1	0.1	0.1	0.1
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING	1.7	1.7	1.7	1.7	1.7	1.7
CAPITAL	-0-	-0-	-0-	-0-	-0-	-0-
REVENUE FUND SOURCE:	-0-	-0-	-0-	-0-	-0-	-0-

FUNDING: (Thousands of Dollars)

1002 Federal Receipts						
1003 GF Match						
1004 GF						
1005 GF/Program Receipts						
1006 GF/MHTIA						
Other (Permanent Fund)	1.7	1.7	1.7	1.7	1.7	1.7
TOTAL	1.7	1.7	1.7	1.7	1.7	1.7

POSITIONS:

FULL-TIME						
PART-TIME						
TEMPORARY						

Estimate of current year (FY93) impact: $ -0-

ANALYSIS: (Attach a separate page if necessary)

See Attached.

Prepared by: Thomas C. Williams Phone: 465-2323

Division: Permanent Fund Dividend Date: 2-24-93

Approved by Commissioner: Date: 2-25-93

Agency: Department of Revenue

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ALASKA DEPARTMENT OF REVENUE
PERMANENT FUND DIVIDEND DIVISION

ANALYSIS OF HB 75

February 24, 1993

Constitutional Issues

As originally introduced, HB 75 (version 8-LS 0372/A) is essentially unconstitutional as Assistant Attorney General Vince Usera advised the sponsor in the attached copy of his January 27, 1993 letter.

Furthermore, the Assistant Attorney General Usera has verbally advised both the Department of Revenue and the sponsor that amending the bill to make the 4-year return provision applicable to all members of the military and their families, regardless of the military member's home of record on the date of entry, would not cure the legal problems of this legislation.

In addition, the Department believes that the current physical requirement that applies to all applicants, regardless of the reason for their absence, is reasonable for the reasons outlined on the attachment entitled ***Two Year Physical Presence Requirement Facts***, dated February 23, 1993.

Consequently, the department does not support this legislation.

Fiscal Impact if Constitutional Problems Did Not Exist

1. Implementation

   In order to implement this legislation, the department would have to:

   a. modify the booklet information;
   b. modify the certification on the PFD application;
   c. add a question to the application regarding the applicants home;
   d. determine the original home of record upon entry into the military by either:
      i. obtaining the information directly from the service, or
      ii. obtaining the certified copies of the information directly from the applicant; and
   e. modify the PFD data processing system, including
      i. data capture systems,
      ii. the PFD masterfile screen; and
      iii. the program edits.

ALASKA DEPARTMENT OF REVENUE
PERMANENT FUND DIVIDEND DIVISION
ANALYSIS OF HB 75
February 24, 1993

2. Assumptions

a. The Department can obtain original home of record information via a federal government tape matches.

b. The information provided by the federal government will also identify whether an individual has changed their home of record since entering the military.

c. Estimated:

14,000	military applicants affected
21,000	military spouse and dependent applicants affected
35,000	total military, spouse and dependent applicants affected
x 50%	filing PFD applications from outside Alaska
17,500	
x 20%	military members with home of record as Alaska
3,500	
x 50%	military members who match government magnetic tape
1,750	Total military member, spouse and dependent applicants requiring further processing

3. Cost Analysis

a. Additional data capture of one question	$ 275
b. Sending out requests for information	800
c. Processing returned requests for information	610
Totals	$ 1,685

STATE OF ALASKA

WALTER J. HICKEL, GOVERNOR

DEPARTMENT OF LAW

OFFICE OF THE ATTORNEY GENERAL

PLEASE REPLY TO:

☐ 1031 WEST 4TH AVENUE, SUITE 200
ANCHORAGE, ALASKA 99501-1994
PHONE: (907) 269-5100
FAX: (907) 276-3697

☐ KEY BANK BUILDING
100 CUSHMAN ST., SUITE 400
FAIRBANKS, ALASKA 99701-4679
PHONE: (907) 451-2811
FAX: (907) 451-2846

☒ P.O. BOX 110300 - STATE CAPITOL
JUNEAU, ALASKA 99811-0300
PHONE: (907) 465-2398
FAX: (907) 465-2417

January 27, 1993

RECEIVED

JAN 29 1993

STATE OF ALASKA
DEPT. OF REVENUE
PFD DIVISION

The Honorable Eldon Mulder
Alaska House of Representatives
Room 116
State Capitol
Juneau, Alaska 99811-1182

RE: HB 75 - relating to
Permanent Fund Dividends

Dear Representative Mulder:

I have reviewed the above-referenced bill which would alter the eligibility criteria for Permanent Fund Dividends (PFDs). I believe this bill contains legal defects that you may wish to remedy before it becomes law.

