



Mayor
Suzanne LaFrance

Anchorage Fire Department



Fire Chief
Douglas Schrage

The Honorable Representative Chuck Kopp
State Capitol Room 204
Juneau, AK 99801

January 31, 2025

Representative Kopp:

Thank you for supporting House Bill 78 to address the problem of Alaska's highly trained and experienced firefighters leaving Alaska for states with more attractive retirement plans. This legislation could stem the outmigration of firefighters who are being actively recruited by fire departments in other states. The portability of our Tier IV retirement plan makes Alaska's firefighters ripe for headhunting by other employers.

The challenge we are experiencing is firefighters leaving for fire departments Outside after they become vested in Tier IV. These firefighters are taking with them years of experience, skills, and knowledge. These are firefighters - including long-time Alaskans - in whom we had invested over a year of intensive training. The fire departments they are going to offer lateral hiring and therefore avoid the cost of initial training.

In particular, we have had great difficulty hiring enough trained paramedics to maintain adequate staffing. We are competing with fire departments all over the U.S. for a limited pool of paramedics. We simply aren't competitive because of the lack of a defined benefit pension. We now send current employees to paramedic school at considerable personnel and tuition expense. It takes a year of schooling, on top of basic firefighter training, to become a licensed paramedic.

The loss of experienced firefighters that we spent months recruiting and training is an even bigger burden to smaller city and rural departments. For these, the loss of a single firefighter represents a significant financial and operational deficit, as they seek to recruit and train a replacement while maintaining adequate coverage to their communities.

Thank you for considering solutions to arrest the outmigration of Alaska's firefighters and reduce costs to local communities.

Respectfully,

100 E. 4th Ave., Anchorage, AK 99501 • ph:907-267-4900 • fax:907-267-4977 • www.muni.org

Serving our community before, during and after an emergency



Retired Public Employees of Alaska, APEA/AFT
8005 Schoon Street, Anchorage, AK 99518
P. O. Box 110650, Anchorage, AK 99511-0650
Phone: (907) 274-1703 Email: manager@rpea-ak.org
Web site: rpea-ak.org

May 1, 2025

The Honorable Neal Foster
Alaska House of Representatives
Co-Chair, House Finance Committee
State Capitol
Juneau, AK 99801

RE: Support for HB 78 Regarding Defined Benefits

Dear Representative Foster:

I am writing on behalf of the Executive Board of the Retired Public Employees of Alaska (RPEA) to ask you to support the passage of House Bill 78, legislation that provides for a return to a defined benefit retirement system for PERS and TRS employees.

The RPEA Executive Board and its over 3,500 members believe the successful passage of this important legislation to return to a defined benefit retirement system will greatly improve the ability of public entities across Alaska to hire and retain qualified staff.

As public retirees, we have seen first-hand since 2006 – when Alaska left its established defined benefit retirement system – the negative impact of this departure on the State's public workforce, including local school districts, municipal employees, and the State's own essential public workforce. This is especially true for those services upon which we and other seniors rely, including those provided by the Division of Retirement & Benefits, community first responders, and staffing at Pioneer Homes.

Providing a defined benefit to public employees is a matter of workplace and workforce fairness. We have also personally experienced the impact on our own extended families, where our daughters, sons, and grandchildren are leaving the state to pursue better opportunities.

We encourage your support for HB 78 and the immediate benefits it will bring to Alaska's families and our struggling public employee workforce. Thank you.

Randall Burns
President
Retired Public Employees of Alaska

cc: Members of the House Finance Committee
Representative Chuck Kopp

**Testimony of Keith Brainard to the
Alaska House Finance Committee
February 11, 2025**

Members of the committee: my name is Keith Brainard and I serve as research director of NASRA, the National Association of State Retirement Administrators. NASRA members are the directors and administrators of roughly 90 state and local public retirement systems. In Alaska, our member is Kathy Lea, who is the director of the division of retirement and benefits. My opinions do not necessarily reflect those of Ms. Lea or her office.

Rather than speak to the particular details of HB 78, I want to focus my remarks on retirement plan design in general. My overarching message is that it is possible to design and implement a retirement benefit for public employees in Alaska that meets the legitimate needs of all stakeholder groups: public employees, public employers, and taxpayers.

I have been in my present role since 2002, and I remember when Alaska closed its defined benefit plans to new hires. Before and after that closure, many in Alaska pointed to defined benefit plans as fundamentally and irredeemably flawed. That message has been repeated countless times, that DB plans are inherently defective and unaffordable and will surely lead the state and its political subdivisions to a fiscal crisis.

I am here to tell you that that notion is completely false.

If the objective of the Alaska Legislature is to avoid unfunded liabilities and to manage retirement plan costs, those objectives are reasonable and attainable. There are retirement plans in the public sector that have achieved these objectives, and that continue to achieve these objectives year in and year out.

My employer, NASRA, does not endorse any one type of retirement plan, such as a defined benefit or a defined contribution plan. What NASRA does support is a retirement plan that contains features that are known to achieve key objectives for all plan stakeholders: employers, employees, and taxpayers.

What are these key stakeholder objectives? Employers need to attract and retain qualified employees needed to perform essential public services, such as teaching in schools, providing public safety, building and maintaining roads and infrastructure, and so forth. Employees want a competitive compensation package that includes a decent retirement benefit. And taxpayers want public services provided at a cost that is reasonable and predictable.

Before I describe the elements of retirement plan design that are known to facilitate a mutual attainment of stakeholder objectives, I will point out to you three examples of retirement plans sponsored by states that have stable costs and unfunded liabilities that are either nonexistent or negligible and entirely manageable.

- The South Dakota Retirement System operates with fixed contribution rates for employees and employers: six percent of pay paid by both employees and employers; eight percent each for public safety officers. The retirement system has a funding policy that keeping those required costs and maintaining a fully funded pension plan are

essential. And the retirement plan has done so for years. The SDRS is a traditional defined benefit plan.

