
From: Mark larsen [REDACTED]
Sent: Friday, April 04, 2025 10:04 AM
To: House Finance
Subject: Defined benefit retirement

House Finance Committee members.

As a state employee, the main appeal to continue working for the state is the health benefits and retirement. If we want to retain employees and recruit new ones, we need robust benefits packages that support Alaskans.

Mark Larsen

Skagway
[REDACTED]

From: Esparza, Beth (DOT) <beth.esparza@alaska.gov>
Sent: Friday, April 04, 2025 8:43 AM
To: House Finance; Sen. Mike Cronk; Rep. Ashley Carrick
Subject: HB 78

I understand you will be having a hearing covering HB 78 today.

As you are aware, the absence of solid jobs with retirement benefits is causing too many of our young people to go to college and never return, putting a burden on Alaska's economy. In order to stay competitive, we are lagging behind in terms of competitive salaries and retirement benefits. Additionally, we have been losing a number of talented workers in our public health care, fire departments, police, schools, and other systems who leave Alaska after a few years in search of better opportunities and retirement systems in the lower 48.

Talent that has gained even more value with experience is being lost instead of retained, along with their families, and this trend will only worsen as private companies see a decline in clientele. A defined benefit retirement plan for our valued public servants is long overdue! That is what HB 78 would accomplish, and it has been thoughtfully drafted to reduce the risks to the employee and the state.

We all realize how fortunate we are to live in such a beautiful area; all we need is the valuable labor force to educate our children, maintain our health and safety, and take care of our state's public lands. **Let's rebuild Alaska.**



Beth Esparza
Administrative Assistant II
Fairbanks International Airport
5801 Airport Industrial Road
Fairbanks, AK 99709
Office: 907.474.2505

***Delivering World-Class Cargo and Passenger Services as
Alaska's Gateway to the World.***



From: Wagner, Philipp (DOT) <philipp.wagner@alaska.gov>
Sent: Friday, April 04, 2025 8:36 AM
To: House Finance
Cc: Sen. Jesse Kiehl; Rep. Andi Story
Subject: YES on HB78

Unfortunately I am not able to attend the call since I have to work during this time. But I will use this email to voice my approval for HB78.

We do not have to look much further than the last few weeks to see how important a defined benefit pension retirement system is. It only takes some bad actions from a few actors, like an administration or banks (2008), to destroy a workers retirement portfolio that he/she worked hard for his/her entire life. In my opinion it is only fair that a workers are taken care of in their retirement years after giving their prime years to an employer. Loyalty is always asked of the worker but never from the employer and I believe that the defined benefit pension retirement system is a promise from the employer to the worker that they will have their back after giving so many years to the employer, which will also attract more workers.

Sincerely,

Philipp Wagner

From: Diane Sallee [REDACTED]
Sent: Friday, April 04, 2025 7:01 AM
To: House Finance
Subject: HB 78: Retirement Systems Defined Benefit Option

I am writing to urge you to support HB 78: Retirement Systems Defined Benefit Option. This bill will improve recruitment and retention efforts for State employees. The current staff shortages have led to law suits against the State for failure to deliver services. HB 78 will help solve the problem of staff shortages.

Thank you.

Diane Sallee

From: [REDACTED]
Sent: Friday, April 04, 2025 4:10 AM
To: House Finance
Cc: Rep. Sara Hannan; Rep. Andi Story
Subject: VOTE YES ON HB 78 IMMEDIATELY!!

PUBLIC TESTIMONY IN FAVOR OF HB 78

My name is T.J. Duffy, I'm a resident of Juneau and a Tier 4 Legal Secretary with the Department of Law. June will mark 15 years of my service with the state. I've also worked for the Department of Labor and the Department of Revenue.

I will turn 65 years old later this year and December is my target date for retirement. Even with 15 years of state service and my PERS, this is not nearly enough to retire on. All state employees deserve the dignity and ability to retire at 65. I doubt I will be able to because I simply won't be able to afford to without a pension that Tiers 1, 2, and 3 have.

This bill would correct a past mistake by the legislature and everyone knows this. The state is having major recruitment and retention issues. A guaranteed pension like the previous tiers have would be a major step in correcting that.

I am also a proud union member of ASEA Local 52. Our unions are closely watching this vote. Closely.

I remind you that as representatives of the people, you have a moral imperative to represent our interests. We have been screaming in favor this issue for a long time, yet it is the House where the ice jam occurs. It is now spring, and the ice jam is breaking up.

