



**AARP Alaska**  
3601 C Street  
Suite 1420  
Anchorage, AK 99503

T 1-866-227-7447  
F 907-341-2270  
TTY 1-877-434-7598  
[www.aarp.org/ak](http://www.aarp.org/ak)

January 25, 2012

The Honorable Bill Wielechowski, Chair  
Senate State Affairs Committee  
Alaska Capitol, Room 101  
Juneau, AK 99801-1182

RE: SB 121 (Egan)—Support

Dear Chair Wielechowski:

On behalf of the members of AARP in Alaska, we encourage you and your colleagues on the Senate State Affairs Committee to support SB 121, authored by Senator Dennis Egan and co-sponsored by your Committee colleagues Vice-Chair Joe Paskvan and Senator Albert Kookesh as well as Senators Linda Menard, Bettye Davis, Johnny Ellis, Joe Thomas, Hollis French, and Lesil McGuire and you.

Lifetime financial security is a cornerstone of the American dream: if you work hard and follow the rules, you will be able to retire without financial worries. For most Alaskans, Social Security forms the base of a secure retirement and it is augmented by pensions, IRA's, 401-K's and savings. However few of our teachers or state and municipal employees participate in Social Security. The previous defined benefit pensions under TRS and PERS were a stable substitute for Social Security. You cannot outlive Social Security. You cannot outlive a defined benefit pension.

Alaskans who make it to 65 have to prepare financially for a long time in retirement. Of all the women who reach age 65, 29% will also reach age 90. Eighteen percent of men who reach age 65 will also reach age 90.

Our public employees hired after July 1, 2006 will only have the defined contribution plan. What will Alaska do with retired teachers, police officers and firefighters who outlive their contributions, have no defined benefit plan under PERS or TRS and do not participate in Social Security?

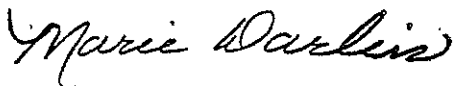
SB 121 will return to a system that will provide reasonable pension benefits that cannot be outlived as well as provide choices for employees who prefer to choose a defined contribution plan.

We urge an "AYE" vote on SB 121.

Should you have any questions about our position, please feel free to contact me (586-3637) or Patrick Luby, AARP Advocacy Director (907-762-3314).

Thank you for your consideration.

Sincerely,

A handwritten signature in cursive script that reads "Marie Darlin".

Marie Darlin, Coordinator  
AARP Capital City Task Force  
415 Willoughby Avenue, Apt. 506  
Juneau, AK 99801  
586-3637 (voice)  
463-3580 (fax)

CC: Vice-Chair Joe Paskvan  
Senator Cathy Giessel  
Senator Albert Kookesh  
Senator Kevin Meyer  
Senator Dennis Egan