

HB

121

COMMITTEE REPORT

HOUSE

-2/5/81

FURTHER: FINANCE

(5)

Date: 5-1-81

Mr. Speaker:

The Committee on STATE AFFAIRS has had HB 121

"An Act requiring annual adjustments under the teachers' and public employees' retirement systems; and providing for an effective date."

under consideration and (a majority of the committee) (the committee) reports it back with the following recommendations:

- do pass do not pass
- do pass with attached amendments(s)
- replace with CS for HB 121 (SA) same title
 new title
- and recommends CS HB 121 DO PASS
- AND attaches a "Letter of Intent" New Fiscal Note
- reports it back without recommendation
- referred to the _____ Committee

MEMBERS SIGNING
DO PASS

[Signature]

[Signature]

[Signature]

MEMBERS HAVING
OTHER RECOMMENDATIONS:

[Signature]

[Signature]
CHAIRMAN

* A S R T A

3/6/81

RESOLUTION

Whereas - the Alaska State Retired Teachers Assn. is an organization dedicated to improving the living standards and enriching the lives of its membership and

Whereas - the primary financial support of the retired teachers of Alaska is the Alaska Teachers Retirement Fund and

Whereas - the annual rate of inflation which ranges from 8-14% jeopardizes the fiscal integrity of many Alaska retired teachers receiving fixed benefits and

Whereas - the state of Alaska is realizing increased revenues from taxes and oil royalty payments and

Whereas the latest ^{actuarial} study of the TRS demonstrates the fiscal strength of the TRS Fund:

Be it therefore resolved that - the ASRTA supports the enactment of HB 121 and SB 60 which provides for an annual adjustment for improving the fiscal benefits of the retired teachers of Alaska relative to the Consumer Price Index as reported for the Anchorage Area -

* Alaska State Retired Teachers Association

Further be it resolved -- that ASRTA endorse the following provisions for implementing HB 121 & SB 60

1. that the legislature fund the unfunded liability of the T.R.S.
2. That the PRPA provision of HB 121 & SB 60 begin in the 5th year following retirement or at age 65 whichever comes first.
3. That 75% of the COLA as represented by the CPI reported for the Anchorage are become the basis for PRPA benefits.

Further be it resolved that since currently employed teachers will enjoy future of benefits far in excess of contributions that they be encouraged to support an additional contribution of up to 2% for the TRS in order to assist with the funding of P.R.P.A. provisions of HB 121 & SB 60.

These resolutions as endorsed by:

Central Alaska Retired Teachers Unit

Fairbanks Retired Teachers Unit

Ketchikan Retired Teachers Unit

Juneau Retired Teachers Unit

The other ~~four~~ Retired Teachers Units in Alaska

ATTACHMENT

Bill/Resolution No. HB 121

ASSUMPTIONS:

- 1. Estimated FY 82 Payroll (Total System) = \$261,775,000
- 2. State Contribution Rate to Fund Bill = 24.41%
- 3. State TRS Matching Rate to Fund Bill = 24.41%
- 4. School District Rate to Fund Bill = 24.41%

COST ANALYSIS:

<u>Employer</u>	<u>Payroll</u>		<u>Rate</u>	<u>Cost</u>	<u>Appropriation</u>
1. Department of Education	\$ 4,712,000	X	24.41%	\$ 1,150.2	To Their Budget
2. University of Alaska	\$ 42,617,000	X	24.41%	\$10,402.8	To Their Budget
				<u>\$11,553.0</u>	
3. State TRS Matching	\$261,775,000	X	24.41%	\$63,899.3	To TRS Match
4. State TRS Regular Budget:					
Personal Services				\$ -0-	To Personal
Travel				\$ -0-	To Travel
Contractual				\$ -0-	To Contractual
Commodities				\$ -0-	To Commodities
Equipment				\$ -0-	To Equipment
				<u>\$75,452.3</u>	
5. All School Districts	\$214,445,000	X	24.41%	\$ 52,346.3	
				<u>\$127,798.6</u>	

REMARKS:

Handwritten mark

I. REQUEST

Bill/Resolution No. House Bill 121

Title An Act Requiring Annual Adjustments Under the TRS and PERS.

