



ONE SEALASKA PLAZA, SUITE 302 • JUNEAU, ALASKA 99801
TEL (907) 586-1325 • FAX (907) 463-5480 • WWW.AKML.ORG

Member of the National League of Cities and the National Association of Counties

April 8, 2026

Representative Kopp,

On behalf of the Alaska Municipal League, representing Alaska's 165 local governments. HB 78 has a direct and significant impact on local governments, who as employers are a minority within PERS, but bear the consequence of the State's decision making. We write to express concern about any proposal to increase the PERS employer contribution rate above the current 22 percent cap.

The current structure limits employer contributions to 22 percent of payroll, with the State covering the difference between that amount and the actuarially determined rate. Increasing the employer rate would shift additional costs directly onto school districts, housing authorities, municipalities, and other public employers.

Keep in mind why this 22 percent cap is in place. Through no fault of employers, who have no role in plan decision making nor statutory authority of the plan's make-up, the State of Alaska's PERS and TRS were significantly underfunded, resulting in a net pension liability that is supposed to be extinguished by 2039. The substantial past debt that remains from prior State decisions and oversight deficiencies was reamortized by the Legislature to that 2039 date, resulting in cost-shifting an additional \$2.5 billion in expenses to local government employers. This has been exacerbated by the changes the Legislature chose to make related to level dollar amount and level percent of pay, which is why the debt hasn't been addressed more quickly. These were policy decisions completely outside the control of plan employers.

The 22 percent cap is in place because the State didn't maintain robust enough records to be able to allocate debt by employer, and recognized the State's own role in establishing the debt. It was a negotiated solution to avoid litigation and a commitment by the State to address the impact of decisions it was responsible for.

Even a 1 percent increase would have a substantial fiscal impact. Statewide, a 1 percent increase equates to roughly \$14 million in additional costs. For reference, a 2% increase would mean increases of: \$2 million for the Anchorage School District, \$3.5 million for the University of Alaska, \$1 million for Bartlett Regional Hospital, and \$1 million for City and Borough of Juneau. Schools alone would pay more than \$7 million more. For many schools, cities and boroughs, and other public sector employers, that is a significant unbudgeted cost pressure that would have to be absorbed through service reductions, delayed maintenance, or the need to increase revenues, even as Alaskans face an affordability crisis.

Local governments, schools, housing authorities, and other employers are already managing tight budgets, rising operating costs, and increasing demands for essential public services. Any increase in the PERS employer contribution rate would directly affect the ability of the State's political subdivisions to provide those services efficiently and affordably.

We respectfully urge the Legislature to reject any proposal to increase employer contributions above the 22 percent cap, which has been in place as part of a carefully negotiated and honored agreement, and which would destabilize communities just as they face so much other uncertainty.

Nils Andreassen
Executive Director



2025-2026

Principles & Policy Statements

Approved by AML Members in December 2024

PRINCIPLES

- Ensure that policies of the state provide for maximum local self-government.
- Remove inequitable tax burdens and maintain local revenue authorities.
- Maintain and increase revenue sharing as an investment in and partnership with municipalities.
- Expect sufficient and inflation-proofed State funding for basic public needs and State obligations.
- Services that are delivered by local governments on behalf of the State should be fully funded by the State.
- Preserve the tax base of local governments.
- Provide resources and technical assistance that enhance the capacity of communities.

POLICY STATEMENTS

Municipal Governance

- Oppose State management of municipal sales tax and the preemption of local rates and exemptions.
- Reimburse the value of all mandatory exemptions; or make these optional and/or needs-based.
- Increase the States capacity and competency for tax assessment and analysis.
- Reduce administrative burdens, including by removing paperwork and reporting requirements.
- Require that legislation includes a municipal and/or school district implementation impact and fiscal note.
- Expand municipal authorities and increased self-governance.
- Increase capacity-building for governance and financial management competency and capabilities.
- Accelerate the transfer of State lands to municipal governments; manage land bank for future boroughs.
- Foster municipal-Tribal collaboration.