Essentially the bill would create two classes of military, those who entered service as Alaska residents and those who became Alaska residents subsequent to entering the military. Each class would be treated differently for purposes of eligibility for PFDs, which has been found to be constitutionally impermissible. This precise issue has recently been treated in several cases before both state courts and the U.S. Supreme Court. Among the most recent are *Attorney General of New York v. Soto-Lopez*, 476 U.S. 898, 106 S. Ct. 2317, 90 L. Ed. 2d 899 (1986); *Del Monte v. Wilson*, 824 P.2d 632, 4 Cal. Rptr. 2d 826 (Cal. 1992), *cert. denied*, 61 U.S.L.W. 3369 (U.S. Nov. 12, 1992).

I am making this observation now so that you will not be surprised later when we are asked to testify on this bill or review the bill for the purposes of the governor's exercise of his veto power.

03-C5LH

If you wish to discuss this, please do not hesitate to contact me; my direct number is 4132.

CHARLES E. COLE
ATTORNEY GENERAL

By: Vincent L. Usera
Vincent L. Usera
Assistant Attorney General

VLU:prm

cc: Representative T. Martin
D. Behr

ALASKA DEPARTMENT OF REVENUE
PERMANENT FUND DIVIDEND DIVISION

TWO YEAR PHYSICAL PRESENCE REQUIREMENT FACTS

As of February 23, 1993

Q1. Is any individual or group of individuals exempted from the physical presence requirements of AS 43.23.005(a)(4)?

A1. No, this requirement applies to every applicant regardless of why they are absent from Alaska. However, under the provisions of AS 43.23.005(f) the Commissioner of Revenue may waive the requirement for members of the armed forces and their families ***during a national military emergency.***

Q2. What is the maximum continuous time an individual can be allowably absent from Alaska and still retain continuous eligibility for a dividend?

A2. Nearly ***three years.***

For example, an otherwise eligible resident who left Alaska on January 1, 1991 on an allowable absence would have qualified or would qualify for the 1991, 1992, and 1993 dividends.

In order to qualify for the 1994 dividend, the otherwise qualified resident would have to arrive back in Alaska no later than December 31, 1993, one day short of 3 years later.

If the resident stayed overnight and left the next day, January 1, 1994, an otherwise qualified resident would remain eligible for the 1994, 1995, and 1996 dividends.

Q3. Isn't returning home to Alaska every two years expensive for residents?

A3. In some cases, it can be. However, some advance planning can reduce the cost of coming home to Alaska. Furthermore, each eligible man, woman, and child annually receives a dividend while allowably absent. These funds can be used to pay for or at least substantially offset the cost of a trip home to Alaska. In the example in A2 above, each otherwise qualified individual who left Alaska on January 1, 1991 could collect ***six dividends*** or more than $5,400/person with only one trip home to Alaska in nearly six years.

Q4. If an otherwise qualified resident is not able to meet the physical presence requirement of AS 43.23.005(a)(4), how does the resident re-establish program eligibility?

A4. The resident can re-establish eligibility for the dividend program by returning to Alaska prior to the end of the current qualifying year.

SCOMM

90:3

ALASKA STATE LEGISLATURE

- Co Chair -
Representative Eldon Mulder

- Co Chair -
Representative Richard Foster

HOUSE SPECIAL COMMITTEE
MILITARY & VETERANS AFFAIRS

March 3, 1993 5:00 PM
Capitol Bldg., Rm. #17

House Bill 98

"An Act naming the Black Veterans Recognition Bridge on the Alaska Highway over the Gerstle River."

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1. Latest Copy of Bill - Fiscal Note

2. Sponsor Statement

3. Background Information
   - -UAF Museum Information
   - -Anchorage Daily News article, Saturday, July 4, 1992
   - -Map of Alaska Hwy
   - -Map of Highway Construction Camps, 1943
   - -Citation from 17th Alaska Legislature

Alaska State Capitol, Juneau AK 99801-1182

STATE OF ALASKA
1993 LEGISLATIVE SESSION

BILL NUMBER: HB 98

FISCAL NOTE

Revision Date:
Title: Black Vet's Recognition Bridge, Alaska Hwy

Department Affected: DOT&PF
BRU: Interior District M&O

Sponsor: B. Davis
Requestor: B. Davis

Component: Highways & Aviation
Component Serial Number: 584

EXPENDITURES/REVENUES: (Thousands of Dollars)

OPERATING	FY94	FY95	FY96	FY97	FY98	FY99
PERSONAL SERVICES	0	0	0	0	0	0
TRAVEL	0	0	0	0	0	0
CONTRACTUAL	0	0	0	0	0	0
SUPPLIES	0	0	0	0	0	0
EQUIPMENT	0	0	0	0	0	0
LAND & STRUCTURES	0	0	0	0	0	0
GRANTS, CLAIMS	0	0	0	0	0	0
MISCELLANEOUS	0	0	0	0	0	0
TOTAL OPERATING:	0	0	0	0	0	0
CAPITAL	0	0	0	0	0	0
REVENUE FUND SOURCE	0	0	0	0	0	0