Requested by _____

Date _____

II. FISCAL DETAIL

Agency Affected Administration - Division of Retirement & Benefits

Program Category Affected Labor Services and Elementary & Secondary Education

BRU, Program, or Subprogram(s) Affected 02-96-8-01-01-02 (TRS) 02-11-8-02-01-00 (TRS MATCH)

(Note: If more than one budget component is affected, separate line-item amounts and funding for each component in the analysis section.)

EXPENDITURES (Thousands of Dollars)

	FY 81	FY 82	FY 83	FY 84	FY 85	FY 86
100 PERSONAL SERVICES						
200 TRAVEL						
300 CONTRACTUAL						
400 COMMODITIES						
500 EQUIPMENT						
600 LAND & STRUCTURES						
700 STATE TRS MATCHING		63,899.3	70,289.2	77,318.1	85,049.9	93,554.9
100 BENEFITS		11,553.0	12,708.3	13,979.1	15,377.0	16,914.7
TOTAL		75,452.3	82,997.5	91,297.2	100,426.9	110,469.6

FUNDING (Thousands of Dollars)

GENERAL FUND		75,452.3	82,997.5	91,297.2	100,426.9	110,469.6
FEDERAL FUNDS						
VETERAN'S FUND						
FISH & GAME FUND						
HIGHWAY FUND						
AIRPORT FUND						
CAPITAL FUND						
PERS						
TRS						

POSITIONS NONE

FULL TIME						
PAPT TIME						
TEMPORARY						

III. ANALYSIS (See Fiscal Note Preparation Instructions, Section III)

1. Estimate long-term inflation rate of 7.5%.
2. An automatic PRPA with no ceiling will increase the contribution rate by 48.82% of covered TRS payroll (the TRS contribution rate is split 50/50 between the State matching contribution and the district contribution).
3. Estimate FY 82 TRS covered payroll @ \$261,775,000.
4. Estimate the TRS covered payroll will increase at 10% annually.

IV. DATE 2/23/81

PREPARED BY _____

Paul B. Arnoldt
Paul B. Arnoldt, Director

AGENCY _____

Division of Retirement & Benefits

Original: Legislative Finance

PHONE _____

465-4460

cc: Budget and Management

Prime Sponsor (First Legislator Named) Senator Ray

Office of the Governor (Keith Specking)

I. REQUEST

Bill/Resolution No. House Bill 121
 Title An Act Requiring Annual Adjustments Under The TRS And PERS
 Requested by _____ Date _____

II. FISCAL DETAIL

Agency Affected Administration - Division of Retirement and Lanefits

Program Category Affected Labor Services

BRU, Program, or Subprogram(s) Affected 02-96-8-01-01-01 (PERS)

(Note: If more than one budget component is affected, separate line-item amounts and funding for each component in the analysis section.)

EXPENDITURES (Thousands of Dollars)

	FY 81	FY 82	FY 83	FY 84	FY 85	FY 86
100 PERSONAL SERVICES						
200 TRAVEL						
300 CONTRACTUAL						
400 COMMODITIES						
500 EQUIPMENT						
600 LAND & STRUCTURES						
700 STATE TRS MATCHING						
100 BENEFITS		89,340.1	98,274.2	108,101.6	118,911.7	130,802.9
TOTAL		89,340.1	98,274.2	108,101.6	118,911.7	130,802.9

FUNDING (Thousands of Dollars)

GENERAL FUND		73,169.6	80,486.6	88,535.3	97,388.7	107,127.7
FEDERAL FUNDS		4,109.6	4,520.6	4,972.7	5,469.9	6,016.9
VETERAN'S FUND		178.7	196.5	216.2	237.8	261.6
FISH & GAME FUND		536.0	589.6	648.6	713.5	784.8
HIGHWAY FUND		1,161.4	1,277.6	1,405.3	1,545.9	1,700.4
AIRPORT FUND		2,590.9	2,850.0	3,134.9	3,448.4	3,793.3
CAPITAL FUND		7,593.9	8,353.3	9,188.6	10,107.5	11,118.2
PERS						
TRS						

POSITIONS NONE

FULL TIME						
PART TIME						
TEMPORARY						

III. ANALYSIS (See Fiscal Note Preparation Instructions, Section III)

1. Estimate FY 82 covered State PERS payroll to be \$296,614,000.
2. Increase in State contribution rate would be 30.12% of covered State PERS payroll.
3. Estimate future State PERS payroll to increase 10% annually.
4. Estimate long-term inflation rate of 7.5%.
5. The cost to political subdivision is estimated to be \$76.7 million in FY 82 increasing at 10% each year thereafter.