Please, get this across the finish line THIS YEAR. Pass House Bill 78, right now.
VOTE YES ON HOUSE BILL 78! Thank you.

Kindest regards,

Thomas "T.J." Duffy

[REDACTED]
Juneau, AK 99801
[REDACTED]

From: Kristen Murray [REDACTED]
Sent: Thursday, April 03, 2025 9:17 PM
To: House Finance
Subject: Please Support HB 78

To Whom it May Concern,

I'm a school psychologist in the Mat-Su Borough. My husband and I are both under the Tier 3 retirement plan. I have the opportunity to end my career in Colorado where they would provide me with a better retirement along with health benefits after I retire. We love Alaska, however we're trying to make a decision as to whether we should stay. If House Bill 78 were passed it would likely change our conversation to sway us to stay. The recruitment for Alaska is already difficult and our schools are facing significant teacher shortages. Please support educators in providing them a reasonable retirement.

Thanks,
Kristen Allton
[REDACTED]

From: Susan Brandt-Ferguson [REDACTED]
Sent: Thursday, April 03, 2025 8:56 PM
To: House Finance
Subject: in favor of HB78

Dear House Finance Committee Members,

As a product of Alaska public schools, the daughter of retired Alaska teachers and a 25-year veteran Alaskan teacher myself, I have a strong love for Alaska public schools. I chose my profession out of a love for teaching but had also witnessed first-hand that it could offer me a good, stable income; and that if I committed my life to it, financial stability through all my days. After attending college in Washington and teaching out-of-state for a couple years, I was thrilled to land a job in Sitka—something I thought would take much longer to accomplish, considering the large number of applicants the district received for every teaching position posted. In my 25 years in the Sitka School District, I have served on several hiring committees for the music department. In the early 2000's, we had stacks of applications to wade through, with little to no outreach, promotion or recruitment. In recent years we have left positions open for extra time, scouring the landscape for potential and hoping for more highly qualified applicants. In addition, part of the reason I have been on so many hiring committees for music teachers in the Sitka School District is because after a couple of years, people move on—once the Alaskan adventure is over, there is little that holds them here. What has changed? Not Sitka's vibrant community, not the stunning landscape or quality of life in our town, not even the reputation of our school district—yet. The major change is the lack of a defined benefit option for our teachers.

Our children deserve the world-class education that I received growing up in Sitka. However, without a defined benefit system it is a fluke when we attract the brightest and the best, and when we do, we can't keep them for long. HB 78 is a step in the right direction. How we treat our teachers directly affects the quality of education our children receive. The quality of Alaska's public schools directly affects our economy. Support Alaska's future by passing HB 78. Our teachers, our children and our state depend on it!

Sincerely,
Susan Brandt-Ferguson
[REDACTED]
Sitka, AK 99835
[REDACTED]

From: Otto G [REDACTED]
Sent: Thursday, April 03, 2025 8:49 PM
To: House Finance
Subject: HB78

Hello,

I am Otto Gilbert and I am a teacher in the Anchorage School District. I am finishing my 8th year. I love teaching but the lack of long term security is scary to me and my new family. I am frequently tempted to seek other employment in order to have higher pay and retirement options. This is not an uncommon mindset among my teaching cohort. I already contribute 8% to my empower account, and so a shared risk pension would help. The security of a pension would ease many of our family's concerns about long term viability in the state. I want to continue to teach for another 22 years or more in this district, and support from the government would solidify this for me.

Thank you for your time and consideration, please pass HB78
Otto Gilbert

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Best of Luck

From: Erica Arnold [REDACTED]
Sent: Thursday, April 03, 2025 8:20 PM
To: House Finance
Subject: Please Restore a Pension to Public Employees HB78 Public Testimony

Dear Members of the Alaska Legislature,

I am writing to express my strong support for House Bill 78, which seeks to restore a pension for educators in Alaska. As a dedicated educator who loves my profession, I believe it is critical to provide teachers with the security of a pension to ensure both our well-being and the stability of our education system in Alaska.

I have made a commitment to stay in Alaska and continue my career as an educator for the long haul. However, without a pension, my future retirement is uncertain. The lack of a secure retirement plan, particularly with the current defined contribution system, creates a significant barrier to attracting and retaining quality educators. If teachers like myself are to give our best to our students for decades, we need the assurance that we will have financial security in our retirement years.

