

# **State of Alaska FY2008 Governor's Operating Budget**

## **Department of Health and Social Services Alaska Longevity Bonus Programs Results Delivery Unit Budget Summary**

## Alaska Longevity Bonus Programs Results Delivery Unit

### Contribution to Department's Mission

The mission of the Alaska Longevity Bonus Program is to issue longevity bonus payments to eligible individuals.

### Core Services

- Effectively manage the Alaska Longevity Bonus Program.
- Provide programmatic and administrative support.
- Ensure Longevity Bonus warrants are processed timely.
- Respond to inquiries about the program within one working day.
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### FY2008 Resources Allocated to Achieve Results

**FY2008 Results Delivery Unit Budget: \$33,709,200**

**Personnel:**

Full time	3
Part time	0
<b>Total</b>	<b>3</b>

### Key RDU Challenges

The Alaska Longevity Bonus program was established by the legislature in 1972 to recognize Alaskans over age 65 who had resided in the state prior to statehood in 1959 for their contribution to the State, and to help enable these seniors to stay in Alaska during their retirement years. The first monthly checks were for \$100; in the first year of the program, 4300 Alaskans were eligible, and the program cost the State \$2.5 million (the first fiscal year of funding was for half a year of checks). The monthly payments were later increased to \$250.

As a result of the Zobel permanent fund dividend court case in 1982, the Longevity Bonus Program was opened up to all Alaskans over age 65, considerably increasing the cost of the program. By 1993, the annual cost of the program had reached \$67 million, prompting the Legislature to enact legislation phasing out the program. Under the phase out plan, Longevity Bonus payment amounts were set on a declining scale according to the following schedule:

- \$250, for applications submitted before January 1, 1994;
- \$200 for applications submitted during 1994;
- \$150, for applications submitted during 1995; and
- \$100, for applications submitted during 1996.
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In 2003, Governor Murkowski eliminated funding for the Longevity Bonus program in his FY 2004 proposed budget. The legislature restored funding for the program during the 2003 legislative session. Governor Murkowski then vetoed the \$44 million funding for the Longevity Bonus program, and replaced the program with a new SeniorCare program that provides \$120 a month to low income seniors.

### Significant Changes in Results to be Delivered in FY2008

This program is being re-established for fiscal year 2008.

### Major RDU Accomplishments in 2006

This program is being re-established for fiscal year 2008.

**Contact Information**

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**Alaska Longevity Bonus Programs  
RDU Financial Summary by Component**

*All dollars shown in thousands*

	FY2006 Actuals				FY2007 Management Plan				FY2008 Governor			
	General Funds	Federal Funds	Other Funds	Total Funds	General Funds	Federal Funds	Other Funds	Total Funds	General Funds	Federal Funds	Other Funds	Total Funds
<b>Formula Expenditures</b>												
Longevity Bonus Grants	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	32,200.0	0.0	0.0	32,200.0
Longevity Bonus Hold Harmless	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	1,159.2	0.0	0.0	1,159.2
<b>Non-Formula Expenditures</b>												
Alaska Longevity Pgms Mgmt	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	350.0	0.0	0.0	350.0
<b>Totals</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>33,709.2</b>	<b>0.0</b>	<b>0.0</b>	<b>33,709.2</b>

**Alaska Longevity Bonus Programs  
Summary of RDU Budget Changes by Component  
From FY2007 Management Plan to FY2008 Governor**

*All dollars shown in thousands*

	<u>General Funds</u>	<u>Federal Funds</u>	<u>Other Funds</u>	<u>Total Funds</u>
<b>FY2007 Management Plan</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>
<b>Proposed budget increases:</b>				
-Longevity Bonus Grants	32,200.0	0.0	0.0	32,200.0
-Longevity Bonus Hold Harmless	1,159.2	0.0	0.0	1,159.2
-Alaska Longevity Pgms Mgmt	350.0	0.0	0.0	350.0
<b>FY2008 Governor</b>	<b>33,709.2</b>	<b>0.0</b>	<b>0.0</b>	<b>33,709.2</b>