- The Wisconsin Retirement System is similar: their required contribution rates are comparatively low and stable, and the plan has remained fully funded or nearly so for many years. The Wisconsin Retirement System also is a traditional defined benefit plan.
- The Texas Municipal Retirement System is a cash balance plan, which is very similar to a traditional defined benefit plan, with the primary differences being that retirement benefits are affected by the plan's investment performance and by the participant's age at retirement. TMRS employers are more than 900 municipalities throughout the state. Employers may choose from a range of benefits packages, and each employer pays for benefits based on their employees' actuarial experience. TMRS unfunded liabilities are relatively small and their costs are modest and stable.

I could give you other examples of public retirement plans that feature stable costs and minimal unfunded liabilities, but you get the idea. The overarching message I want to convey is that a good retirement plan is defined not by its label—defined benefit, defined contribution, hybrid—but rather by the way the plan is designed. Building flexibility into the plan design is key.

At a 50,000-foot level, HB 78 appears to provide the type of flexibility that is needed for all plan stakeholder groups—employers, employees, and taxpayers—to accomplish their primary objective.

Thank you for the opportunity to speak with you today and I would happy to answer any questions.

Certain characteristics of retirement plan design are known to facilitate these objectives. These characteristics include

- Cost sharing between employers and employees. That means that employers and employees alike should contribute to the cost of the plan.
- Assets that are pooled and professionally managed, an arrangement that can and usually does earn higher returns with less risk.
- Targeted income replacement. Structuring a retirement plan to replace a certain percentage of pre-retirement wages at a specified age and/or years of public service promotes retirement security for employees and an orderly progression of personnel for employers.
- Lifetime benefit payouts, meaning that once an employee qualifies for a retirement benefit and elects to retire, that employee should be able to receive a benefit they cannot outlive.
- Survivor and disability benefits should be integrated into retirement programs, a feature that is particularly important for positions involved in hazardous duty, or a public safety plan.

These core features of retirement plan design are known to promote employees' retirement security, to reduce expenses, and to enhance the ability of employers to attract and retain employees.

In 2005, when Alaska switched from a defined benefit to a defined contribution plan, risk-sharing plans were far less common and less developed than they are today. Over the last 18 years, we have witnessed a significant evolution in public retirement plan design. Risk-sharing plan designs are more common and better developed and understood than they were in 2005. NASRA published a paper in 2019 describing many examples of innovative risk-sharing retirement plan designs in use among states and local government. Many of these new plan designs were developed just in the last 10 or 15 years.

At the core of these plan designs are essential features of a sound retirement plan: cost-sharing between employees and employers; pooled assets invested by professionals; a benefit that cannot be outlived; targeted income replacement; and survivor and disability benefits.

Incorporating risk-sharing elements into a retirement plan with these essential features can provide the best of all worlds: a retirement plan that meets the needs of all stakeholders while also protecting employers and taxpayers against unsustainable increases in unfunded liabilities and costs.

I'd like to finish by providing you with three specific examples of retirement plans where this is done:

- The South Dakota Retirement System has offered all public employees in that state a traditional pension plan for decades with fixed contribution rates. Since 2002, that contribution rate for employees and employers has been 6.0 percent; 8.0 percent for public safety personnel. The SDRS also has no unfunded liability, and generally has not

had one for years. The retirement system accomplishes this by making benefits variable. When the plan's actuarial experience falls short of expectations, benefits are adjusted so that the plan remains fully funded and the fixed contribution rate remains adequate.

- In 2018, Colorado established risk-sharing features in its retirement plan for teachers and employees of state and local government. This plan allows for incremental increases in employee contribution rates, up to two percent in total, and adjustments in the cost-of-living adjustment, if specified actuarial and funding targets are not met.
- The third example I want to share with you is from the City of Houston, Texas. This plan design was created in 2017 and applies to each of the city's three retirement plans, for firefighters, police officers, and general employees. The central feature of the Houston plans is a contribution corridor arrangement that restricts the change in the employer contribution rate to five percent of pay. If the required cost of the plan strays from the target rate by more than five percent, a series of specified changes take effect to bring the contribution rate back into the five percent corridor.

SB 88 proposes a trigger to increase employee contribution rates should the plan funding level fall below 70 percent and would prohibit paying a COLA if the plan's funding level is below 90 percent. These provisions will help protect the plan against higher liabilities and costs and are consistent with many other retirement plans that have been developed or reformed in recent years: they also contain risk-sharing mechanisms designed to shield public employers and taxpayers from the effects of negative actuarial experience while still promoting the ability of employers to retain qualified workers and of employees to retire with an adequate income.

I want to commend the bill's authors for your work in proposing such a thoughtful retirement plan design. This retirement plan would return Alaska to the mainstream of public retirement policy and strengthen the ability of schools, police and fire departments, and other public employers to attract and retain qualified and essential public employees. I urge the committee and the legislature to approve this bill. Thank you.

Gloria Susan Levi

[REDACTED]
Anchorage, AK 99515
[REDACTED]
[REDACTED]

January 14, 2025

Kathy Giessel
Alaska State Senate
Chuck Kopp
Alaska State House

Senator Giessel and Representative Kopp:

At the present time, the State of Alaska is having a hard time finding quality workers. One of the reasons – and a shortcoming in the hiring process – is former state workers such as myself, have to give up our state retirement to work for the State of Alaska again.

This is not a good idea.

If the State of Alaska wants the best possible employees, particularly for supervisory positions and jobs that require a great depth of knowledge and experience, HR should NOT require returning, retired state workers to give up their state retirement for a ‘new job.’

I would appreciate your consideration on this issue.

Sincerely,

Gloria (Sue) Levi
Gloria “Susan” Levi

Keep up the good work!

