

Municipal Clerk's Office

Approved

Date: January 24, 2023

Submitted by: Assembly Chair LaFrance,
Assembly Vice-Chair Constant,
Assembly Members Dern,
Perez-Verdia, Petersen, Quinn-
Davidson, Rivera, Sweet,
Volland and Zaletel

Prepared by: Legislative Services

For reading: January 24, 2023

ANCHORAGE, ALASKA
AR No. 2023-27(S)

**A RESOLUTION OF THE ANCHORAGE MUNICIPAL ASSEMBLY REGARDING
ALASKA HOUSE BILL 22 AND SENATE BILL 35, AN ACT THAT WOULD
CREATE A NEW DEFINED BENEFIT PENSION OPTION FOR STATE AND
MUNICIPAL PEACE OFFICERS AND FIREFIGHTERS IN THE PUBLIC
EMPLOYEES' RETIREMENT SYSTEM OF ALASKA, WITH PROTECTIONS FOR
THE STATE AGAINST UNFORESEEN FUTURE LIABILITIES.**

WHEREAS, House Bill (HB) 22 was prefiled by Representative Josephson, with the
corresponding Senate Bill (SB) 35 prefiled by Senator Kawasaki, in advance of the
State of Alaska's 1st Session of the 33rd Legislature, to establish a new hybrid
retirement plan option for state and municipal peace officers and firefighters; and

WHEREAS, the goal of HB 22/SB 35 is to give the State and municipalities a
competitive advantage in recruiting and retaining valuable and quality public safety
employees by offering a defined benefits retirement plan similar to Public Employee
Retirement System (PERS) Tier III along with a health reimbursement arrangement
(HRA) medical benefit for peace officers and firefighters, and provides other
advantages and efficiencies of a defined benefit plan; and

WHEREAS, at the same time HB 22/SB 35 addresses employer and State risk of
liability in the event of plan shortfall by adding a series of levers that provide
protection against underfunding by giving the Alaska Retirement Management
Board the ability to adjust employee contribution rate, employer contribution rate
and to pause post-pension retirement adjustments in adverse market scenarios, the
new plan additionally provides more cushion against shortfalls by having a set
retirement age of 55 and no Alaska-specific cost of living allowance (COLA), but still
offers a competitive retirement benefits package incentive compared to other
jurisdictions recruiting public safety employees; and

WHEREAS, other salient features included in the bill are: authorizes the State to
prefund the HRA program, and provides current Tier IV members who are peace
officers or firefighters an opportunity to irrevocably transfer defined contribution
retirement plan contributions to date to the new defined benefit retirement plan;

WHEREAS, SB 35 has been cosponsored by Senators Gray-Jackson and Claman
and referred to multiple committees; now, therefore

**NOW, THEREFORE, t[T]he Anchorage Assembly resolves to add the passage of a
defined benefit program for public safety and EMS staff to the 2023 legislative**

1 program and endorses efforts by Alaska Legislators to achieve a balanced approach
2 to better provide the retirement program for peace officers and firefighters,
3 encourages the Alaska Legislature to diligently vet House Bill 22 and Senate Bill 35
4 in committees, and in collaboration with municipalities to produce a final bill for
5 passage in the 1st Legislative Session of the 33rd Alaska Legislature.
6

7 PASSED AND APPROVED by the Anchorage Assembly this 24th day of January,
8 2023.
9

10
11
12
13 ATTEST:
14
15

Suzanne LaFrance

Chair

Barbara A. Jones

16
17
18
Municipal Clerk