FUNDING: (Thousands of Dollars)

1002 FEDERAL RECEIPTS	0	0	0	0	0	0
1003 GF MATCH	0	0	0	0	0	0
1004 GF	0	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 FUNDING:	0	0	0	0	0	0

POSITIONS

FULL-TIME	0	0	0	0	0	0
PART-TIME	0	0	0	0	0	0
TEMPORARY	0	0	0	0	0	0

Estimate of current year (FY93) impact: $0

ANALYSIS: (Attach a separate page if necessary)

The direct costs of plaque preparation and installation will be absorbed by the Alaska Highway MP 1222 N / Celebration 92 balance.

Prepared by: Dawn Mach — Phone: 465-6987

Division: Plans, Programs & Budget — Date: February 2, 1993

Approved by Commissioner: Frank G. Turpin — Phone: 465-3901

Agency: Department of Transportation and Public Facilities — Date: February 2, 1993

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SPONSOR STATEMENT

HB 98 - Naming the Black Veterans Recognition Bridge on the Alaska Highway over the Gerstle River.

1992 marked the 50th anniversary of the construction of the Great Alaska Highway, a 1,522 mile-long road from Dawson Creek, British Columbia to Fairbanks, Alaska. Heralded as a near impossible feat, the construction was completed in a record time of eight months and twelve days.

Of the 10,607 soldier who worked on the road, 3,695 were members of the Black Corps of Engineers, a fact not widely known or reported. These men, mostly from the South, toiled under great duress, ill-housing, sub-zero temperatures, insufficient clothing, monotonous food and 20 hour work days.

During the formal dedication of the road, Brig. General James O'Connor, head of the Northwest Service Command, stated:

> *"Some day, the accomplishments of these colored soldiers -- achievements accomplished far from their homes -- will occupy a major place in the lore of the North Country."*

Instead, they were forgotten.

It was just last year that their contributions received state and national recognition. In January, thirteen veterans were reunited in a fun-filled event in Tallahassee, Florida, sponsored by the University of Alaska and Florida A&M University.

In July, Alaska hosted eight of the men during *"Alaska Highway Rendezvous 92."* In addition to the "Miles and Miles" pictorial at the Anchorage museum, the veterans were honored at parades, picnics, and a host of other events sponsored by local groups, the Great Alaska Highway Society and the Division of Tourism.

The Alaska Highway, rich in historic and scenic sites, is enjoyed by thousands every year. I hope you will join me in honoring the black soldiers who helped to make it possible.

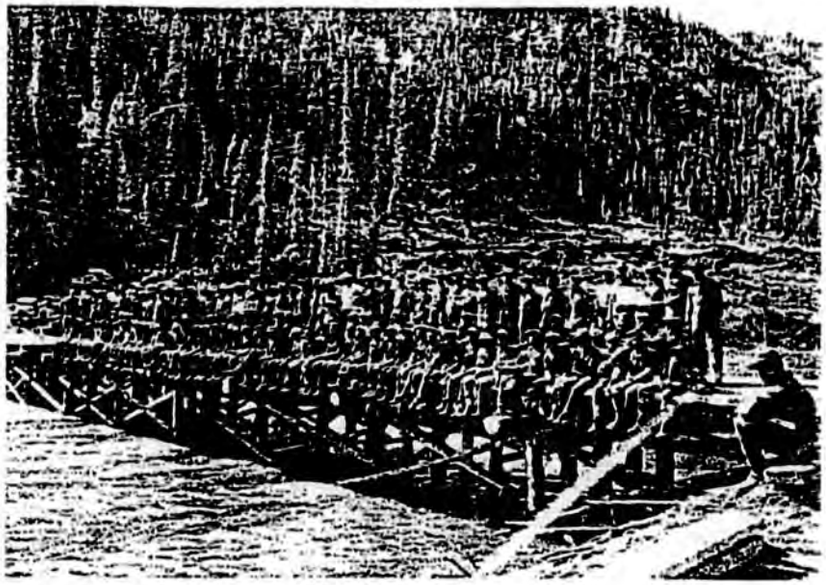
Miles and Miles

Honoring Black Veterans Who Built the Alcan Highway

Presented by the
Department of
Journalism and Broadcasting
University of Alaska Fairbanks

at the

The University of Alaska Museum
February 1 — March 15, 1992



Men of the 95th, stationed at the wild Sikanni Chief River, bet their paychecks they could break all records bridging it and won in 84 hours—roughly half the time usually required for bridge construction. It is one of the few original bridges still standing.