Community Revenues and Fees

- Return Community Assistance annual distribution to \$60 million in FY26; increase according to inflation.
- Allow CAP to earn interest or investment returns.
- Adjust Community Assistance applications to be biannual based on good standing.
- Remove CIP requirement for applications.
- Ensure distribution of CAP funds, grants, pass-through funding, and other payments within 30 days.
- Reduce state agency fees applicable to municipal governance and school districts.

- Increase methods to waive debt, forgive loans, or otherwise bolster financially stressed communities.
- Reduce interest rate penalties found in AS 26.45.500(b) and other statutes to be consistent with market rates.

Public Employee Benefits

- Full State funding for State-mandated presumptions of compensability through the creation of a Presumption Trust.
- Reduce or remove costs associated with termination studies and late payment.
- Work actively to decrease the overall unfunded liability of PERS/TRS.
- Oppose any cost shift to local governments of the State's on-behalf payment (over 22%).
- Return to a defined benefit plan as a significant tool for recruitment and retention.
- Provide other tools that might contribute to greater employee benefits.
- Provide additional technical assistance to Tier 4 employees for long-term planning.
- Use fiscal year windfalls to decrease debt obligation for long-term sustainability.

Fiscal Policy

- Oppose cost-shifting of State expenses and programs to municipalities.
- Maintain an adequate level of essential State services.
- Develop a broad-based tax to increase State revenue, consistent with a budget that supports municipal and resident needs and fulfills statutory and Constitutional obligations.
- Inflation-proof statewide spending obligations, ensure sufficient and growing capital budget, and ensure that a spending cap does not disproportionately impact local governments and school districts.
- Continue to utilize a sustainable draw on earnings of the Alaska Permanent Fund.
- Maintain an investment and management strategy for PCE that results in appropriate capitalization of the PCE endowment and Community Assistance Fund.

Public Safety

- Increase State funding for municipal public safety obligations, including LEO training, operations of Community Jails, and prosecutors and public defenders.
- Increase tools available for public safety recruitment and retention, including sharing candidates and background checks.
- Strengthen rural public safety, including increasing VPSO presence, encouraging partnerships between municipal and Tribal governments, and providing pathways for greater local governance.
- Decrease access to and impacts from opioids and other substances and implement and strengthen local partnerships.
- Provide funding of the administrative costs of municipal hosting of E911 systems or explore statewide service and fee structure.
- Elevate input from local governments in emergency and resilience planning and ensure state budgets and policy supports adequate and timely state resources to support local emergency response.
- Decrease crime and reduce high rates of recidivism including education and substance abuse treatment.
- Increase funding for and development of Crisis Now programs.
- Increase funding for the Alaska Land Mobile Radio (ALMR) system, including the funds needed to upgrade to the latest hardware and software.

Economic Development

- Invest in and develop policy that increases funding for, access to, and affordability of childcare and housing.

- Increase investment in training and workforce development for residents.
- Provide resources for local economic development planning, including local economic diversification and small business development strategies.
- Provide State support to sustain local economies, improve quality of life, and reduce regulatory burdens.
- Support local control of licensing that contributes to economic activity, including that of alcohol, and reconsider State-level population limits that bypass local planning and zoning commission responsibilities.
- Increase direct connections to EDA, or otherwise be represented by regional economic or planning organizations.
- Increase responsible resource development and reduce investment barriers alongside improved environmental risk management.
- Maintain the authority of local governments to tax the extraction or production of local resources, including travel and tourism, for general purposes of government.
- Promote the adoption of PILT agreements to the extent that these promote resource development and meet local responsibilities to tax.
- Maintain the structure of the Oil & Gas Property Tax, to the extent that local rates are not reduced in any way.
- Increase compliance with bycatch regulations, including from trawlers in the Gulf, recognizing the broader impacts on resident access.