Sadly, teacher turnover in Alaska is at an all-time high, and this bill is a vital step in addressing that issue. Teachers are increasingly leaving the profession after just a few years of service, choosing to take their defined contribution and leave rather than stay and build a long-term career. The impact of this is profound, especially when 75% of 30-year Tier 3 teachers will run out of money just 15 years into their retirement. This is simply unacceptable.

Over the past five years, I have had the privilege of mentoring two brilliant and promising student teachers, both of whom chose not to pursue a career in public education. This is a tremendous loss for our profession and for the students who would have benefited from their knowledge and passion. The root cause of this decision was not a lack of ability or dedication—it was the lack of a secure retirement. We are losing talented, passionate educators because we cannot offer them the financial stability they deserve.

If we want to keep great teachers in Alaska and ensure that future generations of students receive the best education possible, we must provide educators with the security of a pension. Without it, we will continue to see talented individuals leave the profession, and we will fail to attract new educators to replace them.

I urge you to support House Bill 78, not only for the future of Alaska's educators but for the future of the students we serve. We deserve a secure retirement, and our students deserve to have experienced, dedicated educators who can stay in the profession for the long term.

Thank you for your time and consideration.

Sincerely,
Erica Arnold
4th Grade Teacher
Ravenwood Elementary School

From: Sam Roberts [REDACTED]
Sent: Thursday, April 03, 2025 8:02 PM
To: House Finance
Subject: In support of HB 78

To whom it may concern,

I'm writing to urge you all to support HB 78 and do your part to help fix Alaska's broken retirement system for teachers. As an Alaskan educator who is facing a decision about whether to stay in Alaska, my home and the center of my community, or move to another state in order to ensure a more secure retirement, I care deeply about this issue. A shared-risk pension plan such as that proposed by HB 78 aligns with best practices used by many other states, and would do a great deal to prevent teachers such as myself from taking my experience elsewhere and having to choose between the community that I love and my own future.

Thank you for your time and consideration!

Sincerely,
Samuel Roberts

From: Andrea Mogil [REDACTED]
Sent: Thursday, April 03, 2025 7:58 PM
To: House Finance
Subject: Vote Yes for a Defined Benefit Pension

Hello House Finance Committee,

Thank you for the work you do to make Alaska a great place for all Alaskans!

I urge you to pass HB 78, restoring a defined benefit pension to TRS Tier 3/PERS Tier 4 employees. Although the versions now under discussion in the House and Senate as SB 28 may not offer the same robust suite of benefits enjoyed by prior tiers, they offer an opportunity for predictability and financial stability to workers in covered employment far superior to defined contribution plans while incorporating safeguards to ensure the solvency of the funds in the future.

Financial stability is good for workers, retirees, their families, and their communities. A defined benefit pension will also aid in recruiting and retaining skilled, motivated workers in TRS and PERS positions at a time when compensation in private employment is typically negotiable and higher, while many public service positions critical to the health, safety, and welfare of Alaskans are vacant. This is not for lack of effort on the part of hiring managers and supervisors.

As a supervisor for the Alaska Department of Labor and Workforce Development, I have fielded questions about the defined contribution plan in almost every recruitment I've participated in or managed. Many qualified candidates for professional level positions have decided not to apply, have withdrawn themselves from consideration due to finding better opportunities in private employment or outside the state, and have been frank to tell me that a better, more secure retirement plan could have swayed them. One first choice candidate even mentioned this at what should have been the successful culmination of a recruitment in the context of declining a job offer. Since their retirement depends on the whims of the markets they are forced to invest in rather than the years of service they have provided, employees with defined contribution retirement accounts are also significantly more likely to terminate soon after vesting in employer contributions. Turnover comes at a cost to train their replacements when accumulated skills, knowledge, and relationships walk out the door.

Many other states which tried defined contribution retirement systems have recognized the superior value of defined benefits to recruit and retain workers for stronger families and communities and have reverted. Please let Alaska join their ranks.

Respectfully,

-Andrea Mogil, Juneau

From: matt epp [REDACTED]
Sent: Thursday, April 03, 2025 7:10 PM
To: House Finance
Cc: Rep. Dan Saddler; Sen. Kelly Merrick
Subject: Pension Bill

Dear committee members,

I am a state employee in the DOT&PF division. I am a dues paying union member. I stand in STRONG OPPOSITION to the misguided, budget busting pension bill.