IV. DATE 2/23/81 PREPARED BY Paul B. Arnoldt, Director
 AGENCY Division of Retirement & Benefits
 PHONE 465-4460

Original: Legislative Finance
 Budget and Management
 Prime Sponsor (First Legislator Named) Senator Ray
 Office of the Governor (Keith Specking)

S. R. Bean 61042
Fairbanks, AK 99701
April 5, 1981

Mike Miller
Ranch V
Tununavut, Alaska

Dear Mr. Miller:

This letter is in re House Bill # 121
by Duvverson and Miller.

As a retired scientist I appreciate
your concern and work on behalf
of retired personnel.

I am looking forward to
receiving the comparative Post Retiree
and Pension Adjustment.

E. J. Miller, Retiree

State of Alaska
TEACHERS' RETIREMENT BOARD

7

Board Members:

Dr. Merritt C. Olson, Chairman
843 W. 11th Avenue
Anchorage, Alaska 99501

Mr. Harry Purdy, Vice Chairman
Box 187
Galena, Alaska 99741

Mrs. Jane Gustafson
Box 2276
Juneau, Alaska 99803

Mr. Steve Kinney
Route 1, Box 917
Ketchikan, Alaska 99901

Mrs. Dorothy Wells
SR Box 80470
Fairbanks, Alaska 99701

December 28, 1981

Honorable Ray H. Metcalfe
Alaska State Legislature
P.O. Box 4-2766
Anchorage, AK 99509

Dear Representative Metcalfe:

On behalf of the Alaska Teachers' Retirement Board, I would like to request your support and ask that you work for the prompt passage of SCS CSHB 121 (R1s) am S re-eng.

As you know, this bill represents a tremendous amount of work on the part of members of the executive and legislative branches as well as key employee representatives. We believe that the establishment of an actuarially funded, automatic annual post retirement pension adjustment (PRPA) for members of the Teachers' and Public Employees' Retirement Systems is an extremely significant and much-needed step for the retirement systems. We are hopeful that you and the other members of the House will take favorable action on this bill as early as possible in the 1982 session.

Thank you.

Sincerely,



Merritt C. Olson, Chairman
Teachers' Retirement Board

nc

STATE OF ALASKA

JAY S. HAMMOND, GOVERNOR

DEPARTMENT OF ADMINISTRATION

OFFICE OF THE COMMISSIONER

POUCH C

JUNEAU, ALASKA 99811

(907) 465-2200

December 11, 1981

Honorable Ray H. Metcalfe
Alaska State Legislature
P.O. Box 4-2766
Anchorage, AK 99509

Dear Representative Metcalfe:

Enclosed is a copy of our letter of December 8, 1981, to all PERS Fish and Game employees and a revised draft of the proposed regulation regarding peace officer coverage for qualified employees of the Department of Fish and Game.

As you are probably aware, there was considerable concern expressed by affected employees and other concerned individuals over the first draft regulation which was sent to them for review. Consequently, we have significantly modified the proposed regulation based upon input from those respondents.

Any employee who has peace officer coverage prior to the effective date of the regulation will continue to have that coverage as long as he or she remains in his or her current position or transfers to another covered position. However, one area of the regulation which caused major concern is subsection (b) which would exclude peace officer coverage for some positions if they do not meet the requirements of the regulation in order to qualify for peace officer coverage. Many of the employees are opposed to this provision of the regulation because they may be promoted to another position which may not qualify for peace officer coverage under the regulation. The Department of Law advises us that this subsection cannot be changed to accommodate that concern.

