

Daniel George

From: Mills, Andy J (DOA) <andy.mills@alaska.gov> on behalf of Commissioners Office, DOA (DOA sponsored) <doa.commissioner@alaska.gov>
Sent: Thursday, March 12, 2015 12:10 PM
To: Commissioners Office, DOA (DOA sponsored)
Subject: Governor Introduces Bill to Help State Employee Retirement Investment Options

Importance: High

Follow Up Flag: Follow up
Flag Status: Completed



A MESSAGE FROM THE COMMISSIONER'S OFFICE

All state employees,

I am pleased to share with you that Governor Walker has put forward legislation this year that empowers every member of a state retirement plan to select a new option of deferred compensation known as a ROTH 457. This legislation is currently before the legislature in the form of [House Bill 135](#) and [Senate Bill 67](#).

"I want to find ways to help hard working state employees, those who accomplish the core services that we in this great state depend upon daily, to make the most of their service with the state," remarked Governor Walker when introducing this legislation. "Respecting our public servants means providing them better tools and the best options to fully enjoy retirement after a successful career of service."

What is a ROTH 457? It is a government-specific, post-tax retirement deferred compensation investment option that allows you to diversify your retirement savings to achieve the preferred level of tax liability in your retirement. This gives you added flexibility and security when you are ready for retirement.

Why would you select this option? For some employees, it might make sense to pay taxes on deferred compensation contributions now and accumulate tax-free earnings under a ROTH 457 for the future.

How would you select this option? Just as you may have a pre-tax, deferred compensation option currently available so too would you have a post-tax deferred compensation option if these bills pass. If this legislation is enacted into law, the Division of Retirement and Benefits would be able to enroll employees with direct contributions that are designated by the employee into this savings options that would be managed just as you do your other retirement savings.

Have additional questions about your retirement investments? The Division of Retirement and Benefits encourages you to take an active role in reviewing your retirement investments, to consider your individual investment goals and to use the tools provided by the state to best understand your options.

For assistance with your state retirement investments you can call Financial Education and Advice Services:

Empower Retirement (Formerly Great West), Financial Education call 1-800-232-0859

Empower Retirement (Formerly Great West), Investment Advice call 1-800-232-0859

For appointments in the Juneau Office call (907) 465-4460