Only idiots who can't do math would think this is a good idea for them or the state.

Currently the state deposits my Soc Sec contribution and their match, totaling 12.4% of my salary, approximately 6% from my salary and approximately 4% match for a grand total of 22.4% of my salary deposited into my retirement accounts each year. All except the 4% match is fully vested immediately and the match after 5 years.

At these rates, which are the minimums, I will accumulate 5 times my salary in 20 years with no growth and over 8 times my salary with a modest 6% growth. Extend it to 30 years at the same 6%, and I'll accumulate 18 TIMES my salary. Even at a lower wage of \$55,000 annual salary, any retiree would accumulate in excess of \$1 Million!!

This will be money I can keep , and spend any way I choose that will have no impact on the state's ability to pay me, and I can leave a nice inheritance to my heirs.

Please do not shackle future generations with the burden of a pension and deprive future employees of a sizeable retirement nest egg and KILL the misguided, Budget busting Pension Bill.

Thank you for your time.

Matthew R. Epp
[REDACTED]

From: Tracy DiPaola [REDACTED]
Sent: Thursday, April 03, 2025 2:46 PM
To: House Finance
Subject: teacher moving to Oregon for better pay and retirement

To Whom It May Concern:

Alaska is being educated by Phillipino teachers brought in on J-1 visas. They are nice people. However, many of them have very thick accents and were not educated by the same standards as we were. I recently worked next to a Phillipino 5th grade teacher who could not do the 5th grade math herself. She told me in the Phillipines she is a language arts teacher and doesn't have to teach math. I have also noticed that they never complain and don't make any problems - that may seem good but that also means they let students lay on tables and sleep, sit on their phones in class and watch videos, and let teenagers swear at them without doing anything about it because they are afraid of the complaints getting back to their sponsoring company. I was told just this - if that complaint gets to their company, they will be sent home and blackballed by all the companies that bring teachers over. This is a big problem. In LKSD, at least 30% of the teachers are Phillipino. Your pay is decreasing compared to other states that have been slowly but surely raising teacher pay and teacher benefits including retirement. It is no longer a great place to work. Look at Portland City School District negotiated agreement. The only district in Alaska that matches it is Northwest Arctic Borough SD. I am moving down to Oregon for next year. I can't believe you cut spending and the retirement for Tier 3 is terrible.

Someone needs to speak up!

Sincerely, Tracy DiPaola MEd.

8 years working in the bush in Alaska

2 Master's from UAA

From: Jocelyn Cayce [REDACTED]
Sent: Thursday, April 03, 2025 2:17 PM
To: House Finance
Subject: Support of House Bill 78

Good afternoon,

I am writing to express my strong support of House Bill 78 - returning public servants to a defined benefit system. Returning to a defined benefit system would help to attract more people to the public sector, which has areas that are severely struggling due to staffing shortages.

Thank you,
Jocelyn K. Collier

--
Jocelyn K. Collier, Esq.

From: Emily Demmert [REDACTED]
Sent: Thursday, April 03, 2025 11:31 AM
To: House Finance
Subject: Testimony for HB 78

Dear Legislators,

Thank you for accepting testimony on this bill. I appreciate your attention on this matter. I have been teaching for 15 years in Alaska's public school system. I unfortunately missed the Tier 2 TRS retirement cutoff by one year because I chose to stay home with my three children when they were very young, not realizing that Alaska would be the only state in the union without a defined benefit plan for teachers when I returned to service.

My husband retired two years ago as a Tier 2 TRS member. Honestly, I was demoralized when I saw what he got for his retirement: insurance and a pension for life. I consider that I have worked just as hard as he did, yet my "retirement" falls far short.

My youngest son is about to graduate from Sitka High School and go to college, and because of the aforementioned reasons and the difficulties of living here that are unique to Alaska, I am actively looking for teaching jobs in Washington and California where I can earn a small pension for working ten more years.

I would definitely be putting more time in here if I had the incentive to work toward a pension. I love teaching high school English, and my students deserve the best education they can get, which begins with taking care of educators who serve in our state.

Again, thank you for your time.

Emily Demmert
English teacher, Sitka High School
[REDACTED]

From: Angela Imholt [REDACTED]
Sent: Thursday, April 03, 2025 9:53 AM
To: House Finance
Subject: House Bill 78

I'm writing to express my strong support for House Bill 78, which would establish a sustainable defined benefit retirement system for Alaska's public servants, including local and state government employees, police, firefighters, and educators.

