

ALASKA MUNICIPAL LEAGUE

RESOLUTION #2012-11

**A RESOLUTION SUPPORTING SENATE BILL 100, A BILL REPEALING
LANGUAGE REQUIRING TERMINATION STUDIES**

WHEREAS, the Alaska Municipal League Revenue and Finance Legislative Subcommittee strongly recommends amending Alaska Statutes to remove termination study language related to an employer that terminates participation of a department, group or other classification of employees in their PERS plan; and

WHEREAS, current Alaska Statutes have provisions from Senate Bill 125 that could have dramatic unintended negative financial consequences to PERS employers who adjust their programs and services over time to meet their communities needs, if those adjustments include changes in their employee job classifications, in some instances a singular employee change; and

WHEREAS, the application of the statutes and the regulations adopted creates a clear and inequitable impact on small PERS employers, versus larger PERS employers; and

WHEREAS, grant funded positions may become subject to termination studies, thus raising the question as to whether municipalities should accept grants that will entail personnel; and

WHEREAS, the application of the statutes and the regulations adopted will cause employers to pay more toward the unfunded obligation on salary dollars no longer being paid, than they will for employees still working; and

WHEREAS, municipalities, in the future, will find themselves paying more towards the unfunded obligation every pay period for positions that no longer exist, than they will for existing and/or current positions; and

WHEREAS, the Alaska Municipal League believes that the statute should be amended or repealed to allow for equitable and consistent application of state law.

NOW, THEREFORE BE IT RESOLVED that the Alaska Municipal League supports passage and adoption of Senate Bill 100 as it supports a sustainable salary base to pay off the PERS unfunded obligation, but also repeals AS 39.35.625 and any other similar statute(s) or regulations that require termination studies related to an employer that terminates participation of a department, group, or other classification of employee.

PASSED AND APPROVED BY THE ALASKA MUNICIPAL LEAGUE on the 11th day of November, 2011.

Signed: _____
Shirley Marquardt, President, Alaska Municipal League

Attest: _____
Kathie Wasserman, Executive Director, Alaska Municipal League