Infrastructure

- Provide resources and support for municipalities to better access grant opportunities, including to remove barriers of cost, timing, match, and complexity.
- Increase the availability of and funding for teacher and public safety housing.
- Support State middle-mile investments that improve access to affordable, high-speed broadband, and foster the establishment of regional or local broadband planning committees.
- Recognize and identify ways to address aging transportation, energy, and water/sewer infrastructure, including by offsetting operational or maintenance costs.
- Support short-term and long-term strategies for the development of broadband and cellular coverage in Alaska, and planning efforts thereof.
- Provide resources for community relocation, adaptation, and resilience efforts, and climate action plans.
- Increase the State capital budget to address deferred maintenance, including through mechanisms such as general obligation bonds.
- Provide technical assistance and investment in energy projects, processes and programs that decrease energy costs and improve access to renewables.
- Reimburse municipal debt or investments in energy including by utilizing PCE savings.
- Develop energy corridors and regional energy projects that facilitate grid resilience.
- Encourage adequate funding and use of the Renewable Energy Fund and AIDEA investments to promote renewable energy project developments.
- Ensure the sustainability of the ferry system, such that it maintains frequent, consistent, and reliable year-round ferry service.
- Oppose the transfer of maintenance responsibilities to municipalities as the requirement for road and airport projects.
- Enable the ability for locally delivered, federally funded project management by local governments.
- Waive DOT&PF ICAP rates on pass-through funding to local governments, including for transit

programs.

- Appropriately fund ADF&G and increased investment in fisheries monitoring, research, impact analysis, and outreach.
- Continue investment in port and harbor infrastructure, and the development of an Alaska Ports Strategy.
- Fully fund (equal to municipal match commitments) the Harbor Matching Grant program.
- Take an active role in federal fisheries management, including bycatch, and clean water, including through transboundary negotiations.
- Reinstate the Municipal Matching Grant program to help municipalities match or supplement local and federal funding.
- Leverage federal funding to ensure that all communities with more than 25 residents have access to clean drinking water and sanitation.
- Provide State funding for improvements to and maintenance of facilities to comply with the Clean Water Act, including those facilities that need 301h waivers for 401 certification.
- Continue to invest in Village Safe Water and the State Revolving Loan Fund and expand outreach and utilization.
- Provide clean water to PFAS-affected communities, help communities manage solid waste impacted by PFAS, and clean up and remediate PFAS-contaminated sites.
- Fund a water and wastewater operator subsidy and support operator certification to increase the pool of qualified operators.

Education

- Adequately invest in early childhood education.
- Adequately invest in career and technical education to prepare, attract and retain qualified local educators.
- Support educational accountability and assessment that meets or exceeds federal requirements and maximizes local control.
- Increase and inflation-proof the BSA, consistent with higher costs experienced by school districts, including to consider and address drivers such as health care costs, fuel prices, and property insurance costs.
- Increase investment in school construction and deferred maintenance, including by providing a Base Facilitation Allocation.
- Increase implementation of charter school opportunities within the system of public education currently in place, including ensuring local school board approvals that reflect budget considerations and local investment.
- Oppose forced consolidation of school districts and support negotiated efficiencies of operation.
- Continue a well-funded school bond debt reimbursement program, including the annual and full distribution of the States reimbursement.
- Ensure the university system has adequate resources so that it is capable of delivering educational opportunities, vocational training, workforce development, and credible research.
- Support culturally relevant curriculum development responsive to local decision-making.
- Increase budget certainty for school districts and local governments, including through prompt payment, inflation-proofing formula funds, and avoiding delayed budget decisions.

FAIRBANKS NORTH STAR BOROUGH BOARD OF EDUCATION

RESOLUTION 2026-23:

A RESOLUTION OF THE BOARD OF EDUCATION OF THE FAIRBANKS NORTH STAR BOROUGH SCHOOL DISTRICT IN SUPPORT OF HOUSE BILL 78, RELATING TO THE RESTORATION OF A DEFINED BENEFIT RETIREMENT PLAN FOR ALASKA EDUCATORS

WHEREAS, the Fairbanks North Star Borough School District is committed to providing every student with access to a stable, qualified, and experienced teaching workforce;

WHEREAS, Alaska is facing a severe and ongoing teacher recruitment and retention crisis, with school districts across the state reporting significant first-day-of-school vacancies that force districts to rely on long-term substitutes, emergency certifications, and out-of-state recruitment programs as stop-gap measures;

WHEREAS, the Fairbanks North Star Borough School District began the school year with twenty-two teacher vacancies, highlighting the urgent need for the State of Alaska to strengthen and increase its investment in sustainable teacher recruitment and retention strategies;