As a concerned Alaskan, I believe that securing reliable pensions is essential to attracting and retaining a talented, committed workforce. When public servants know they will have a stable retirement, it strengthens our communities in several ways:

1. **Retention and Recruitment:** Providing a defined benefit retirement system encourages dedicated employees to remain in public service, reducing high turnover costs and preserving institutional knowledge.
2. **Public Safety and Education:** Our firefighters, police officers, and educators invest their energy and expertise in making Alaska a better place. A secure retirement ensures that these professionals feel valued and supported, ultimately benefiting all of our neighborhoods and schools.
3. **Economic Stability:** Defined benefit systems help stabilize local economies. Retirees who remain in Alaska reinvest their pensions in our communities, supporting businesses, services, and overall economic health.

On Friday, April 4 at 1:30 PM, the House Finance Committee will hear public testimony on this critical issue. I urge you and your colleagues to pass House Bill 78 to protect the retirement security of those who serve us every day.

Thank you for your service to our state, and for your careful consideration of House Bill 78. I appreciate your time and look forward to your continued support for Alaska's dedicated public workforce.

Sincerely,

Angie Imholt

Juneau, AK

From: Ricky Lind [REDACTED]
Sent: Thursday, April 03, 2025 9:09 AM
To: House Finance
Subject: HB78

Good morning,

Thank you for your service to the state of Alaska!

I am writing to encourage you to support the passing of HB78 as retirement projection changed the trajectory of my life.

I have a financial advisor who worked closely with me last year to adequately plan for retirement, and requested additional information from Empower Retirement who was managing my retirement account at the time. I was a Tier III retirement Alaska Educator, and Empower projected that after 39 years of service my payout would be \$4,000.00 per month and for twenty years after I turned 63.

My advisor entertained the idea of rolling my TRS into a traditional IRA, which potentially doubles the initial payout quote from Empower; so I asked my advisor if they were requesting I resign from teaching, and they said "follow your heart."

Considering the current short-staffing of public schools and the burnout I endured from "all duties possible," including but not limited to before and after-school duty [and all three lunch duties], hour-long music class sessions [including kindergarten], two ulcers later I resigned from teaching after sixteen years.

I contributed immensely to the education field as an indigenous educator, activist, and union member; I am still active in the National Indian Education Association and currently serve indigenous youth in a new position. Although my recent education experience was negative, I still advocate for the field in the hope(s) that the BSA will be raised and the retirement benefits will improve.

Thank you for the opportunity to speak on behalf of HB78,

--

-Ricky Lind, Jr.
he/him/his
BMusEd., Ed.M., CWE

Southcentral Foundation RAISE Program
NIEA Fiscal Committee

From: Loy Donaldson [REDACTED]
Sent: Thursday, April 03, 2025 8:55 AM
To: House Finance
Subject: HB 78

Good morning,

I'm writing in support of returning Alaska's Public Servants to a Defined Benefit. This past year I became a first responder after 17 years working in public education as a Special Education Paraprofessional. During my time as an educator, I met many talented and passionate educators that had moved to Alaska to work. Those individuals built experience and honed their skills while making huge impacts in the lives of the next generation. Time and time again, those educators worked until they were vested, then took their money, training, experience, and moved to a state with better job security, pay, and a pension. Other new teachers received pink slips year after year due to our lack of BSA funding. Not knowing if they would have a job in the fall, and not working towards a defined benefit made many of them to choose either moving out of state, or switching careers altogether. We have spent too long not giving our educators, Troopers, Police, and Firefighters the respect they deserve to have a dignified and guaranteed benefit at retirement. I write this as one of those employees who, despite having worked for the district for two years prior to the switch to defined contributions, did not qualify for the defined benefit as a part time employee. Now in the fire service I am seeing the same trend I saw as an educator. Firefighters are getting trained and building experience, only to take that knowledge skills to a community with a pension. We need YOU to declare to us that we are worth the stress, lack of sleep, and trauma we experience on the job serving the public to have dignity in our retirement. Tell us it's worth staying. Our communities need us, but we need you to help build a strong base so folks will choose this great state as not a jumping off point for a career, but a lifelong investment in our communities and our own lives and families.