Photo courtesy of
Edward G. Carroll

Deep in a stack of dusty 1943 war records is a wistful quote from a Negro solder who had been asked what working on the Alcan highway was like.

"It's miles and miles of nothing but miles and miles!" he said.

The building of the Alcan (Alaska) Highway during World War II has been likened to the construction of the Panama Canal. Most experts predicted it couldn't be done. The route spanned some of the coldest, toughest, least explored, most dazzling country on the North American continent. Yet the U.S. Army Corps of Engineers pushed through a 1,500-mile pioneer road in just eight months and 12 days.

One third of the 10,607 men who built it were Blacks, originally deemed unfit for the task. Yet despite incredible odds in an harsh and alien land, they more than proved themselves.

Alaska Went to the 97th

The Alaska section of the road was built by the all-Black 97th Division of the Corps of Engineers over the protests of the U.S. Army commander for Alaska, Gen. Simon Bolivar Buckner Jr., son of a Confederate general who had surrendered to Grant.

"Certainly, the Army has a responsibility in not further complicating the population characteristics of the Territory by leaving a trail of new racial mixtures," he argued. And he was placated only by the

Cover: Mired! Engineers muster to help a trucker who failed to pass in a big way.

Photo by Father John Paul
Tanguay, Yukon Territory

promise that Black troops would not be allowed near any settlements.

Buckner's objections were echoed by top brass in Washington who worried that Black soldiers would not have suitable intellectual capacity to handle bulldozers. Blacks who had little chance at education were delegated to stateside "housekeeping" assignments until a desperate shortage of manpower caused military planners to chance sending them north for the strategic Alcan mission.

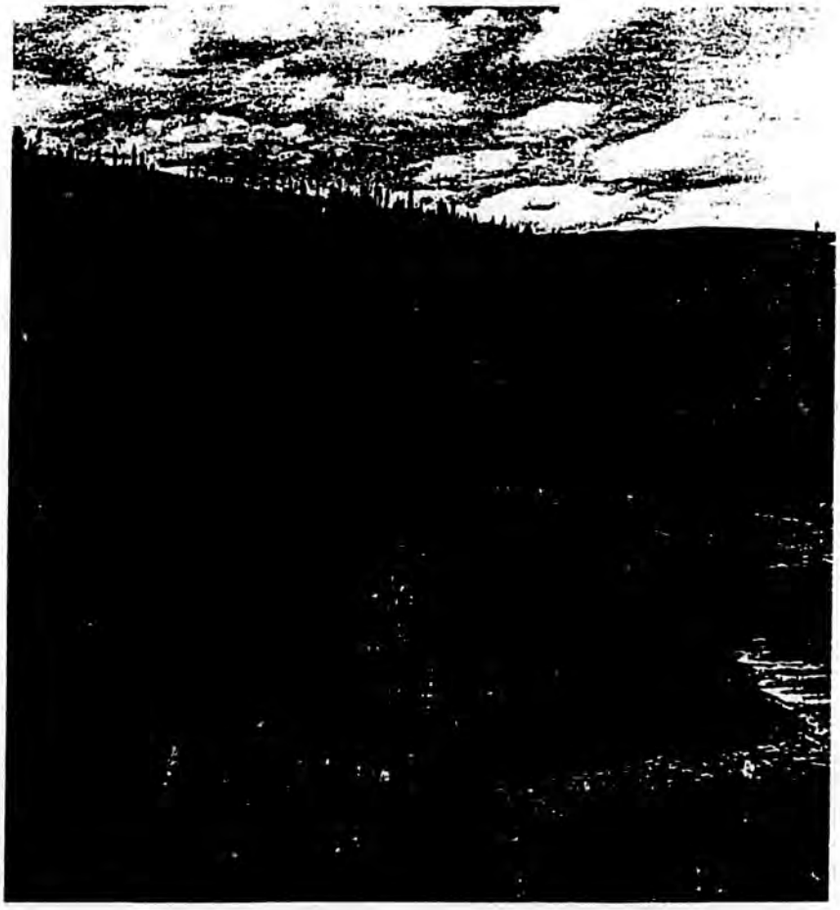
It proved to be a good gamble but the coldest winter in recorded history was a setback. The majority of the men, like Fred Spencer of Snead, Florida, were from the deep south.

"We knew we were going to freeze to death so we took precautions," he recalls with a grin. "Those northern boys thought they could 'bulldoze' the weather so they froze their fingers and their toes and their ears."

A confidential report noted during a field inspection at -63 below the clothing of Delta's Black

This outdoor latrine may not look too plush but it was a luxury compared to early accommodations in the field. It wasn't too bad in summer but picture it in blowing snow at 63° below!

Photo Courtesy of
Howard Garbor



A Pontoon bridge spans the Stikin River at Milepost 119 on July 22, 1942. The Engineers built a total of 133 bridges and 8,000 culverts to complete the highway.