From: [Scott Hayden](#)
To: [Sen. Cathy Giessel](#); [Rep. Elect Chuck Kopp](#)
Subject: School funding/pensions
Date: Thursday, December 19, 2024 10:52:04 AM

Good Morning,

I have been reading about the Governor's intention to pair funding increases with school reforms. I think the school reforms are probably the ones that failed to pass last year because they were a bad idea. I am opposed to the Governor's reforms. But I am hopeful that you all can override his inevitable veto of restored school funding.

I say restored and not increased because I remember when 23 students was the standard elementary class size, and we paired that with sufficient funding. Today it is closer to 30. Inflation has been starving our schools for decades.

The Governor is going to say that we have declining test scores. To him I say, "If you don't like the result, don't produce the cause." If you want good test scores, hire enough teachers and staff to give each student the attention they need to succeed. I know you both favor these things, and I want you to remember that voters favor them too - that's why we got rid of several extremists in the elections, including Rep Craig Johnson.

I am also strongly in favor of Senator Giessel's plan for a state pension system. She is right that we are losing talented public servants to places where they are paid a living wage and can earn a retirement.

The deal with working in the public sector is supposed to be that you earn less but you have great security. Now the plan is earn less and have *less* security? It's not the deal we as a society should be offering them. No Social Security AND no pension? It's messed up.

I want to squeeze in one last issue. Please continue your support for renewable energy projects in the state. The natural gas pipeline is a pipe dream - an expensive one. Even the pipeline working group said that without progress their work should wind down at the end of this year. There has been no progress, only more empty promises and boondoggle spending by AIDEA. If we want real energy independence, it is going to have to be through balancing increases in natural gas exploration on the rail belt and increased renewable energy projects.

I voted for both of you because I knew you would form a coalition government, which I strongly favor. No one party has a monopoly on good ideas. Thank you both for your hard work on behalf of Alaska.

Scott Hayden

[REDACTED]
Anchorage AK 99515



Denali Borough School District

P.O. Box 280 • Healy, Alaska 99743 • (907) 683-2278 • FAX (907) 683-2514

19 February 2025

Representative Kopp,

My name is Dan Polta. I am the superintendent of the Denali Borough School District and a member of the Teacher Retirement System, Tier 2.

I support the re-design of the current public employee and teacher retirement systems in Alaska to return to a defined benefit system.

Our current retirement system must change because it is critically, and dangerously flawed. I'll speak more towards the teacher system as I have more direct experience with TRS rather than PERS but the same overarching issues apply.

Our Alaskan teachers do not participate in social security and so do not earn that base line of security and guarantee that almost all workers in our country receive. While some teachers will qualify for social security now that the Windfall Elimination Provision has been repealed, many who work their entire careers as teachers in Alaska will not. Our teachers, and all public servants, deserve the assurance of a minim floor for retirement. Our current defined contribution system does not do that.

Several bills to redesign TRS and PERS have been introduced, such as HB78 and SB28, to name only two. I'll avoid going deep into the weeds and simply emphasize the need to provide employees with a reason to work their careers in service to our State.

Recently one of my colleagues, Roy Getchell, Haines Superintendent, announced his resignation after seven years and his plans to return to the Lower 48. In the Chilkat Valley News article in October 2024, Superintendent Getchell made it clear that the reason he is leaving Alaska is tied to a defined benefit retirement plan in Colorado. Alaska is losing a great educator because of concerns with retirement. Roy was the Alaska Superintendent of the year last school year. I might be more familiar with his story than the countless other teachers, firefighters, troopers, etc. who have made or will make a similar decision to leave Alaska based on their family's security in retirement.

Please continue your discussions to fix the flaws in our current system so we can offer our public servants a system that provides needed guarantees while at the same time is cost effective, affordable, and financially sound for all parties, the State, the employer, and the employee.

Mission Statement

Working together to nurture, empower, and inspire today's student to positively shape tomorrow's world

Thank you again for your consideration of this important issue and for seeking to improve the working conditions for all our public servants.

Sincerely,

Dan Polta

Dan Polta

Superintendent, Denali Borough School District

Technical aspects/suggestions

Continue to hold the employer contribution rates stable for non-state employers.

Create a design that allows participants to move between PERS and TRS (HB78 includes language that facilitates this transition). This will help our skilled teaching assistants move into classroom teaching positions.

Adjust the retirement age in PERS/TRS to match that of social security or Medicare. This will encourage employees to continue serving our students throughout their entire careers, rather than using the retirement benefit to support a mid-life career change

Reduce the per year additive percentage of pre-retirement income provide in retirement. This will reduce the cost of the program to the State and employer, and encourage the employee to take individual, personal actions to secure retirement such as opening a Roth or Traditional IRA.

Consider inclusion of support for an employer sponsored plan such as helping the employer match employee contributions to a 403b account. This would be very beneficial to teachers who cannot participate in the supplemental benefits system (SBS) which all state employees and many non-teacher, non-state public employees participate in.

(These last two measures can help increase the need for the employee to take individual steps and responsibilities in order to provide for his/her full retirement dreams while the State and employer helps ensure a basic level of dignity in retirement.)

From: [Jacob Bera](#)
To: [Rep. Elect Chuck Kopp](#); [REDACTED]
Subject: Public Employee Retirement This Legislative Session
Date: Monday, January 20, 2025 10:18:59 PM

Monday January 20th, 2025

Good evening Representative Kopp,

Welcome back to the Legislature and thank you for serving! I also want to thank you for your leadership on improving the retirement plans for public employees. My name is Jacob Bera, and my wife and I are both educators. We moved to Alaska in 2003 after I finished serving in the Marine Corps Reserve and completing my undergraduate degree. Since that time, our family has grown with the addition of our three children: Leif, Lilli and Skade. I've always dreamed of raising a family here, and it's been rewarding to watch our Alaskan born and raised children learn to climb mountains, fish for salmon, and attend public schools.