From: Miles Spathelf [REDACTED]
Sent: Thursday, April 03, 2025 8:42 AM
To: House Finance
Subject: View from a higher level technical employee

I'm a higher level GIS/ technical employee for ADFG and I see my retirement dwindling due to powers completely outside of my control. I can make more and have a better retirement system in any other State in the US. I'm seriously considering leaving at this point as the State is not paying competitive wages nor providing any security for my retirement. I'm feeling used and abused after all of the struggles I have had to do academically and professionally for something I love and the good of the public. Please do something as I am really feeling helpless. We have tried to hire a person in my group for the last four months with no one taking it due to our low wages and retirement system. Too much work is piling up and being delayed. Alaska is going to fall apart...

From: L B [REDACTED]
Sent: Wednesday, April 02, 2025 2:21 PM
To: mrohrbacher@apea-aft.org; House Finance
Subject: Re: Public Testimony Testimony on Pension Bill

In support of efforts below, would emphasize the need to covet benefit due to the accruing number of personal and professional hardships, which influence weighted impacts and immeasurable results above and beyond the expected elevated outcomes.

On Wed, Apr 2, 2025 at 1:16 PM Alaska Public Employees Association <mrohrbacher@apea-aft.org> wrote:



s APEA/AFT members agree on is the need to improve retirement security for public employees.

to make your voice heard on this important issue!

0 PM the House Finance Committee will be hearing public testimony on House Bill 78, the bill to enact a sustainable defined benefit s
ding local and state government employees, police, fire, and educators. They need to hear from you about why they need to act now
or the hard working men and women who serve our state!

llionaire groups that are working hard to make sure that the pension doesn't pass so we need to show up and let the legislature know
support improvements to our retirement system.

1:30PM and share why you support a defined benefit pension.

RSVP to let us know you plan to call in and testify!

-9085

085

es: (844)-586-9085

person by showing up to the House Finance Committee Room (Capitol Room 519)

On this Friday please submit written testimony to: House.Finance@akleg.gov

is best when it's simple and personal. You will likely be limited to 2-3 minutes, but short and simple is the way to go. Remember to state your position on the legislation (I support HB 78,) then explain why in your own words.

Here are some talking points that may be helpful.

Since we got rid of a defined benefit pension in 2006 public employers have struggled with recruiting and retaining valued public servants. Public servants are willing to have more skin in the game through potentially increased employee contributions if it means better retirement security. The provisions in HB 78 ensure that the state can provide a stable retirement while not burdening future generations with increased costs. Millennials and gen z employees value a good retirement and want a defined benefit pension. The work you do and the value that your public service brings to your neighbors.

Thank you for your willingness to help protect Alaska's public services, and ensure that our public servants have the retirement security they deserve.

Visit ActionNetwork.org. To update your email address, change your name or address, or to stop receiving emails from Alaska Public Employees Association, please click here.

From: Joey Tillson [REDACTED]
Sent: Wednesday, April 02, 2025 11:13 AM
To: House Finance
Cc: Miguel Rohrbacher; Jeff Kasper; Heidi Drygas
Subject: Pension for Public Employees

Good afternoon House finance committee...

I'm writing on behalf of all Alaskans working in the public service sector. As a state employee and union member I have seen my neighbors struggle with survival while working full-time with the state of Alaska. I, myself have struggled, trying to survive in Alaska. There are many who work in municipalities who also struggle to survive, living in one of the most expensive places in the nation to live. Recruitment is already an issue when it comes to staffing the state appropriately because many do not have a livable wage based on the cost of living, but retention seems to be the biggest obstacle. I have worked with the department of health for over a decade, and I have seen the struggles just with public assistance alone on keeping employees. Additionally, we end up servicing those who do not have a livable wage with snap benefits, Medicaid, benefits, and cash assistance due to the temperature of our cost of living.

This administration needs to wake up! It's bad enough they can't survive while they're working. Imagine what happens when they are no longer working. Social Security is becoming a joke and may not exist within the next four years and the current retirement system for many of my constituents is bleak. You must invest in your workers in order to run this state. You must invest in your communities in order to have economic stability. People are leaving by the thousands and all the while this administration continues to ignore those who have portrayed loyalty and discipline by staying with a broken system. Eventually, they will leave too if you don't start investing in the people.

Remember my name I'm not going away

Joey Tillson
APEA-AFT member
State of Alaska worker
True Alaskan
Community member and supporter
[REDACTED]

From: Toni Bocci [REDACTED]
Sent: Wednesday, April 02, 2025 10:34 AM
To: House Finance
Subject: Please pass HB 78

Good day

Please consider the working and retired State of Alaska employees who have or are going to work all their adult lives making Alaska better .

