

**ALASKA STATE LEGISLATURE  
CONFERENCE COMMITTEE ON SB 141**

May 8, 2005  
1:59 p.m.

**MEMBERS PRESENT**

Senator Lyda Green, Chair  
Senator Ralph Seekins  
Senator Donny Olson

Representative Bruce Weyhrauch  
Representative Paul Seaton  
Representative Harry Crawford

**MEMBERS ABSENT**

All members present

**COMMITTEE CALENDAR**

CS FOR SENATE BILL NO. 141(FIN)

"An Act relating to the teachers' and public employees' retirement systems and creating defined contribution and health reimbursement plans for members of the teachers' retirement system and the public employees' retirement system who are first hired after July 1, 2005; relating to university retirement programs; establishing the Alaska Retirement Management Board to replace the Alaska State Pension Investment Board, the Alaska Teachers' Retirement Board, and the Public Employees' Retirement Board; adding appeals of the decisions of the administrator of the teachers' and public employees' retirement systems to the jurisdiction of the office of administrative hearings; providing for nonvested members of the teachers' retirement system defined benefit plans to transfer into the teachers' retirement system defined contribution plan and for nonvested members of the public employees' retirement system defined benefit plans to transfer into the public employees' retirement system defined contribution plan; providing for political subdivisions and public organizations to request to participate in the public employees' defined contribution retirement plan; and providing for an effective date."

HEARD AND HELD

HOUSE CS FOR CS FOR SENATE BILL NO. 141(FIN) am H

"An Act relating to the teachers' and public employees' retirement systems and creating defined contribution and health

reimbursement plans for members of the teachers' retirement system and the public employees' retirement system who are first hired after July 1, 2005; relating to university retirement programs; establishing the Alaska Retirement Management Board to replace the Alaska State Pension Investment Board, the Alaska Teachers' Retirement Board, and the Public Employees' Retirement Board; adding appeals of the decisions of the administrator of the teachers' and public employees' retirement systems to the jurisdiction of the office of administrative hearings; providing for nonvested members of the teachers' retirement system defined benefit plans to transfer into the teachers' retirement system defined contribution plan and for nonvested members of the public employees' retirement system defined benefit plans to transfer into the public employees' retirement system defined contribution plan; providing for political subdivisions and public organizations to request to participate in the public employees' defined contribution retirement plan; and providing for an effective date."

HEARD AND HELD

THE COMMITTEE SUBMITTED A LETTER TO PRESIDING OFFICERS REQUESTING FREE CONFERENCE COMMITTEE POWERS

**PREVIOUS COMMITTEE ACTION**

BILL: SB 141

SHORT TITLE: PUBLIC EMPLOYEE/TEACHER RETIREMENT/BOARDS

SPONSOR(s): FINANCE

03/14/05	(S)	READ THE FIRST TIME - REFERRALS
03/14/05	(S)	FIN
03/16/05	(S)	FIN AT 9:00 AM SENATE FINANCE 532
03/16/05	(S)	Heard & Held
03/16/05	(S)	MINUTE(FIN)
03/17/05	(S)	FIN AT 9:00 AM SENATE FINANCE 532
03/17/05	(S)	Heard & Held
03/17/05	(S)	MINUTE(FIN)
03/21/05	(S)	FIN AT 9:00 AM SENATE FINANCE 532
03/21/05	(S)	Heard & Held
03/21/05	(S)	MINUTE(FIN)
03/22/05	(S)	FIN AT 9:00 AM SENATE FINANCE 532
03/22/05	(S)	Heard & Held
03/22/05	(S)	MINUTE(FIN)
03/23/05	(S)	FIN AT 9:00 AM SENATE FINANCE 532
03/23/05	(S)	Heard & Held
03/23/05	(S)	MINUTE(FIN)
03/29/05	(S)	FIN AT 4:30 PM SENATE FINANCE 532