A large part of our ability to stay in Alaska, provide a better life for our children, and dedicate our professional lives to public education has been the financial security that comes from the defined benefit retirement (pension) we're building. My wife and I are part of the Tier 2

Teacher Retirement System (TRS), and we've contributed to that plan for the past 21+ years. And even though we were initially concerned about our inability to contribute to Social Security here in Alaska, we've tried to supplement our retirement savings in other ways.

I cannot emphasize enough how important our pension is to our willingness to stay in Alaska. It gives us a strong incentive to stay and work here. When SB 141 was passed in 2006 and new public employees could no longer earn a pension, we questioned whether or not we would be able to stay here if we were under that plan. And through the years we've watched too many of our colleagues and friends ultimately make the decision to leave Alaska so they could start working towards a better retirement somewhere else before it was too late. In doing so, they also took the little retirement savings they had in their defined contribution plans, along with their employer's contributions.

Other efforts that would allow educators to participate in the Social Security or Supplemental Employee Benefits Programs are also greatly productive, and I appreciate Representative Saddler (HB 38) and others for contributing these ideas in good faith. But ultimately, the move from a defined contribution to a defined benefit pension for a public employee's main retirement savings is what's needed most to address the recruitment and retention issues we face from all public sector employees in Alaska...not just teachers.

Again, thank you for your leadership on this important issue. Please know that I am willing to continue the conversation, and please reach out anytime if I can share my perspective or contribute to your understanding of any other educational issues. I greatly respect your willingness to take time away from family and friends to serve in Juneau. And regardless of party or politics, I sincerely wish you the very best this legislative session.

Very respectfully,

Jacob Bera

Chugiak, Alaska

From: [Aaron Sandone](#)
To: [Rep. Chuck Kopp](#)
Subject: *****SPAM***** AFP wanted me to send a drastically different message
Date: Thursday, March 20, 2025 9:48:07 AM

Alaska Representative Chuck Kopp:

I understand you are considering several bills that would lead to better recruitment of state employees. Our household supports such efforts. Since the state has ample resources that remain untapped such as using the money in the permanent fund to provide services, instead of direct payments to those who do not need such payments, such as households making over \$200,000 a year.

I think a state income tax on those who have employment in this state should be paying for services or alternatively not receive payments simply for living in the state.

Both my wife and I are a life long Alaskans and would never consider leaving our amazing state, but I am not sure the future looks as bright for our children here as it did when we were growing up. I would urge you to fight against the governor's plans to continue to degrade our children's education. These short sighted actions will lead to our children and grandchildren being less competitive with peers in the rest of nation and the world. I also believe this will cause a contraction of our economy and lower population of younger generations when people choose not to move to our state but also leave for better educational opportunities for their children.

Thank you for your work and continue to support your efforts in Juneau.

Sincerely,

Aaron Sandone

aaron.sandone@gmail.com

641 Cedar Park Cir

From: [Thomas Eisenmayer](#)
To: [Rep. Chuck Kopp](#)
Subject: *****SPAM***** Vote NO on HB 78: spending leads to taxes
Date: Tuesday, March 25, 2025 8:05:55 AM

Alaska Representative Chuck Kopp:

I understand you are considering several bills that would lead to much higher spending (up to \$11 billion more in just one of the bills). Since the state does not have that much extra revenue, this will result in new taxes on me.

I am not interested in paying a new state income or sales tax. Instead, I request that you oppose all bills such as HB 78 that would lead to unsustainable spending and new taxes on hardworking residents.

Some of these bills might be well intended but I urge you to look at the long-term fiscal effects that will fall upon the shoulders of our children and grandchildren.

Sincerely,,

Thomas Eisenmayer

tc.eisenmayer@reagan.com

521 Clipper Ship CT

Anchorage, AK 99515

From: [Kevin Krushensky](#)
To: [Rep. Chuck Kopp](#)
Subject: *****SPAM***** Vote NO on HB 78: spending leads to taxes
Date: Tuesday, March 25, 2025 8:05:58 AM

Alaska Representative Chuck Kopp:

I understand you are considering several bills that would lead to much higher spending (up to \$11 billion more in just one of the bills). Since the state does not have that much extra revenue, this will result in new taxes on me.

I am not interested in paying a new state income or sales tax. Instead, I request that you oppose all bills such as HB 78 that would lead to unsustainable spending and new taxes on hardworking residents.

Some of these bills might be well intended but I urge you to look at the long-term fiscal effects that will fall upon the shoulders of our children and grandchildren.

Being an Alaskan resident since 1969, I have always wondered if the State of Alaska Congress ever heard of the word “BUDGET”. Living within ones means as most of us Alaskans have to!!

Thanks for your time, Kevin Krushensky

Sincerely,,

Kevin Krushensky

skilbob@yahoo.com

2943 Discovery Bay Drive

Anchorage , AK 99515

WEST COAST COALITION



PORAC



APDeA
Anchorage Police Department
Employees Association

February 24, 2025

The Honorable Bryce Edgmon
Speaker of the House
Alaska State Capitol
Juneau, AK 99801

The Honorable Chuck Kopp
House Majority Leader
Alaska State Capitol
Juneau, AK 99801

Dear Speaker Edgmon and Majority Leader Kopp, Members of the House Finance Committee, and Members of the Alaska House of Representatives:

The West Coast Law Enforcement Coalition, representing public safety organizations from California, Oregon, Washington, Hawaii, and Alaska, write to express our strong support *House Bill (HB) 78: An Act relating to the Public Employees' Retirement System of Alaska and the teachers' retirement system*. These plans are crucial for recruiting and retaining qualified personnel in our field, ensuring retirement security, and maintaining a robust public safety workforce.