As for the past people who have worked just long enough (5 years) or offered to school board members to insure they get medical after 65 a.k.a UNFUNDED LIABILITIES.

Work on fixing that. It would actually fix the problem as those who have taken advantage of the 5 year debauche need to contribute.

Time to take the sucker away from the suckers, no contribution no MORE benefits, yes contributions possible benefits.

Respectfully

Toni I Bocci

Retired DOT/AMHS

Sent from my iPhone

From: Diana Johnson [REDACTED]
Sent: Tuesday, April 01, 2025 11:27 AM
To: House Finance; House Finance
Subject: I support HB 78 and HB 69

House Finance Committee,

Please move swiftly to put forward a budget that supports Alaska's children via HB 69 and public retirement system that supports hard working public sector retirees. Please reduce the PFD as needed to balance our budget in a fiscally responsible manner.

Sincerely,

Diana Johnson

[REDACTED]
Anchorage, AK 99508

From: Tom Boutin [REDACTED]
Sent: Wednesday, January 29, 2025 4:06 PM
To: House Finance
Subject: Hse Fin hearing this afternoon

Good afternoon,

Thank you in advance for your time. I watched the hearing today that pertained to the PERS and TRS funding status. I jotted down some comments and answers to some of the questions posed by committee members, and I would be grateful if these comments and answers could be distributed to the entire committee.

There is one other state that has neither a state sales tax nor a state income tax. New Hampshire has never had a broad-based tax of any kind. It mostly gets by with smaller government (squeezing a nickel until the Indian rides the buffalo, as they say in New Hampshire). There are some sharp contrasts between the economies of New Hampshire and Alaska by the way.

Alaska is unique in some respects. No other state has just about no agriculture and no manufacturing. No other state has been as dependent on one industry to then see an 80 percent decline in that industry similar to how Alaska has experienced an 80 percent decline in oil production. During that decline Alaska saw its population double, and state and municipal government grew markedly during that same period. Those unique features have profound implications for any long-term financial commitments Alaska makes or may consider making. As a lifelong student of economics I think it's very likely true that no other state produces such a small percentage of what it consumes, and that is important.

No other state has municipalities that are entirely dependent upon state government for basic governmental services such as K-12 education and law enforcement. That has implications for retirement funding for the employees of those dependent municipalities. Some hiring decisions and employment-related decisions made by those municipalities have costs related to employee retirement that will have to be met by the state General Fund, and that is probably unique to Alaska.

It also has implications for public employers making decisions which impact the entire PERS or TRS system. You may recall when an Alaska municipality sold a large municipal utility to the private sector but held on to the PERS liability, possibly receiving a higher price in the sale by retaining the liability (which I suppose is now a component of the unfunded liability). Having the state be on the hook for decisions beyond its control can be a questionable practice, perhaps never more so than in the case of a defined benefit retirement program. Note that when the \$3 billion was taken from state cash on hand and put in the PERS and TRS trust funds (referred to several times in the hearing today) that was using state money to pay down the liabilities of well over 100 employers.

I am surprised that no one in the hearing happened to mention the profound improvement just recently decided for Alaska public employees when Congress approved H.R. 82, the Social Security Fairness Act. I worked most of my career in the private sector but did work for the State of Alaska for 19 years. Because of that SOA employment my monthly Social Security benefits were reduced by about two-thirds. However H.R. 82 becoming law will restore that reduction. PERS and TRS defined contribution plan members will now have a full Social Security defined benefit retirement in addition to their defined contribution retirement. The latter is a very generous and well-funded plan compared with almost all private sector retirement plans. In my view this obviates the need to discuss any new defined benefit plan or program.

It's remarkable that the defined benefit tiers, which became closed to new employee entrants almost 20 years ago, still have an unfunded liability of over \$7 billion. In my view, when people talk about the funding ratio of defined benefit retirement plans of other states everyone has to remember that in our case the plans or tiers closed long ago. I believe that from the standpoints of fiscal prudence and financial responsibility plans closed almost a generation ago should be 100 percent funded, and in my view that is all the more true because of the 80 percent decline in oil production and our failure to replace that state output with any other industry or products.

Thank you again for your time and for reading my hastily composed comments. Thank you for all the hard work you do for all Alaskans.

Tom Boutin
Juneau