03/29/05 (S) Heard & Held  
03/29/05 (S) MINUTE(FIN)  
03/30/05 (H) FIN AT 9:00 AM HOUSE FINANCE 519  
03/30/05 (S) Heard & Held  
03/30/05 (S) MINUTE(FIN)  
03/31/05 (H) FIN AT 9:00 AM HOUSE FINANCE 519  
03/31/05 (S) Heard & Held  
03/31/05 (S) MINUTE(FIN)  
04/01/05 (H) FIN AT 9:00 AM HOUSE FINANCE 519  
04/01/05 (S) Heard & Held  
04/01/05 (S) MINUTE(FIN)  
04/02/05 (S) FIN AT 10:00 AM SENATE FINANCE 532  
04/02/05 (S) Heard & Held  
04/02/05 (S) MINUTE(FIN)  
04/03/05 (S) FIN AT 10:00 AM SENATE FINANCE 532  
04/03/05 (S) Heard & Held  
04/03/05 (S) MINUTE(FIN)  
04/04/05 (S) FIN AT 9:00 AM SENATE FINANCE 532  
04/04/05 (S) Scheduled But Not Heard  
04/05/05 (S) FIN AT 9:00 AM SENATE FINANCE 532  
04/05/05 (S) Heard & Held  
04/05/05 (S) MINUTE(FIN)  
04/06/05 (S) FIN AT 9:00 AM SENATE FINANCE 532  
04/06/05 (S) Moved CSSB 141(FIN) Out of Committee  
04/06/05 (S) MINUTE(FIN)  
04/08/05 (S) FIN RPT CS 5DP 1DNP 1AM  
NEW TITLE  
04/08/05 (S) DP: GREEN, WILKEN, BUNDE, DYSON,  
STEDMAN  
04/08/05 (S) DNP: HOFFMAN  
04/08/05 (S) AM: OLSON  
04/12/05 (S) ENGROSSED  
04/14/05 (S) TRANSMITTED TO (H)  
04/14/05 (S) VERSION: CSSB 141(FIN)  
04/14/05 (H) READ THE FIRST TIME - REFERRALS  
04/14/05 (H) STA, FIN  
04/14/05 (H) STA AT 8:00 AM CAPITOL 106  
04/14/05 (H) <Pending Referral>  
04/16/05 (H) STA AT 9:30 AM CAPITOL 106  
04/16/05 (H) <Bill Hearing Canceled>  
04/19/05 (H) STA AT 8:00 AM CAPITOL 106  
04/19/05 (H) Heard & Held  
04/19/05 (H) MINUTE(STA)  
04/20/05 (H) STA AT 8:00 AM CAPITOL 106  
04/20/05 (H) Moved HCS CSSB 141(STA) Out of  
Committee  
04/20/05 (H) MINUTE(STA)

04/21/05 (H) STA AT 8:00 AM CAPITOL 106  
 04/21/05 (H) <Bill Hearing Canceled>  
 04/22/05 (H) STA RPT HCS(STA) 1DP 5NR  
 04/22/05 (H) DP: SEATON;  
 04/22/05 (H) NR: LYNN, GATTO, GRUENBERG, ELKINS,  
 RAMRAS  
 04/23/05 (H) FIN AT 10:00 AM HOUSE FINANCE 519  
 04/23/05 (H) Heard & Held  
 04/23/05 (H) MINUTE(FIN)  
 04/28/05 (H) FIN AT 1:30 PM HOUSE FINANCE 519  
 04/28/05 (H) Heard & Held  
 04/28/05 (H) MINUTE(FIN)  
 04/30/05 (H) FIN AT 2:00 PM HOUSE FINANCE 519  
 04/30/05 (H) Heard & Held  
 04/30/05 (H) MINUTE(FIN)  
 05/01/05 (H) FIN AT 1:00 PM HOUSE FINANCE 519  
 05/01/05 (H) Moved HCS CSSB 141(FIN) Out of  
 Committee  
 05/01/05 (H) MINUTE(FIN)  
 05/02/05 (H) FIN RPT HCS(FIN) 2DP 5NR 2AM  
 (FORTHCOMING HCS)  
 05/02/05 (H) DP: KELLY, FOSTER;  
 05/02/05 (H) NR: JOULE, STOLTZE, MOSES, MEYER,  
 CHENAULT;  
 05/02/05 (H) AM: HAWKER, WEYHRAUCH  
 05/02/05 (H) OBJECTION TO REFERRAL TO RULES  
 05/02/05 (H) OBJECTION TO REFERRAL TO RULES  
 WITHDRAWN  
 05/02/05 (H) RETURNED TO FIN COMMITTEE  
 05/02/05 (H) FIN RPT HCS(FIN) 3DP 4NR 1AM  
 (FORTHCOMING HCS)  
 05/02/05 (H) DP: FOSTER, KELLY, CHENAULT;  
 05/02/05 (H) NR: HOLM, STOLTZE, MOSES, MEYER;  
 05/02/05 (H) AM: HAWKER  
 05/02/05 (H) OBJECTION TO FISCAL ANALYSIS WITH  
 FINANCE RPT  
 05/02/05 (H) REPLACE FISCAL ANALYSIS FAILED Y15 N25  
 05/02/05 (H) FIN AT 1:30 PM HOUSE FINANCE 519  
 05/02/05 (H) Moved HCS CSSB 141(FIN) Out of  
 Committee  
 05/02/05 (H) MINUTE(FIN)  
 05/03/05 (H) HCS(FIN) NT RECEIVED  
 05/03/05 (H) MOVED TO BOTTOM OF CALENDAR  
 05/03/05 (H) BEFORE THE HOUSE  
 05/03/05 (H) MOTION TO DIVIDE AM NO 3 NOT IN ORDER  
 05/03/05 (H) ADJOURNED TO 5/4  
 05/05/05 (H) BEFORE THE HOUSE