Defined benefit pensions play a vital role in the "three Rs" of workforce management: recruitment, retention, and retirement. This is particularly critical in public safety, where the physically demanding and dangerous nature of the work necessitates earlier retirement ages.

Research shows that defined benefit plans are highly effective in attracting and keeping public safety professionals. The research indicates that after the fifth year of service, public safety employee turnover flattens and is incredibly low until a public safety worker reaches retirement eligibility. This data indicates that pension plans are working as intended by retaining workers during their career and helping employees transition to retirement when appropriate.¹

Defined benefit plans provide essential retirement security for those who dedicate their careers to protecting our communities. The law enforcement community is facing significant recruitment and retention challenges. Departments across the country are struggling to stay fully operational while facing rising crime rates. Both ends of the career spectrum are affected, with decreasing numbers of new qualified applicants and increasing retirements and resignations.

To address these challenges and support our public safety professionals, we recommend:

1. Preserving and strengthening defined benefit pension plans for public safety workers.
2. Supporting legislation like Alaska's House Bill 78, which aims to provide public employees an opportunity to participate in a defined benefit retirement plan.

¹ "Alisa Bennett, 'The Role of Defined Benefit Pensions in Recruiting and Retaining Public Safety Professionals,' National Institute on Retirement Security, June 2024, <https://www.nirsonline.org/reports/publicsafety/>."

WEST COAST COALITION



WASHINGTON
COUNCIL of
POLICE &
SHERIFFS



3. Ensuring adequate funding for law enforcement departments to maintain competitive compensation packages, including robust pension benefits.

The importance of defined benefit pension plans in recruiting, retaining, and providing retirement security for public safety professionals cannot be overstated. As the West Coast Law Enforcement Coalition, we urge you to prioritize the preservation and enhancement of these crucial benefits.

Strong pension systems not only benefit individual employees but also contribute to the overall safety and well-being of our communities by ensuring a stable, experienced, and dedicated workforce.

We stand ready to collaborate with lawmakers and stakeholders to find actionable solutions that support our public safety professionals and the communities they serve.

Sincerely,

Shaun R Kuzakin

Shaun Kuzakin
President
Public Safety Employees Association

Darrell Evans

Darrell Evans
President
Anchorage Police Department Employees Association

Aaron Schmautz
President
Oregon Coalition of Police & Sheriffs

Brian R. Marvel
President
Peace Officers Research Association of California

Chris Tracy
President
Washington Council of Police and Sheriffs

Robert Cavaco
President
State of Hawaii Organization of Police Officers



Letter of Support for HB 78: Defined Benefit Retirement

April 8, 2025

The Honorable Representative Chuck Kopp
 Alaska House of Representatives
 State Capital Room 204
 Juneau AK, 99801

Dear Representative Kopp,

On behalf of the Alaska Association of Chiefs of Police, I am writing to express our unequivocal support for House Bill 78, "An Act relating to the Public Employees' Retirement System of Alaska."

Importance of HB 78

This legislation is a crucial step forward in addressing long-standing concerns regarding retirement security and recruitment challenges within our public sector, particularly for peace officers and firefighters. By offering employees the choice between defined benefit and defined contribution plans, HB 78 provides much-needed flexibility to accommodate diverse financial and career planning needs.

Enhancing Recruitment and Retention

The Alaska Association of Chiefs of Police recognizes that the ability to attract and retain qualified law enforcement professionals is vital to the safety and well-being of our communities. The retirement options introduced by this bill are likely to enhance the appeal of public service careers, thereby strengthening our police forces and ensuring the highest standards of public safety.

Financial Security for Public Servants

The defined benefit plan offers a predictable and stable retirement income, which is particularly important for peace officers and firefighters who dedicate their careers to public service, often at great personal risk. By including provisions for employer contributions to retiree health reimbursement arrangements, HB 78 further ensures that our public servants have access to necessary healthcare in retirement, thus promoting their overall well-being.



Fairness and Flexibility

We commend the bill's provision allowing employees hired after June 30, 2006, an opportunity to transfer to the defined benefit plan. This flexibility acknowledges the evolving career landscapes and personal circumstances of our workforce, allowing them to make informed decisions that best suit their long-term financial goals.

Conclusion

In conclusion, the Alaska Association of Chiefs of Police firmly believes that House Bill 78 represents a thoughtful and balanced approach to enhancing the retirement system for Alaska's public employees. We urge the legislature to pass this bill, thereby reinforcing our commitment to those who serve and protect our state.

Thank you for considering our perspective on this important matter. We remain available for any further discussions or questions you may have.

Sincerely,

Sean Case

Chief Sean Case
 President, Alaska Association of Chiefs of Police
 aacop@aacop.org
 (907) 223-0135

AACOPS Board of Directors:

Director Ed Mercer, HIDTA Board Member, Vice President
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 Director Steve Adams, AKCIC Board Member
 Chief Steve Dutra, North Pole Executive Director - Interim

From: [Earl Krygier](#)
To: [Rep. Chuck Kopp](#)
Subject: Your Bill to fix retirement Needs modification
Date: Monday, March 24, 2025 10:33:14 AM

Dear Senator Cathy Giessel and Representative Chuck Kopp,

I want to thank both of you for working to resolve the states problem with retention of teachers, fireman, policeman, and state workers with a new pension plan. When I was with the government, I had a number of my best new staff hired away by the federal government because they could offer them a nice wage increase, but more important a good retirement system. If we want to retain quality staff instead of just use Alaska as a revolving door for gaining experience on your résumé, we need to fix the Retirement system.

I do need to warn you that there is a downside if it is not implemented correctly. I have relatives in California who watched the California system get badly damaged because they allowed people to double and triple dip in City, County and State Government retirement and benefits programs. Going from one job system to the other accumulating multiple assured benefit packages and over-obligating government. In order to make your bill successful and protect Alaska long-term, it needs to state that a retirement system and benefits package only accrues for the first successful retirement. Additional government reemployment will only gain retirement and benefits as they do today with a 401(k) program. This is very important to not over obligate our State.