WHEREAS, Alaska is the only state in the nation that does not offer its public school teachers a defined benefit retirement plan, placing Alaska at a significant competitive disadvantage when recruiting and retaining educators compared to every other state in the country;

WHEREAS, since the elimination of Alaska's defined benefit pension system in 2006, the state's defined contribution plan has provided teachers with no guaranteed retirement income and has offered little structural incentive for educators to commit to long-term careers in Alaska's schools;

WHEREAS, research consistently demonstrates that defined benefit retirement plans are among the most effective tools available for long-term educator retention, particularly in rural, remote, and high-need school districts;

WHEREAS, House Bill 78, currently before the Alaska State Senate, would restore a defined benefit pension option for teachers and public employees covered by the Teachers' Retirement System (TRS) and the Public Employees' Retirement System (PERS), with retirement eligibility at age 60 or after 30 years of service, and would allow current employees to voluntarily opt into the new plan;

WHEREAS, HB 78 passed the Alaska House of Representatives on May 12, 2025, and is now under consideration by the Alaska State Senate;

WHEREAS, a fiscal note analysis prepared by the State of Alaska's actuary (David Kershner, Division of Retirement and Benefits, March 2025) found that the HB 78 pension sub-trusts are structured to begin with zero unfunded liability as of the plan's effective date, with assets transferred on an actuarially equivalent basis to fully fund all credited service at inception; and further found that the plan includes automatic financial safeguards — including adjustable member contribution rates and conditional cost-of-living adjustments — designed to protect the funded status of the trust without requiring additional employer contributions beyond existing statutory caps; and that TRS employer contribution rates under HB 78 are projected to decrease slightly from current levels as a share of total payroll as the workforce stabilizes under higher retention assumptions, maintaining the existing 12.56% statutory employer contribution cap;

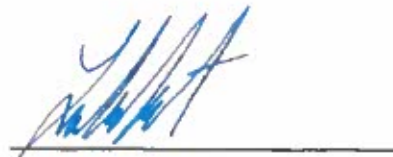
WHEREAS, the Fairbanks North Star Borough School District's own vacancy data reflects the direct and ongoing harm that teacher shortages cause to students, families, and communities throughout our district; and

THEREFORE BE IT RESOLVED, that the Board of Education calls upon the Alaska State Legislature to recognize teacher recruitment and retention as a crisis of statewide urgency requiring structural, long-term solutions; and

BE IT FURTHER RESOLVED, that the Board of Education of the Fairbanks North Star Borough School District hereby formally declares its support for House Bill 78 and urges the Alaska State Senate to advance and pass HB 78 without delay; and

BE IT FURTHER RESOLVED, that the Board of Education directs the Superintendent to transmit a certified copy of this Resolution to the Governor of Alaska, the presiding officers of the Alaska State Senate and House of Representatives, the members of the Alaska Senate Labor and Commerce Committee, and each member of the Alaska State Legislature representing the Fairbanks North Star Borough School District.

Passed and Approved April 7, 2026



Dr. Luke Meinert, Superintendent
Fairbanks North Star Borough School District



Bobby Burgess, President
Board of Education

ATTEST:



Carmella Richardson
Board of Education Executive Assistant





Municipal Clerk's Office

Approved

Date: **March 24, 2026**

Submitted by: Assembly Vice Chair Anna Brawley, Assembly Members Erin Baldwin Day and Zac Johnson and Mayor LaFrance
Prepared by: Legislative Services Office
For reading: March 24, 2026

**ANCHORAGE, ALASKA
AR No. 2026-63**

1 **A RESOLUTION OF THE ANCHORAGE MUNICIPAL ASSEMBLY IN SUPPORT**
2 **OF ALASKA HOUSE BILL 78, AN ACT RELATING TO A DEFINED BENEFIT**
3 **RETIREMENT PLAN FOR PUBLIC EMPLOYEES AND TEACHERS.**
4

