

# Fiscal Note

State of Alaska  
2025 Legislative Session

Bill Version:	CSSB 55(L&C)
Fiscal Note Number:	1
(S) Publish Date:	3/26/2025

Identifier: SB055-DOA-DRB-2-8-25  
 Title: TRS CONTR RATE; PERS/TRS SOC SECUR OR  
       SBS  
 Sponsor: STEDMAN  
 Requester: (S) Labor & Commerce

Department: Department of Administration  
 Appropriation: Centralized Administrative Services  
 Allocation: Retirement and Benefits  
 OMB Component Number: 64

**Expenditures/Revenues**

Note: Amounts do not include inflation unless otherwise noted below. (Thousands of Dollars)

	FY2026 Appropriation Requested	Included in Governor's FY2026 Request	Out-Year Cost Estimates					
			FY 2026	FY 2027	FY 2028	FY 2029	FY 2030	FY 2031
<b>OPERATING EXPENDITURES</b>								
Personal Services	518.8		518.8	518.8	518.8	518.8	518.8	518.8
Travel	16.0		16.0	16.0	16.0	16.0	16.0	16.0
Services	48.0		48.0	48.0	48.0	48.0	48.0	48.0
Commodities	38.0							
Capital Outlay								
Grants & Benefits								
Miscellaneous								
<b>Total Operating</b>	<b>620.8</b>	<b>0.0</b>	<b>582.8</b>	<b>582.8</b>	<b>582.8</b>	<b>582.8</b>	<b>582.8</b>	<b>582.8</b>

**Fund Source (Operating Only)**

1004 Gen Fund (UGF)	110.1		72.1	72.1	72.1	72.1	72.1
1017 Group Ben (Other)	170.7		170.7	170.7	170.7	170.7	170.7
1023 FICA Acct (Other)	3.0		3.0	3.0	3.0	3.0	3.0
1029 PERS Trust (Other)	246.7		246.7	246.7	246.7	246.7	246.7
1034 Teach Ret (Other)	89.4		89.4	89.4	89.4	89.4	89.4
1042 Jud Retire (Other)	0.9		0.9	0.9	0.9	0.9	0.9
<b>Total</b>	<b>620.8</b>	<b>0.0</b>	<b>582.8</b>	<b>582.8</b>	<b>582.8</b>	<b>582.8</b>	<b>582.8</b>

**Positions**

Full-time	5.0		5.0	5.0	5.0	5.0	5.0
Part-time							
Temporary							

**Change in Revenues**

None							
<b>Total</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>

**Estimated SUPPLEMENTAL (FY2025) cost:** 0.0 *(separate supplemental appropriation required)*

**Estimated CAPITAL (FY2026) cost:** 0.0 *(separate capital appropriation required)*

**Does the bill create or modify a new fund or account?** No  
*(Supplemental/Capital/New Fund - discuss reasons and fund source(s) in analysis section)*

**ASSOCIATED REGULATIONS**

Does the bill direct, or will the bill result in, regulation changes adopted by your agency? No  
 If yes, by what date are the regulations to be adopted, amended or repealed? N/A

**Why this fiscal note differs from previous version/comments:**

Not applicable, initial version

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Division:	Division of Retirement and Benefits	Date:	02/08/2025 12:00 AM
Approved By:	Eric DeMoulin	Date:	02/08/25
Agency:	Department of Administration		

## FISCAL NOTE ANALYSIS

STATE OF ALASKA  
2025 LEGISLATIVE SESSION**Analysis**

This bill seeks to increase the employer matching contribution of Teacher Retirement System (TRS) Defined Contribution Retirement (DCR) members from 7% to 9% beginning July 1, 2025 with a corresponding increase in the TRS employer matching contribution rate from 12.56% to 14.56%.

The increase in the TRS employer matching contribution rate to 14.56% increases the amount that participating employers are contributing to the defined benefit unfunded liability (past service cost) via the revised capped employer contribution rate of 14.56% under AS 14.25.070(a). This increase of the employer matching contribution shifts past service cost payments to TRS participating employers and will decrease the additional state contribution funding required under AS 14.25.085.

Actuarial analysis is not available at this time. Is in process and can update the fiscal note when known.