Thank you again for your efforts. Please call if you have any questions.

Earl Krygier

[REDACTED]
Anchorage, AK 99515
[REDACTED]

From: [Dan Coleman](#)
To: [Rep. Chuck Kopp](#)
Subject: Testimony for HB 78
Date: Tuesday, March 4, 2025 12:48:08 PM

Hi Rep. Kopp,

I'm writing to share my family's story with you and why being a Tier 3 PERS employee was a major reason why my wife and I decided to return to Alaska from Pennsylvania.

I was born in Ketchikan and lived all of my life in Alaska until the age of 31 when I moved to Pennsylvania so my wife could complete her nursing degree. Before the move back east, we were both employed by the Haines Borough and entered into PERS. I knew the pension was valuable, so we decided not to cash out our retirement when we left.

Over 5 years we had two kids, Noah and Genevieve, and longed to return to Alaska, but financially it was really hard to move the entire family across the country. Fortunately, before our oldest entered Kindergarten, my wife got a job offer in Juneau that helped us pay for the moving expenses. We both had good jobs in Pennsylvania, but wanted to raise our kids in Alaska, the place we loved.

Our major considerations when returning were finding housing, decent schools, and jobs that were stable and had good retirement. If we weren't Tier 3 employees it would have been very difficult to justify financially coming back to Alaska. Fast forward 11 years and our oldest has nearly graduated from high school and we are looking at retirement in 5-10 years.

We are so thankful we qualified and retained the Tier 3 status and will be able to retire with a pension. This not only attracted us back, but it kept us here for the last 11 years, and now we are starting to prepare for retirement age PERS and the Alaska COLA will likely keep us here after we retire.

I frequently hear from my tier 4 co-workers that they don't have any financial reason to stay in Alaska after they retire, and many leave their jobs early because they only have a 401k type of retirement plan. This turnover creates inefficiency and brain drain that slows everything down. The workplace and the community both suffer without a defined benefit retirement plan. I hope HB 78 can help future residents and employees have the same chance to move and stay in Alaska like our family did.

Thanks for your time.

Best Regards,
Daniel Coleman
Tania Danielski
Genevieve Coleman
Noah Coleman

From: [Nonni/PT](#)
To: [Rep. Chuck Kopp](#)
Subject: Pension Plan For Government Workers
Date: Saturday, March 22, 2025 11:20:04 AM

----- Forwarded Message -----

From: MAILER-DAEMON@yahoo.com <mailer-daemon@yahoo.com>
To: "non_ni@ymail.com" <non_ni@ymail.com>
Sent: Saturday, March 22, 2025 at 10:58:03 AM AKDT
Subject: Failure Notice

Sorry, we were unable to deliver your message to the following address.

[<chuck.Kopp@akleg.gov>](mailto:chuck.Kopp@akleg.gov):

550: 5.1.1 User Unknown

----- Forwarded message -----

Representative Kopp,

I strongly disagree with a Bill adding more debt to our State government at this time of inflation, unemployment and an already unbalanced State Budget looking to start a Salas Tax to find MORE income for State spending and pork. If you cannot show financial acuity in your time in office we will no longer be able to give you our household vote next election.

Please do not respond to this email with a letter giving me your views. I know your views; I wanted you to know mine.

Dennis Tarlton
Oceanview
Anchorage

From: [JACK KELTY](#)
To: [Rep. Chuck Kopp](#)
Subject: HB78
Date: Thursday, March 20, 2025 3:32:52 PM

Dear Representative Kopp, you and the others that are behind this bill need to stop pushing this boondoggle. I would appreciate more emphasis on teacher accountability, not throw more money at these problems. We don't have a budget or PFD problem, we have a spending problem. Stick to the basics and knock off the shenanigans. How bout fighting for the money that Walker stole from me and my family and everyone else's in this state. Do the right thing, not the ass kissing to the unions that voted you in. I'm tired of this crap!

Sincerely, John Kelty

[Sent from Yahoo Mail for iPhone](#)

From: [Gary Miller](#)
To: Rep. Jamie Allard; [Rep. Robyn Burke](#); [Rep. Jeremy Bynum](#); [Rep. Ashley Carrick](#); [Representative.Jennie.Armstrong@akleg.gov](#); [Rep. Julie Coulombe](#); [Rep. Maxine Dibert](#); [Rep. Bryce Edmon](#); [Rep. Ted Eischeid](#); [Rep. Bill Elam](#); [Rep. Zack Fields](#); [Rep. Neal Foster](#); [Rep. Alyse Galvin](#); [Rep. Andrew Gray](#); [Rep. Carolyn Hall](#); [Rep. Sara Hannan](#); [Rep. Rebecca Himschoot](#); [Rep. Ky Holland](#); [Rep. Nellie Jimmie](#); [Rep. DeLena Johnson](#); [Rep. Andy Josephson](#); [Rep. Chuck Kopp](#); [Rep. Kevin McCabe](#); [Rep. Donna Mears](#); [Rep. Genevieve Mina](#); [Representative.Eleie.Moore@akleg.gov](#); [Rep. David Nelson](#); [Rep. Mike Prax](#); [Rep. George Rauscher](#); [Rep. Justin Ruffridge](#); [Rep. Dan Saddler](#); [Rep. Calvin Schrage](#); [Rep. Rebecca Schwanke](#); [Rep. Will Stapp](#); [Rep. Andi Story](#); [Rep. Louise Stutes](#); [Rep. Cathy Tilton](#); [Rep. Frank Tomaszewski](#); [Rep. Jubilee Underwood](#); [Rep. Sarah Vance](#); [Sen. Jesse Bjorkman](#); [Sen. Matt Claman](#); [Sensesentative.Mike.Cronk@akleg.gov](#); [Sen. Forrest Dunbar](#); [Sen. Cathy Giessel](#); [Sen. Elvi Gray-Jackson](#); [Sen. Lyman Hoffman](#); [Sen. Shelley Hughes](#); [Sen. James Kaufman](#); [Sen. Scott Kawasaki](#); [Sen. Jesse Kiehl](#); [Sen. Kelly Merrick](#); [Sen. Robert Myers](#); [Sen. Donny Olson](#); [Sen. Mike Shower](#); [Sen. Bert Stedman](#); [Sen. Gary Stevens](#); [Sen. Löki Tobin](#); [Sen. Bill Wielechowski](#); [Sensesentative.Robert.Yundt@akleg.gov](#)
Subject: Defined Benefit Retirements
Date: Thursday, March 27, 2025 8:23:54 AM