5 **WHEREAS**, House Bill 78 (HB 78), sponsored by Representative Chuck Kopp, would
6 provide certain public employees the opportunity to choose between a defined benefit
7 and defined contribution plan within the Alaska Public Employees' Retirement System
8 (PERS) and Teachers' Retirement System (TRS); and
9

10 **WHEREAS**, recruitment and retention of qualified public employees, including police
11 officers, firefighters, snowplow operators, public health professionals, and other
12 critical municipal staff, remains one of the most significant operational and fiscal
13 challenges facing the Municipality of Anchorage (MOA); and
14

15 **WHEREAS**, public employees often leave Alaska to work in other states that offer
16 defined benefit pension options, creating additional recruitment challenges and
17 workforce turnover in both municipal and state service; and
18

19 **WHEREAS**, the Municipality has at times experienced workforce shortages that
20 increase overtime costs, reliance on contract labor, service disruptions, and long-term
21 institutional instability; and
22

23 **WHEREAS**, the Municipality has consistently supported restoring defined benefit
24 pension options for public employees and continues to be on record on this issue,
25 most recently in the 2024, 2025, and 2026 approved Legislative Programs:
26

- 27 • 2024 Legislative Program, AR No. 2023-422, As Amended: The Assembly
28 supported creating and funding a defined benefit retirement option for public
29 employees, recognizing that retirement benefits were not keeping pace with
30 private sector and Lower 48 public employers and that inadequate benefits
31 were costing the Municipality millions of dollars annually in contract labor and
32 workforce shortages.
- 33 • 2025 Legislative Program, AR No. 2024-350(S), As Amended: The Assembly
34 identified restoration of defined benefit pensions for public employees as a top
35 priority, necessary to improve the competitiveness of state and local
36 governments as employers, and consistent with common practices in other
37 states.
- 38 • 2026 Legislative Program, AR No. 2025-355(S): The Assembly specifically
39 supported HB 78 and related legislation restoring defined benefit pensions for
40 public employees, citing ongoing recruitment and retention challenges –
41 particularly among police officers and firefighters – and the need to improve

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28
29
30
31
32
33
34
35
36
37
38
39
40
41
42

long-term workforce stability; and

WHEREAS, the current defined contribution retirement system fails to provide the long-term financial security necessary for many Alaskans to make careers in public service; and

WHEREAS, Alaska’s chronic understaffing and turnover across critical public services, including law enforcement, fire response, education, and social services, stems in large part from inadequate retirement security; and

WHEREAS, HB 78 advances the policy priorities of the Municipality by restoring a defined benefit option within PERS and TRS while maintaining employee choice and managing financial risk to the State; and

WHEREAS, reinstating defined benefit pensions through legislation like HB 78 will strengthen workforce stability, improve retention of experienced employees, and better protect community safety and essential public services.


NOW, THEREFORE, THE ANCHORAGE ASSEMBLY RESOLVES:

Section 1. The Municipality supports the passage of House Bill 78 and urges the Alaska State Legislature to enact this critical legislation restoring a defined benefit pension option for eligible public employees.

Section 2. The Legislative Services Office is directed to transmit a copy of this resolution to the Alaska State Legislature and the Governor of the State of Alaska.

This resolution shall be effective immediately upon passage and approval by the Assembly.

PASSED AND APPROVED by the Anchorage Assembly this 24th day of March, 2026.

ATTEST: 
Chair


Municipal Clerk

Senate Finance Committee

Alaska State Legislature

Re: HB 78 – Employer Rate Increase Amendment

Members of the Committee,

I am writing to address the proposed amendment to HB 78 that would increase the employer contribution rate from 22 percent to 24 percent.

This amendment should be understood for what it is.

Municipalities entered into PERS with a clear expectation. In exchange for a significant and ongoing employer/employee contribution, the system would provide a meaningful retirement benefit that supports communities across Alaska. Today, under Alaska Statute 39.35.255, cities are already paying 22 percent of payroll into that system.

At the same time, Tier IV employees are in a retirement structure that provides significantly less certainty and less value than prior tiers. That gap is not theoretical. It shows up every day in hiring challenges, retention issues, and the growing reliance on overtime to keep departments staffed.