As you know, legislation is pending (Section 54 of SCS CSHB 121 (RIs) am S re-eng) which will allow existing employees to continue to have peace officer coverage until termination or retirement regardless of the position which they occupy within the Department of Fish and Game. Passage of this legislation would alleviate the promotional problems now experienced by some employees of the Department of Fish and Game. Also included in the bill is a provision that would eliminate peace officer coverage for Fish and Game employees hired after the effective date of the act. Both the Commissioner of Administration and

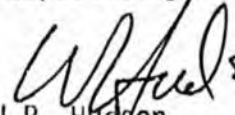
Honorable Ray H. Metcalfe
December 11, 1981
Page 2

the Commissioner of Fish and Game support th's legislation as it will not affect existing employees, yet it will eliminate all future Fish and Game employees from peace officer coverage. The original purpose of placing these employees under the peace officer provisions of the PERS was to extend the superior death and disability benefits to them to compensate for the dangerous duties they performed in the scope of their employment. Death and disability benefits have since been changed and, as a result, the coverage is now identical for all PERS employees. The reason for including Fish and Game employees for peace officer coverage no longer exists, and consequently these employees, or at least all future employees, should be placed under the "30-year and out" provision of the PERS.

The enclosed regulation is a result of concentrated effort to accommodate everyone, yet provide the PERS with the necessary guidelines to determine who should be included as a qualified employee of the Department of Fish and Game under the current law. Any additional comments and suggestions received from concerned parties, particularly employees of the Department of Fish and Game, will be given serious consideration prior to finalizing the regulation.

If you have recommendations or if I can answer any questions, please let me know.

Respectfully


W.R. Hudson
Commissioner

WRH/lw
Enclosures

STATE OF ALASKA

JAY S. HAMMOND, GOVERNOR

DEPARTMENT OF ADMINISTRATION

OFFICE OF THE COMMISSIONER

POUCH C

JUNEAU, ALASKA 99811

(907) 465-2200

December 8, 1981

TO: All PERS Fish and Game Employees

Enclosed is a revised draft of the proposed regulation which sets forth the requirements which must be met in order for an employee in your department to qualify for PERS "peace officer/fireman" coverage under AS 39.35.680(32).

As you can see, it has undergone considerable change from the version that was mailed to you in October. This is a direct result of letters received from many of you in which you expressed concern that the standards were too rigid. I feel that this new version adequately addresses those concerns. The following is an outline of the changes which have been made.

Subsection (a) has been revised to clarify that seasonal employees who were not specifically mentioned in the first version of the proposed regulation, are nevertheless covered.

The wording in subsection (b) has been revised slightly. However, the meaning is still the same. An employee in a position which qualifies for peace officer coverage prior to the effective date of this regulation shall continue to have peace officer coverage after this regulation becomes effective as long as the employee fills that position or another position that qualifies under this regulation. Many of you asked to have the regulation changed to allow an employee to promote to positions within the department that had the peace officer coverage before the effective date of the regulation, but not after. However, the Department of Law has advised that this cannot be done. There is legislation currently pending, however, which would allow this to be done. Section 54 of SCS CSHB 121 (R1s) am s re-eng would allow current employees who have peace officer coverage to continue with that coverage until termination of employment with the Department of Fish and Game or appointment to retirement or disability, regardless of the position within the department they may occupy. If that bill becomes law, the promotability problem will be resolved. I would encourage your support of this bill.

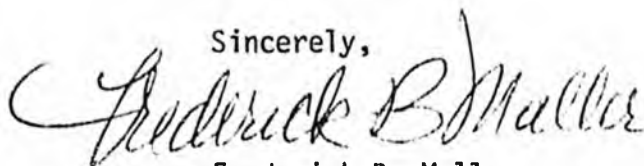
PERS Fish and Game Employees
December 8, 1981
Page 3

does not exclude travel from one city, town, village or community to another if the purpose was to conduct business such as aerial surveys while traveling.

The definition of "exposure to hazardous working conditions" has been completely revised to mean actively engaged in fish and game conservation or protection work involving a risk of serious bodily injury or death and specifically includes aerial surveys in small aircraft, working on vessels on the open sea, travel in small skiffs over open water or in remote locations, or conducting stream surveys or other work where contact with dangerous animals is likely. We feel this revised definition is a major improvement which reflects the unusual dangers which may be encountered by Fish and Game employees.