I hope that all of you switch from your defined contribution retirements to the defined benefit, if it passes. It is a more secure retirement and when all of you get too old to work, you will be glad you did. I am 76 and on a defined benefit retirement. It is secure as I get older.

Thank you.

Gary Miller

Juneau, AK 99801-8211

From: [Aaron Sandone](#)
To: [Rep. Chuck Kopp](#)
Subject: *****SPAM***** AFP wanted me to send a drastically different message
Date: Thursday, March 20, 2025 9:48:07 AM

Alaska Representative Chuck Kopp:

I understand you are considering several bills that would lead to better recruitment of state employees. Our household supports such efforts. Since the state has ample resources that remain untapped such as using the money in the permanent fund to provide services, instead of direct payments to those who do not need such payments, such as households making over \$200,000 a year.

I think a state income tax on those who have employment in this state should be paying for services or alternatively not receive payments simply for living in the state.

Both my wife and I are a life long Alaskans and would never consider leaving our amazing state, but I am not sure the future looks as bright for our children here as it did when we were growing up. I would urge you to fight against the governor's plans to continue to degrade our children's education. These short sighted actions will lead to our children and grandchildren being less competitive with peers in the rest of nation and the world. I also believe this will cause a contraction of our economy and lower population of younger generations when people choose not to move to our state but also leave for better educational opportunities for their children.

Thank you for your work and continue to support your efforts in Juneau.

Sincerely,

Aaron Sandone

aaron.sandone@gmail.com



From: [Kevin Krushensky](#)
To: [Rep. Chuck Kopp](#)
Subject: *****SPAM***** Vote NO on HB 78: spending leads to taxes
Date: Tuesday, March 25, 2025 8:05:58 AM

Alaska Representative Chuck Kopp:

I understand you are considering several bills that would lead to much higher spending (up to \$11 billion more in just one of the bills). Since the state does not have that much extra revenue, this will result in new taxes on me.

I am not interested in paying a new state income or sales tax. Instead, I request that you oppose all bills such as HB 78 that would lead to unsustainable spending and new taxes on hardworking residents.

Some of these bills might be well intended but I urge you to look at the long-term fiscal effects that will fall upon the shoulders of our children and grandchildren.

Being an Alaskan resident since 1969, I have always wondered if the State of Alaska Congress ever heard of the word “BUDGET”. Living within ones means as most of us Alaskans have to!!

Thanks for your time, Kevin Krushensky

Sincerely,,

Kevin Krushensky

[REDACTED]

[REDACTED]

Anchorage , AK 99515

From: [Rep. Chuck Kopp](#)
To: [Julia OConnor](#)
Subject: FW: Public Comment/SB28/Cleworth
Date: Thursday, March 20, 2025 10:44:43 AM

-----Original Message-----

From: Sen. Cathy Giessel <Sen.Cathy.Giessel@akleg.gov>
Sent: Tuesday, March 18, 2025 5:12 PM
To: Fate Putman <fateputman@gmail.com>; Rep. Chuck Kopp <Rep.Chuck.Kopp@akleg.gov>
Subject: FW: Public Comment/SB28/Cleworth

-----Original Message-----

From: Karisse Ackerman <Karisse.Ackerman@akleg.gov>
Sent: Tuesday, March 18, 2025 5:02 PM
To: Sen. Jesse Bjorkman <Sen.Jesse.Bjorkman@akleg.gov>; Sen. Matt Claman <Sen.Matt.Claman@akleg.gov>;
Sen. Forrest Dunbar <Sen.Forrest.Dunbar@akleg.gov>; Sen. Cathy Giessel <Sen.Cathy.Giessel@akleg.gov>; Sen.
Elvi Gray-Jackson <Sen.Elvi.Gray-Jackson@akleg.gov>; Sen. Lyman Hoffman
<Sen.Lyman.Hoffman@akleg.gov>; Sen. Bert Stedman <Sen.Bert.Stedman@akleg.gov>; Sen. Gary Stevens
<Sen.Gary.Stevens@akleg.gov>; Sen. Löki Tobin <Sen.Loki.Tobin@akleg.gov>; Sen. Bill Wielechowski
<Sen.Bill.Wielechowski@akleg.gov>; Sen. Robert Yundt <Sen.Robert.Yundt@akleg.org>; Sen. Shelley Hughes
<sen.shelley.hughes@akleg.gov>; Sen. James Kaufman <Sen.James.Kaufman@akleg.gov>; Sen. Jesse Kiehl
<Sen.Jesse.Kiehl@akleg.gov>; Sen. Kelly Merrick <Sen.Kelly.Merrick@akleg.gov>; Sen. Donny Olson
<Sen.Donny.Olson@akleg.gov>
Subject: Public Comment/SB28/Cleworth

Hello All,

Below is public comment sent by Jerry Cleworth of Fairbanks with request for me to share with the Interior Delegation and all other members of the Senate.