HB 78 attempts to address that problem. It does not do so recklessly. The bill already includes multiple built-in levers designed to protect the State and manage long-term costs. Those guardrails are part of the proposal.

Against that backdrop, increasing the employer rate to 24 percent is not a measured fiscal adjustment. It is a move that undercuts the bill itself.

It places municipalities in a position where they are asked to contribute more to a system they hoped would provide retirement security in the first place. It makes it harder, not easier, for local governments to support the kind of reform HB 78 is trying to achieve.

More directly, it creates an incentive for municipalities to oppose the bill altogether.

That is why this amendment raises concern beyond its fiscal impact. It does not read as an effort to responsibly manage costs. It reads as an attempt to put pressure on the bill by shifting additional burden onto cities, knowing that doing so will generate opposition.

Public safety agencies are already operating under strain. Call volumes are up. Staffing is tight. Overtime is carrying a larger share of the workload. The people doing this work are

already absorbing the consequences of a system that has not kept pace with those realities.

Using an employer rate increase in this context is not a neutral policy choice. It is a decision that affects whether departments can hire, retain, and support the people they rely on.

If the Legislature is serious about improving the system, then the focus should remain on solutions that strengthen it. Adding cost in a way that discourages participation and support moves in the opposite direction.

This amendment does not advance fiscal responsibility. It creates friction where alignment is needed. It risks turning a needed policy discussion into a political one, with real impacts on the workforce and the communities they serve.

I would urge the Committee to reject this amendment and keep the focus on making the system work as intended.

Respectfully,

Justin Mack
Alaska Professional Firefighters
jmack@iaff1264.com

Senate Finance Committee

Alaska State Legislature

Re: HB 78 – Overtime Exclusion Amendment

Members of the Committee,

I am writing to express strong concern with the proposed amendment to HB78 that would exclude overtime compensation from retirement benefit calculations under PERS.

Alaska already has a clear and structured approach to employer contributions. Under Alaska Statute 39.35.255, employers are required to contribute 22 percent of payroll into the system. That contribution applies to overtime just as it does to regular wages. Additionally, employees are required to contribute 8 percent of their wages to PERS, including wages earned during overtime shifts.

The amendment creates a basic inconsistency that needs to be addressed directly.

If overtime is not going to count toward an employee's retirement, why are employers still required to pay 22 percent, and employees still required to pay 8 percent on that same compensation?

Right now, every overtime shift carries a full retirement contribution cost. Cities and employees will continue to pay that cost. But under this amendment, the employee will receive no retirement value from that portion of their earnings. That is not a technical adjustment. It is a policy choice to collect retirement contributions on wages that no longer count toward retirement.

In public safety, overtime is not an outlier. It is built into how departments function. Firefighters and EMS personnel work overtime to meet minimum staffing levels, respond to rising call volumes, and fill unfilled positions. These are not discretionary hours. They are operationally necessary.

This amendment sends a clear message. It says that the work performed during those hours is essential enough to require it, expensive enough to tax it at 22 percent on the employer and 8 percent on the employee, but not valuable enough to count toward the employee's retirement.

That is a difficult position to justify.

It also raises a broader concern about how public safety work is being valued. When employees are required to work these hours to keep the system running, but the compensation tied to those hours is selectively stripped of long-term value, it reflects a policy direction that discounts the reality of the job.

If the Legislature believes overtime should not be included in retirement calculations, then the contribution structure should reflect that decision. Otherwise, the system is simply collecting additional contributions without providing corresponding benefits.

At a minimum, contributions and benefits should be aligned. Anything less creates a system that is harder to defend, harder to explain, and harder to trust.

I respectfully urge the Committee to reject this amendment.