You should understand that adoption of this regulation does not mean it cannot be amended in the future if the need arises. If you have any suggestions or comments, either favorable or unfavorable, please send them to my attention before December 21, 1981.

Sincerely,



Frederick B. Muller
Deputy Commissioner for
Personnel Management

FBM/lw
Enclosure

Register , 1981 Administration 2AAC30. 010

Title 2. Administration
Chapter 30. Public Employees'
Retirement System
Section .010 Qualified Fish and Game Employees.
2 AAC 30. 010 Qualified Fish and Game Employees.

- (a) Any person, who is a permanent, full-time employee (including a seasonal employee), of the Department of Fish and Game, who fills a position which has been certified by the Commissioner of Fish and Game and approved by the Commissioner of Administration as having duties which necessitate a significant amount of field work, travel, or exposure to hazardous working conditions, is deemed to be a "qualified employee of the Department of Fish and Game" under AS 39.35.680(32) and shall be afforded peace officer coverage in the Public Employees' Retirement System.
- (b) Other provisions of this regulation notwithstanding, any person within the Department of Fish and Game who, prior to the effective date of this regulation, filled a position which was treated by the Division of Retirement and Benefits as qualifying for peace officer coverage shall continue to be afforded peace officer coverage after the effective date of this regulation as long as the person fills that position or any other position within that department that qualifies under this regulation.

DRAFT

(c) AS 39.35.160 requires each peace officer in the system to contribute five percent of compensation to the Public Employees' Retirement System. Therefore, any person who receives credit as a peace officer for service already rendered must contribute an amount equal to the difference between the contributions which have been made and the contributions that are required for peace officer coverage for the same period of service. Public Employees' Retirement System Board Regulation 81-2 sets the rate of interest to be charged on an indebtedness to the system. Therefore, interest at the rate prescribed by that regulation shall accrue on any unpaid contributions commencing ninety (90) days from the date of notification of the amount of unpaid contributions.

(d) Definitions. In this regulation:

- 1) "a significant amount" means at least 5% of an individual's working time;
- 2) "field work" means working outside of a permanent structure and does not include work within or in proximity to a permanent residential community;
- 3) "travel" means going to and from a place of duty as a passenger or operator in a plane, bus, train, automobile, boat, or any other form of mechanized transportation. It does not include travel primarily for the purpose of going from one established city, town, village, or community to another.

4) "exposure to hazardous working conditions" means actively engaged in fish and game conservation or protection work which involves a demonstrated high risk of serious bodily injury or death, and includes:

1. aerial surveys in small aircraft,
2. working on vessels on the open sea,
3. travel in small skiffs over open water or in remote locations, or
4. conducting stream surveys or other work where contact with dangerous wild animals is likely.

(EFF / / , Register)

Authority

AS 39.35.680(32)



THE AMERICAN LEGION

DEPARTMENT OF ALASKA
235 EAST 8th AVENUE
ANCHORAGE, ALASKA 99501
(907) 276-8211

WILLIAM M. BISHOP
Department Commander
Box 848, Kodiak, AK 99615

ROBERT C. BLAIR
National Executive Committeemac
Box 2337, Kodiak, AK 99615

GEORGE H. INMAN
Alternate NEC
Box 1073, Sitka, AK 99835

FLOYD R. JOHNSON
Department Adjutant/Service Officer
235 East 8th Avenue, Anchorage, AK 99501

November 20, 1981

Representative Ray H. Metcalfe, Chairman
House State Affairs Committee
P.O. Box 4-2766
Anchorage, Alaska 99509.

Dear Representative Metcalfe:

The Alaska State Legislature has for many years provided funding for the salaries of the American Legion Service Officer and salaries for the clerical back up. In addition several Legislators have introduced bills authorizing employees of the American Legion and Veterans of Foreign Wars to participate in the State PERS and Insurance Programs on at least two separate occasions starting back in 1977.

Veterans Services is a State responsibility which the Legislature, many years ago, felt would be best served by the Service Officers of the two veterans organizations rather than the establishment of another agency with State wide offices. (Most Cost Effective).