National Archives Photo

Early on, officials debated about whether or not Blacks could be trained to use heavy equipment. Here Corpsmen show the answer is "yes" with a Caterpillar Diesel D7 Tractor and LeTourneau Carryall scraper.

U.S. Army Photo
National Archives

regiment was found to be in "abominable condition."

"The pathetically ill-equipped 97th is doing little else but hibernating at present. It is of great importance, however, to point out that these men are not freezing in unusual numbers," the report concluded.

The warm accommodation of the newly built air base was off limits to Blacks. Most wintered in tents. But the men and their white commanding officers often made good use of off hours for training programs. And, given a break in the weather, these troops made up for lost time.

Walter E. Mason's "A" Company built 295 miles of road through stunted forest from Slana, across the Tanana River, and then south into Canada. And 85 miles of that was corduroy road—some of it five layers deep to counter the permafrost.

"We made about five miles a day; had to move camp every two or three days," the Virginia engineer recalls. "Ours was the first Cat (bulldozer) to cross the border and everybody climbed on. We were supposed to meet the (all white) 18th coming up from the south. When they didn't show up, we kept on going."

Like many other companies, Mason's men went

for long periods without leave, mail or fresh food, but there were few complaints.

"The morale was good as every man accepted the conditions and lived with them," agrees Howard Garber who headed Company "E" of Alaska's 97th Second Battalion. "Our men's work effectiveness was very good considering that during the summer they worked seven days per week and almost 24 hours a day."

The 95th, 94th, 93rd and 388th also Mustered

Other Black regiments—the 95th, 94th, 93rd and 388th—moving north from Dawson Creek also made good showings. The 95th, stationed at wild Sikanni Chief River, bet their paychecks they could break all records bridging it and won in 84 hours—roughly half the time usually required for bridge construction.

Many like Joseph Prejean of Lafayette, Louisiana, were highly motivated. Prejean made good money in the endless rounds of crap games that kept Alcan troops from boredom in off hours. Learning to read from a buddy who was going with a school teacher, he got through Army cooking school and went on to become a highly paid chef in civilian life.

An *ice bridge* fails big time near Ft. St. John. Engineers would replace it with a pontoon structure after spring breakup, but the in-between season was rough trucking.

Photo courtesy
Ft. St. John—North Peace
Museum Archives

U.S. Army commander for Alaska, Gen. Simon Bolivar Buckner Jr., son of a Confederate general who had surrendered to Grant, was not pleased to learn Black troops would be sent to Alaska. Because of his protests, Blacks were generally not allowed near towns or villages.

Painting by
Lt. William Cummings
Alaska 1944.

His parents had worked as tenant farmers for 21 years and Prejean recalls that their landlord tried to scare him out of enlisting, warning he'd be killed.

"I told him I just couldn't make it on $1.50 a week," the tall well-spoken restauranteur recounts gleefully. "When I got home, I had all that money in the bank and he was dead."

When Herbert Tucker, Washington, D. C., narrowly missed passing an entrance exam for officer's training in the spring of 1942, he found himself crossing the Peace River on an ice bridge with the 95th and lasted until October when he recalls the mercury suddenly plunged to -50 below.

"If I have to pass that test to get out of here, that's what I'm going to do," he declared on the spot, and the next week he was on his way south to become a career officer.

Our Men Proved Themselves

The Alcan assignment offered unprecedented opportunity for many Blacks who, for the first time, received the same pay and benefits as white workers, notes the Rev. Edward G. Carroll, a graduate of Columbia University and Yale Divinity School, recently retired as bishop of the Methodist Church for New England.

"Yes, there were discrimination problems," he concedes. As one of few Blacks allowed officer status by virtue of his calling, he sometimes felt the brunt of it.

"They said we didn't have the mentality to deal with heavy equipment. The race you don't know is the race you suspect, but our men proved themselves."

During the formal dedication of the road, Brig. Gen. James A. O'Conner, head of the Northwest Service Command, singled out the Black troops for special recognition.

"Some day the accomplishment of these colored soldiers—achievements accomplished far from their homes—will occupy a
major place in the lore of the North country," he promised.

Instead they were forgotten. When the Alcan was completed, the Black engineers were sent to

Carolyn White
907 353-3414 bus
336-7684 dutch

active duty in the South Pacific, Europe and Burma, reversing an earlier pronouncement that they would be unfit for battle. Many were decorated. Ultimately, after Blacks performed with valor and skill under fire, the military became the first agency in America to integrate. But the only tangible tribute to the Black builders of the Alcan is the remarkable road they left behind them...still in use and our sole land link to Alaska after 50 years.

Lael Morgan
Guest Curator

Corps of Engineers camp on the shore of Kluane Lake. This photo was taken in the early morning when trucks lined up to take troops to work. Note logs in foreground used to build "corduroy road" over permafrost.