Respectfully,

Justin Mack
Alaska Professional Firefighters Association
jmack@iaff1264.com

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28
29
30
31
32
33
34
35
36
37
38
39
40
41
42
43
44

By: Grier Hopkins, Mayor
Garrett Armstrong
Scott Crass
David Guttenberg
Nick LaJiness
Liz Reeves
Patrick Roach
Kristan Kelly
Introduced: 03/26/2026
Amended: 03/26/2026
Adopted: 03/26/2026

FAIRBANKS NORTH STAR BOROUGH

RESOLUTION NO. 2026 – 10

A RESOLUTION IN SUPPORT OF A RETURN TO DEFINED BENEFIT RETIREMENT FOR PUBLIC EMPLOYEES, INCLUDING HOUSE BILL 78

WHEREAS, The futures of the Fairbanks North Star Borough (Borough) and the State of Alaska (State) depend heavily on their ability to attract and retain qualified, high-value employees; and

WHEREAS, Lower employee turnover would save the Borough and State money on training and replacing lost institutional knowledge; and

WHEREAS, The switch by the State to defined contribution retirement for public employees in 2006 has been followed by significantly greater turnover and loss of experience than was the case under Alaska’s previous defined benefit retirement system, according to a study by the National Institute for Retirement Stability; and

WHEREAS, The Alaska Governor’s Working Group on Teacher Retention and Recruitment identified a return to defined benefit retirement as one of the top three factors of personal importance to teachers and educators when they studied the issue in 2021; and

WHEREAS, The costs of more turnover and resulting understaffing also lead to follow-on effects of more expensive overtime pay, reduced levels of service to residents, and less competitiveness in recruiting new employees; and

WHEREAS, A return to defined benefit retirement could be a meaningful tool in helping the Borough and State fill vacant positions, restore services and retain more experienced staff to help residents; and

45
46
47
48
49
50
51
52
53
54
55
56
57
58
59
60
61
62
63
64
65
66
67
68
69
70
71
72
73
74
75
76
77
78
79


WHEREAS, The Borough's legislative priorities resolution for the current legislative session supports a return to defined benefit retirement for public employees; and

WHEREAS, A bill currently under consideration in the Alaska Legislature, House Bill 78, opens the option for certain employees in the Alaska's Public Employees' Retirement System and Teachers' Retirement System to return to a defined benefit retirement.

NOW THEREFORE BE IT RESOLVED that the Assembly of the Fairbanks North Star Borough supports HB 78, to allow employees to return to a defined benefit retirement.

BE IT FURTHER RESOLVED that the Assembly requests the Clerk to distribute a copy of this resolution to the Alaska Legislature and the Honorable Governor Dunleavy.

ADOPTED THE 26TH DAY OF MARCH 2026.



Scott Crass
Presiding Officer

ATTEST:



April Trickey, MMC
Borough Clerk

- Yeses: Guttenberg, Kelly, Roach, Armstrong, LaJiness, Crass
- Noes: Wilson, Rotermund
- Other: Reeves (Excused)



FAIRBANKS NORTH STAR BOROUGH SCHOOL DISTRICT

(907) 452-2000

www.k12northstar.org

superintendent@k12northstar.org

520 Fifth Ave, Fairbanks, AK 99701

Representative Chuck Kopp
Alaska State Legislature
State Capitol Room 204
Juneau AK, 99801

Dear Representative Kopp,

On behalf of the Fairbanks North Star Borough Board of Education, I write to express our strong support for HB 78.

HB 78 provides public employees, including educators, with a meaningful opportunity to choose between defined contribution and defined benefit retirement plans. It also includes a one-time election for eligible employees to transition and apply prior contributions toward service credit.

In Fairbanks, as in many districts across Alaska, we continue to face significant challenges in recruiting and retaining qualified educators. The lack of a competitive and stable retirement option has been a consistent concern among both prospective and current employees. HB 78 represents an important step toward addressing these challenges by improving long-term financial security and making careers in public education more attractive.

Strengthening our ability to recruit and retain high-quality educators directly benefits our students, our schools, and our community. If enacted, HB 78 will make a positive difference for our staff, our students, and the state of Alaska.

The Fairbanks North Star Borough Board of Education will consider a resolution in support of HB 78 at our April 7, 2026, school board meeting. Based on our initial public discussion, I expect that the resolution will pass with strong support from the board. Once adopted, we will forward that resolution to you. In the meantime, we wanted to make clear that our Board supports your efforts and appreciates your work on this important legislation.

Thank you for your support of public education and for your leadership on HB 78.

Sincerely,

Bobby Burgess
President, Board of Education
Fairbanks North Star Borough School District