Thank you for your time,

Karisse

Karisse Ackerman
Regional Information Officer
Fairbanks Information Office
Legislative Affairs Agency
1292 Sadler Way, Suite 308
(907) 452-4448

-----Original Message-----

From: akcoins@mosquitonet.com <akcoins@mosquitonet.com>
Sent: Tuesday, March 18, 2025 4:30 PM
To: LIO Fairbanks <Lio.Fairbanks@akleg.gov>
Subject: POM-

I would like the following email to be sent to all of the State Senators plus the interior delegation. If you could simply reply that you have received I would appreciate that. Thank you!

I am opposed to SB28. Municipalities across the state are paying a very high 22 cents per dollar for the pension, most of it to pay off the legacy debt. Defined benefit programs are on the decline nationwide, and those that maintain them have greatly lowered the discount rate. SB28 has the following fundamental problems;

- 1) The inclusion of overtime in determining base wage (high 5 years). This greatly increases the cost. At the City of Fairbanks, we have employees who make as much in OT as they do in base salary. This provision allows the system to be "gamed". This is one of the major problems with the old DB system and was purposely left in by proponents that would benefit from this provision.
- 2) The discount rate being used is 7.25%. Kentucky by comparison uses a 5.25%! We asked Alaska Capital Management who oversees the City of Fairbanks' permanent fund if they felt that was a reasonable expectation on fund earnings. They stated that it was very aggressive and would require a high level of risk to meet this level on a consistent basis. This needs to be changed.
- 3) Proponents say it is necessary to recreate this because the tier 4 level does not attract employees. The City of Fairbank police department union recently sent the city council a position paper and stated that most of their employees are not interested in a DB program and would prefer tier 4 with possible supplements like the city uses. Every employer in the state is faced with employee problems and retention. The state is not unique and has many tools it can use to address this problem short of going back into a DB program.
- 4) Even the state's actuary has already indicated in the past that this new program will incur new debt of between \$40 to \$80 million. What would it be now with the markets turning south? What would it be if America enters a recession or worse, a depression? You put all of the municipalities at risk and we have no say in this matter except to voice our concerns via resolutions which the City of Fairbanks did (Resolution No. 5145) on December 2, 2024.

SB28 is essentially gambling with our money in a DB program. Until the approximate \$6 billion remaining on the old debt is paid off, please do not add to it. Thank you for reading this POM.

Jerry Cleworth

[REDACTED]
Fairbanks, AK 99709

From: [JACK KELTY](#)
To: [Rep. Chuck Kopp](#)
Subject: HB78
Date: Thursday, March 20, 2025 3:32:52 PM

Dear Representative Kopp, you and the others that are behind this bill need to stop pushing this boondoggle. I would appreciate more emphasis on teacher accountability, not throw more money at these problems. We don't have a budget or PFD problem, we have a spending problem. Stick to the basics and knock off the shenanigans. How bout fighting for the money that Walker stole from me and my family and everyone else's in this state. Do the right thing, not the ass kissing to the unions that voted you in. I'm tired of this crap!

Sincerely, John Kelty

[Sent from Yahoo Mail for iPhone](#)

From: [Sen. Cathy Giessel](#)
To: [Rep. Elect Chuck Kopp](#)
Subject: FW: Support for Pensions
Date: Monday, January 20, 2025 5:10:34 PM

Just sharing a support letter with you.

cg

From: Lynn McNamara [REDACTED] >
Sent: Monday, January 20, 2025 4:35 PM
To: Sen. Cathy Giessel <Sen.Cathy.Giessel@akleg.gov>
Cc: Rep. Alyse Galvin <Rep.Alyse.Galvin@akleg.gov>; ky@kyholland.com
Subject: Support for Pensions

Dear Senator Giessel,

I am a Girdwood resident, retired teacher and librarian. Thank you for your exemplary public service in pre-filing the bill for Alaskan public servants to return to "Defined Benefit" as compared to "Defined Contribution".

I am eager to know more and have some questions which follow:

Who, on your staff, would be the best source of information on the ramifications of this bill?

What funds have been spent by our state studying this, and how can I find copies of those reports?

What did the lost training cost when employees moved on?

What was the difference in retention before 2005 and after?

I am seeking accurate facts on the out-sized detrimental impact the loss of a stable retirement has had on the retention as well as costs of recruiting and training new Alaska public servants.

I have been asked about the possibility of some employees having the option of going back to paying FICA taxes as a few already do.

I am hoping your office has some of these facts or could direct me to a source.

I would truly hope you include me in any information that will help answer those and more questions that deal with education.

I feel strongly and am very much interested in being a part of a grassroots coalition to convince our legislators that this is what Alaskans want, and what is best for our state!

May good fortune follow you from the start of the session and "dog" you like a Border Collie throughout!

Sincerely,

Lynn McNamara

DKG Alaska State President

907 230-1627

P.S. I think the time is right for a ground-swell of support on reinstating Alaska pensions. As the Alaskan on the National WEP GPO REPEAL TASK FORCE, I found great inspiration from quotations from other members such as the following:

"Never underestimate the power of a small group of committed people to change the world. In fact, it is the only thing that ever has." ~ **Margaret Mead**

From: [Nonni/PT](#)
To: [Rep. Chuck Kopp](#)
Subject: Pension Plan For Government Workers
Date: Saturday, March 22, 2025 11:20:04 AM

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

Representative Kopp,
I strongly disagree with a Bill adding more debt to our State government at this time of inflation, unemployment and an already unbalanced State Budget looking to start a Salas Tax to find MORE income for State spending and pork. If you cannot show financial acuity in your time in office we will no longer be able to give you our household vote next election.

Please do not respond to this email with a letter giving me your views. I know your views; I wanted you to know mine.

Dennis Tarlton
Oceanview
Anchorage