National Archives Photo

Anchorage Daily News Saturday, July 4, 1992

Black vets honored in parade, exhibi

By KELLY SHEETS
Daily News staff

Nehomiah Atkinson of Louisiana was inducted into the Army in 1942. After eight months of medical school, he was sent to Alaska to join the all-black 97th Division of the Corps of Engineers, which was constructing the Alcan Highway.

"We worked more than 10 hours a day," he said. "But I didn't have to do much, because everybody was healthy. There were a few accidents with the heavy equipment, but Alaska was so healthy that if you got a bruise on you, it would be gone the next day."

One-third of the 10,607 men working on the project were black. The Alaska section of the road was built by the 97th Division over the protests of the U.S. Army Commander for Alaska, Gen. Simon Bolivar Buckner Jr. Buckner didn't think black soldiers were intelligent enough to handle bulldozers. He was proved quite wrong.

In one of the most outstanding accomplishments during the building of the Alcan, the 95th, stationed at the wild Sikanni Chief River, bet their paychecks they could break all records bridging it, and they won in 4 hours — roughly half the time usually required for bridge construction. The bridge is one of the few original Alcan bridges still standing.

During the formal dedication of the road, Brig. Gen. James A. O'Conner, head of the Northwest Service Command, singled out the black troops for special recognition.

But other than O'Conner's commendation, the black troops — the 97th in Alaska and the 93rd, 95th and 388th in Canada — were forgotten. Most literature about the highway overlooked their significant contribution.

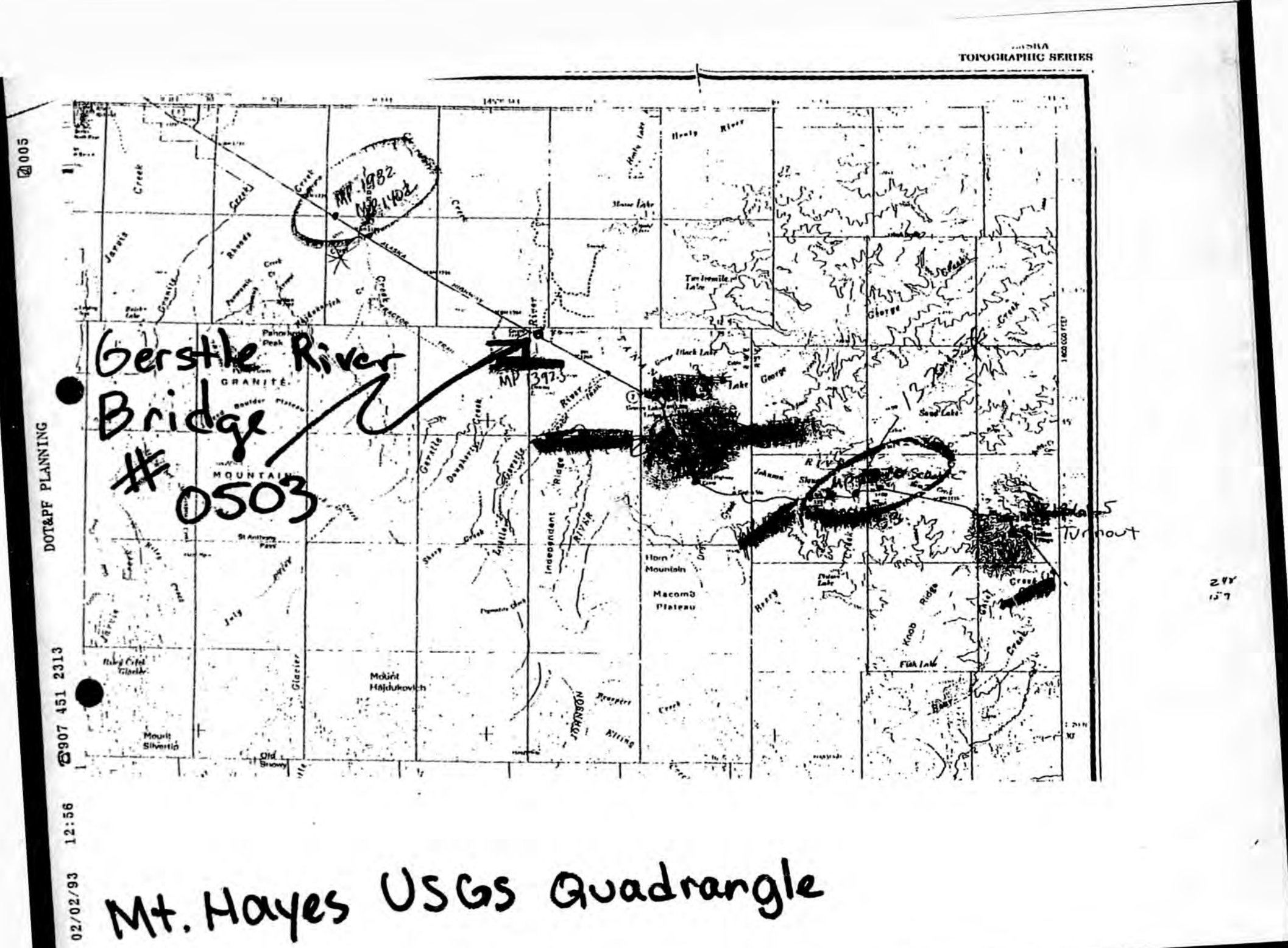
Frank Brehon of Florida joined the 388th at age 18. He said the hardest part of the job was the cold. The winter of '42-'43 was the worst on record at that time. Temperatures hovered at 50 degrees below zero for weeks, and the temperature dropped into the minus 60s and 70s a few times. The troops were issued inadequate leather boots and cumbersome mittens to work in, Brehon said, and had virtually no fresh food for months. They slept in tents.