05/06/05 (H) ENGROSSED  
05/07/05 (H) VERSION: HCS CSSB 141(FIN) AM H  
05/07/05 (S) CONCURRENCE MESSAGE READ  
05/07/05 (S) CONFERENCE COMMITTEE APPOINTED  
05/07/05 (S) GREEN (CHAIR), SEEKINS, OLSON  
05/07/05 (H) RECEDE MESSAGE  
05/07/05 (H) CONFERENCE COMMITTEE APPOINTED  
05/07/05 (H) SEATON, WEYHRAUCH, CRAWFORD

#### **WITNESS REGISTER**

No witnesses

#### **ACTION NARRATIVE**

##### **SB 141-PUBLIC EMPLOYEE/TEACHER RETIREMENT/BOARDS**

**CHAIR LYDA GREEN** called the meeting to order at [1:59:25 PM](#). All members were present. She announced that members signed the message to the presiding officers informing them that committee members did not come to agreement. The letter also contained the points that members agreed upon.

[1:59:56 PM](#)

CHAIR GREEN drew members' attention to four items that her staff and Representative Seaton's staff identified as additional items left open for future discussion:

Line 14(a), which was accidentally omitted yesterday

Line 18 - members' discussion went in two directions yesterday, neither of which was 100 percent factually correct.

Line 22 (a) - although members did discuss different links of service of the retirement and benefit board members, the staggered terms were not.

Line 39 - the Senate version had funding for the PERS/TRS shortfall for one year for participating employers, which was zeroed out in the House.

CHAIR GREEN informed members that a packet of fiscal notes was distributed, which needs to move with the bill. She added, "As we have other things subject to negotiation that affect the

fiscal notes, we probably should just leave those open and say they are subject to the final free conference."

[2:02:35 PM](#)

REPRESENTATIVE WEYHRAUCH asked if members talked about staggered terms - line 22 (a) - but not in the context of a specific line item.

CHAIR GREEN said members talked about the different term lengths in the House and Senate versions so line 22(a) is better left open.

[2:03:04 PM](#)

SENATOR SEEKINS said at yesterday's meeting he was assuming that a staggered term process was in place.

REPRESENTATIVE SEATON noted the only difference in the versions is that the terms for the two PERS and TRS members and two financial officers are specified in statute in the House version.

[2:03:45 PM](#)

SENATOR SEEKINS moved that the conference committee accept the corrected report dated May 8, 2005 prepared by the Senate Finance Committee entitled, SB 141 Differences Between Senate and House as the outline of the specific points of difference between the two bodies.

REPRESENTATIVE WEYHRAUCH objected and stated, "One thing I'd like to do is - and I will remove my objection - is since I just got this this morning, between now and next time we meet just look at that and if I see an issue that we didn't take care of, I reserve the right to bring it in if there's something on here. I'm sure the staff did a perfect job but - I'll remove my objection."

REPRESENTATIVE SEATON objected and said, " I didn't get a chance to mention that I think - I mean we're talking about fiscal note number 9 at this point. I think we're talking about all of the fiscal notes. I believe your fiscal note number 8 establishes the 69.5 and ours was fiscal note number 9 that zeroed it out but just to note, it would be 8 and 9."

SENATOR SEEKINS said he would be more amendable to saying the two bodies disagree on the fiscal notes rather than addressing dollar amounts.

REPRESENTATIVE SEATON removed his objection.

CHAIR GREEN thanked members for making great headway on the agreed upon items and said it is time to go to the next level. She announced that with no further objection, the motion carried.

REPRESENTATIVE SEATON asked that the motion be clarified.

SENATOR SEEKINS stated, "[Uniform] Rule 42 provides that we are to notify both of our houses with a report listing the specific points of disagreement. This is the list of the specific points of disagreement."

REPRESENTATIVE SEATON asked if submission of the list amounts to a request for limited powers of free conference.

CHAIR GREEN said it would imply that committee members have gone as far as they can go.

REPRESENTATIVE SEATON asked if, by submitting the letter, committee members were informing both bodies of the list and requesting limited powers.

CHAIR GREEN clarified that members are requesting free conference committee powers.

The committee took an at-ease.

[2:12:16 PM](#)

CHAIR GREEN recessed to a call of the chair.