



## 29<sup>th</sup> Alaska State Legislature

### House Finance Subcommittee

### Department of Military and Veterans Affairs

---

#### *National Guard Retirement System-*

---

The National Guard Retirement system was created in 1972, and offers three options-

- \$100 each month for the same number of months that the member participated in the Alaska National Guard,
- In a lump sum that is actuarially determined to be equal to the value, at the time of retirement, of the entire pension due,
- In a monthly amount that will result in payment by the member's 72<sup>nd</sup> birthday of an amount that is determined to be the actuarial equivalent of the entire pension due at the time of retirement.

Adjusted for inflation from 1972, the original \$100.00 equates to \$566.35 in 2014 dollars. (BLS CPI Inflation Calculator- <http://data.bls.gov/cgi-bin/cpicalc.pl> )

Per the last valuation there are 4,397 active members and 608 retirees in the National Guard Retirement System administered by the Division of Retirement and Benefits\*.

More information can be found in AS 26.05.222.: Creation and administration of Alaska National Guard and Alaska Naval Militia retirement system

\* DRB does not hold active employee data. Active employee data is received from the three units when the annual valuation is conducted.

---

#### *AMYA Funding Transfer*

---

There was no funding appropriated specifically for housing in [HB 180](#), by Rep. T. Wilson, passed during the 2013 legislative session. Section 3 of this bill repealed AS 14.30.740, which had provided funding to AMYA on a per-student basis through a calculation based on the Base Student Allocation. There was, however, no replacement funding mechanism created. Section 2 of the bill added to AS 44.35.020 (powers and duties of the department), enabling DMVA to establish and operate AMYA. The effect of these two sections taken together is that DMVA has the authority to operate the AMYA program, and must secure all necessary operational funding for the program. This includes funding for educational, residential and all other expenses.

The FY2015 Governor's budget request reflected the change from pass-through funding from the Department of Education and Early Development (DEED) to direct appropriation in a GF increment of \$4,791.4. This amount was identified in an accompanying fiscal note from DEED as the amount that would have been passed-through to DMVA for FY2015 had HB 180 not passed. The FY2015 request also includes a related reduction in I/A authority of \$5,654.7, as this authority was no longer required to accept pass-through funding from DEED.