Working in the summer was equally hard, Brehon said: "It was light out for so long that they made us work 12 hours or more hours a day," he said, often "in mud over our ankles. Sometimes it was almost up to our knees."

It was 72 degrees below zero when Nehomiah Atkinson left Alaska. He was then sent to New Guinea, where the temperature was 120 degrees — a difference of almost 200 degrees. He hasn't been to Alaska since working on the Alcan, but he, Brehon and eight other black veterans have returned to take part in today's Fourth of July parade. They will also attend a reunion reception at 7 p.m. at the Anchorage Museum of History and Art, where a photo exhibition titled "Miles and Miles: Honoring Black Veterans Who Built the Alcan Highway" will be on display all summer. The public is invited to the reception.

University of Alaska Fairbanks

Corps of Engineers veterans gather for a 50th anniversary reunion in Florida. They are, back row, from left: Donald Norland Sr., Walter Dudrow, Albert France, Irving Smith, Alexander Powell. Front row: Reginald Beverly, Frank Brehon, Willie Richardson, Richard Trent, Bishop Edward Carroll, Nehomiah Atkinson.



Mt. Hayes USGS Quadrangle

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Gerstle River Bridge # 0503

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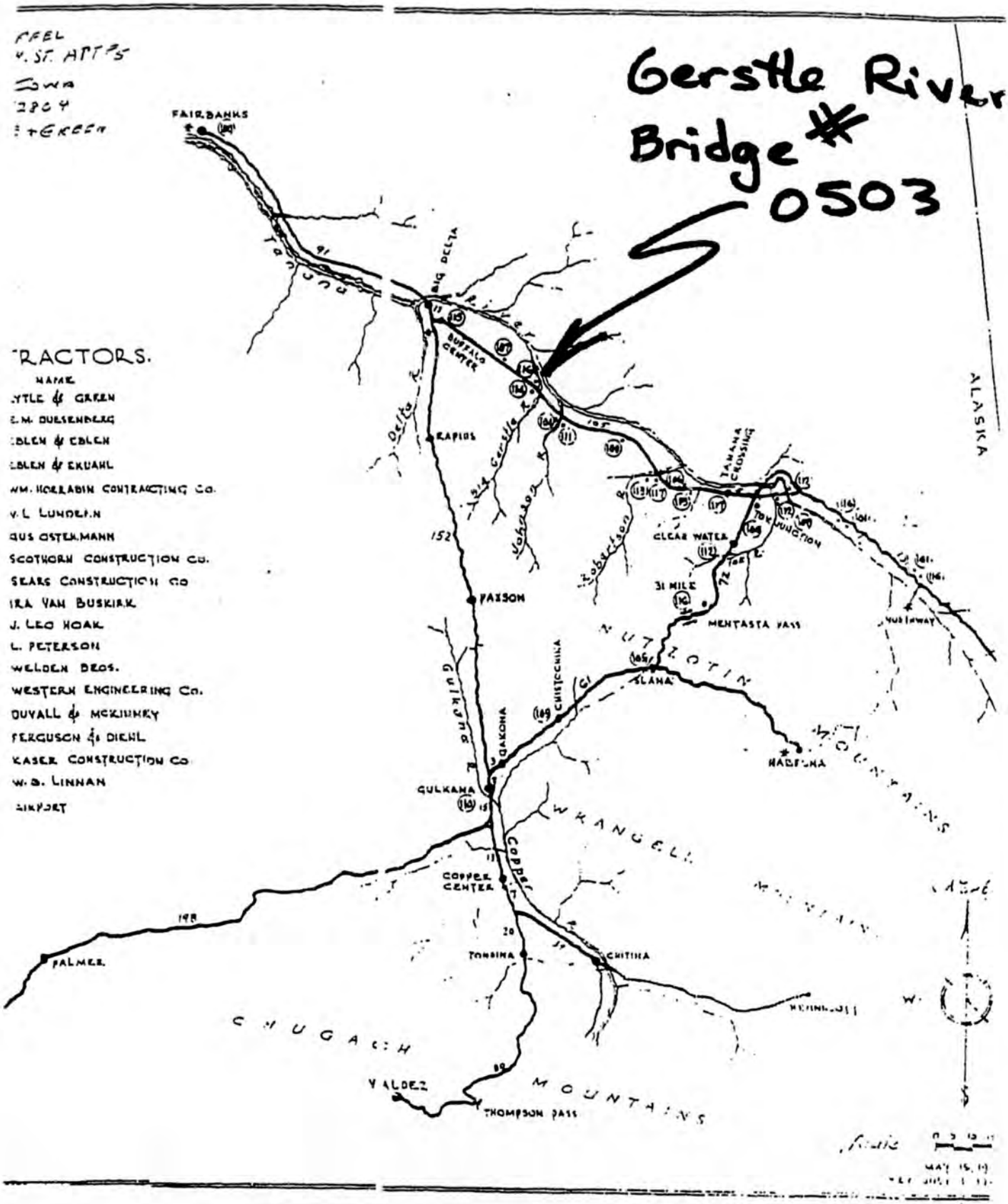

