

ALASKA STATE LEGISLATURE
SENATE HEALTH, EDUCATION AND SOCIAL SERVICES STANDING COMMITTEE

March 16, 2005

1:34 p.m.

MEMBERS PRESENT

Senator Fred Dyson, Chair
Senator Gary Wilken, Vice Chair
Senator Lyda Green
Senator Kim Elton

MEMBERS ABSENT

Senator Donny Olson

COMMITTEE CALENDAR

SENATE BILL NO. 24

"An Act relating to reemployment of and benefits for retired teachers and public employees who participated in retirement incentive programs; providing for an effective date by amending the effective date of secs. 3, 5, 9, and 12, ch. 57, SLA 2001; and providing for an effective date."

MOVED CSSSSB 24(HES) OUT OF COMMITTEE

PREVIOUS COMMITTEE ACTION

BILL: SB 24

SHORT TITLE: REEMPLOYMENT OF RETIREES

SPONSOR(S): SENATOR(S) STEVENS G

01/11/05	(S)	PREFILE RELEASED 12/30/04
01/11/05	(S)	READ THE FIRST TIME - REFERRALS
01/11/05	(S)	HES, STA
01/26/05	(S)	SPONSOR SUBSTITUTE INTRODUCED-REFERRALS
01/26/05	(S)	HES, STA
03/07/05	(S)	HES AT 1:30 PM BUTROVICH 205
03/07/05	(S)	Heard & Held
03/07/05	(S)	MINUTE(HES)
03/08/05	(S)	FIN REFERRAL ADDED AFTER STA
03/14/05	(S)	HES AT 1:30 PM BUTROVICH 205
03/14/05	(S)	Heard & Held
03/14/05	(S)	MINUTE(HES)
03/16/05	(S)	HES AT 1:30 PM BUTROVICH 205
03/16/05	(S)	Moved CSSSSB 24(HES) Out of Committee

03/16/05 (S) MINUTE(HES)
03/18/05 (S) HES RPT CS 1DP 3NR 1AM NEW TITLE
03/18/05 (S) NR: DYSON, WILKEN, OLSON
03/18/05 (S) DP: ELTON
03/18/05 (S) AM: GREEN
03/22/05 (S) STA AT 3:30 PM BELTZ 211
03/22/05 (S) Heard & Held
03/22/05 (S) MINUTE(STA)

WITNESS REGISTER

MELANIE MILLHORN, Commissioner
The Division of Retirement and Benefits
Department of Administration
PO Box 110200
Juneau, AK 99811-0200
POSITION STATEMENT: Supports SB 24.

MARK TIBBLES, Deputy Commissioner
The Department of Administration
Department of Administration
PO Box 110200
Juneau, AK 99811-0200
POSITION STATEMENT: Supports SB 24.

ACTION NARRATIVE

CHAIR FRED DYSON called the Senate Health, Education and Social Services Standing Committee meeting to order at [1:34:01 PM](#). Present were Senators Kim Elton, Gary Wilken, and Chair Dyson.

SB 24-REEMPLOYMENT OF RETIREES

CHAIR DYSON announced SB 24 to be up for consideration.

[1:35:16 PM](#)

MR. TIBBLES Deputy Commissioner, Department of Administration (DOA), said:

What we have before you is a draft amendment to SB 24. The amendment is based on the language in the original HB 242, which has passed by the legislature and only applied to the TRS system at that time. It required local school boards to adopt a resolution and state that they had a recruitment problem prior to being able to bring anybody back from retirement.

This amendment would adopt that same requirement for the PRES system, which would apply to local municipalities. The government body under this provision would be required to adopt a policy by resolution and identify where they have recruitment challenges.

An additional step, prior to bringing anybody back from retirement would be required to certify that they had a competitive hiring process. If adopted, this amendment would make the state, the school districts, and the local municipalities all consistent in that what we think is the original intent of HB 242 and that is to use this a tool only when there is a recruitment difficulty.

SENATOR ELTON moved Amendment 1.

CHAIR DYSON objected for the purpose of discussion. He asserted one reason not to adopt the amendment today is that the committee has not given municipalities a chance to comment on it. The municipalities might object to what they may perceive as mandate upon their business.

[1:37:35 PM](#)

SENATOR ELTON asked whether TRS employees are required to notify the director of the division of their resolution.

MR. TIBBLES responded they are required to notify the Division of Retirement and Benefits.

SENATOR WILKEN asked whether the fiscal note would change as a result of the amendment.

MELANIE MILLHORN, Commissioner, Division of Retirement and Benefits, said the fiscal note would not change as a result of the amendment.

[1:39:20 PM](#)

SENATOR ELTON said although Chair Dyson's concern is appropriate, he believes the amendment is reasonable.

SENATOR LYDA GREEN arrived at [1:40:22 PM](#).

CHAIR DYSON withdrew his objection.

CHAIR DYSON asked whether there were further objections to adopting Amendment 1 and hearing none, Amendment 1 was adopted.

[1:43:14 PM](#)

SENATOR WILKEN remarked that an issue arose in the past meeting regarding the state's future obligations to current participants that are under the HB 242 umbrella. He asked the bill sponsors to discuss the issue during the executive session. The state's obligation to current participants is a big part of the bill.

MR. TIBBLES offered to be available to have that discussion at any point in the process.

CHAIR DYSON asked Mr. Tibbles whether he was ready to have that discussion at the present time.

MR. TIBBLES advised it could not be done at the present time since the division had to consult the Department of Law first.

CHAIR DYSON asked when it could be done.

MR. TIBBLES said the drafting attorney working on the issue is out of town for a week so he could not do it before then.

SENATOR WILKEN suggested notifying Senator Therriault that the committee sees a need for an executive session.

[1:46:17 PM](#)

SENATOR WILKEN moved CSSSSB 24(HES) Version F, out of committee with individual recommendations and attached fiscal notes. Hearing no objections, the motion carried.

There being no further business to come before the committee, Chair Dyson adjourned the meeting at [1:49:47 PM](#).