1943 Map of Construction Camps

THE ALASKA LEGISLATURE

*** HONORING ***
*** BLACK VETERANS ***
*** WHO HELPED CONSTRUCT THE GREAT ALASKA HIGHWAY ***

We, the Seventeenth Alaska State Legislature, take great pleasure in recognizing the Black Corps of Engineers veterans for their contribution in constructing the Great Alaska Highway. These men were members of the 93rd, 94th, 95th, 97th and 388th units during World War II.

The construction of 1,522 mile-long road from Dawson Creek, British Columbia to Fairbanks, Alaska, through rugged, unmapped wilderness was heralded as a near-impossible feat. Many compared it to the building of the Panama Canal, and thought it could not be done. Yet, despite incredible odds through a cold and punishing winter, the Alaska (ALCAN) Highway was completed in a record time of eight months and twelve days. The black soldiers, numbering 3,695 in a troop strength of 10,607, were rarely mentioned or praised for the excellent job they did under duress, ill-housing, insufficient clothing, monotonous food, and 20-hour work days.

On January 18-20, 1992, the Black Corps of Engineers veterans were honored at "The Alaska Highway 50th Anniversary Celebration," in Tallahassee, Florida. Sponsored by Professor James Eaton of Florida A & M University's Black Archives Research Center, Dr. Lael Morgan of the University of Alaska - Fairbanks School of Journalism and Broadcasting, and Mr. Cal White of the University of Alaska - University Relations, this reunion was the first time that the soldiers received such recognition. Eleven of the 70 veterans located, two of their commanding officers and the wife and son of another, Bernice Rand and Neal Gosman, traveled from all across the country to attend the festivities:

Nehemiah Atkinson - New Orleans, LA
Franklin J. Brehon - Port St. Lucie, FL
Wesley J. Davises - Winterhaven, FL
Donald W. Nolan, Sr. - Baltimore, MD
Willie Richardson - Bronx, NY
Richard D. Trent - Pittsburgh, PA
Reginald Beverly - Ruther Glen, VA
Bishop Edward G. Carroll - Baltimore, MD
Albert E. France -Cooksville, MD
Alexander Powell - Quincy, FL
Irving Smith - Philadelphia, PA

Walter Dudrow, Commanding Officer - Ormond Beach, FL
Col. Walter Parsons, Commanding Officer - Bryan, TX

At a time when the media bemoans the fate of the black male and when large numbers of our young are lost to gangs, drugs and despair, it is important to remember that black males have a history of achievement, in spite of great odds and obstacles.

We, the members of the Seventeenth Alaska State Legislature, honor and commend these black soldiers for their hard work, diligence and commitment to providing Alaskans with a remarkable road and our sole land link to the Lower 48 States.

SPEAKER OF THE HOUSE — PRESIDENT OF THE SENATE

Date: February 5, 1992

Requested by: Representatives B. Davis, Boyer, Bruckman, Choquette, Davidson, Ellis, [illegible]stein, Fo[illegible]Gruenberg, Koponen, Kubina, Leman, Mackie, Martin, M.A. Miller, M.W. Miller, Moyer, Navarre, Parnell, R. Ph[illegible]mer and [illegible]acki; Senators Sturgulewski, Uehling, Pearce, Collins, Shultz, Halford, Rodey, Duncan, Pourchot, Menard, Cotte[illegible]tula and Fra[illegible]