We were asked to amend our By-Laws and Articles of Incorporation to reflect participation in PERS and the State Insurance program. This was accomplished June 16-18, 1977, in Sitka, Alaska, copy enclosed.

The number of full time employees, who would be qualified to participate, totals six (6), two Service Officers, two Assistant Service Officers and two clerical. (3 Legion and 3 Veterans of Foreign Wars).

In addition we are subject to all State Regulations and are audited by the Governors Office and Legislative Affairs. In effect we are State Employees as far as all the rules and regulations go but are not permitted to participate in the benefits packages.

Your favorable consideration is requested.

Sincerely

Floyd R. Johnson
Department Service Officer
The American Legion

TO:

Representative Sam Cotton, Chairman
House Finance Committee
Alaska State Legislature
Juneau, Alaska

FROM:

Following Permanent Employees of the Alaska Dept. of Fish &
Game, Dillingham Area Office

SIGNED: *Michael L. Nelson*

Jeffrey R. Skrade

William L. Sahawda, Jr.

John J. Lamer

MESSAGE:

A great amount of thought and effort has gone into the creation of CS for HB 121, and although certain sections, such as the method of determining PAPAs based on age at retirement are not favorable to younger retirees, this bill has our strong support, and we respectfully urge your committee to support this bill and act favorably on it during this current session.

COPIES TO:

Representatives Joe Chuckwuk, Jim Duncan and Mike Miller

Senators Ed Dankworth, Bill Ray and George Hohman

All Members of the House Finance Committee

Please note changes on page 2

Original sponsor: ~~Ray~~

Offered: 6/11/81
Referred: Finance

1 *House* IN THE SENATE *Finance* BY THE STATE AFFAIRS COMMITTEE
2 CS FOR SENATE BILL NO. *House* *121* *Finance* ~~490~~ (~~State Affairs~~)
3 IN THE LEGISLATURE OF THE STATE OF ALASKA
4 TWELFTH LEGISLATURE - FIRST SESSION

5 A BILL

6 For an Act entitled: "An Act relating to the public employees, teachers,
7 judicial, and National Guard benefits; and providing
8 for an effective date."

9 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF ALASKA:

10 * Section 1. AS 14.20.345(d) is amended to read:

11 (d) The governing body of the district may agree to continue the
12 teacher's retirement contributions if the teacher agrees to pay the
13 percentage required under AS 14.25.050 [REQUIRED SEVEN PERCENT] of the
14 salary the teacher [HE] would have received during the [HIS] leave of
15 absence and reimburse the district for the district's required retire-
16 ment contribution. Each year of leave of absence then would count as a
17 year of retirement service.

18 * Sec. 2. AS 14.25.020(a)(1) is repealed and reenacted to read:

19 (1) formulate and recommend to the Alaska Teachers' Retire-
20 ment Board regulations to govern the operation of the system;

21 * Sec. 3. AS 14.25.022 is amended to read:

22 Sec. 14.25.022. REGULATIONS. Regulations adopted by the Alaska
23 Teachers' Retirement Board [PROMULGATED BY THE ADMINISTRATOR] under
24 AS 14.25.010 - 14.25.220 relate to the internal management of a state
25 agency and their adoption is not subject to the Administrative Proce-
26 dure Act (AS 44.62).

27 * Sec. 4. AS 14.25.035 is amended by adding a new subsection to read:

28 (i) The board may adopt regulations recommended by the adminis-
29 trator to carry out this chapter with modifications it considers proper.

1 Sec. 39.35.160. AMOUNT OF EMPLOYEE CONTRIBUTIONS. While partici-
2 pating in the system each peace officer and each fireman shall contri-
3 bute seven [FIVE] percent and every other employee shall contribute six
4 [FOUR] and one-quarter percent of their [HIS] compensation to the
5 public employees' retirement system.

6 * Sec. 26. AS 39.35.200(b) is amended to read:

7 (b) If, upon termination of employment, an employee has credited
8 service of less than five years and has less than \$1,000 in the [HIS]
9 employee contribution account, a refund of the employee contribution
10 account and the employee savings account must be made unless the
11 employee indicates in writing that future retirement is intended and
12 contributions should not be refunded. An employee who is reemployed
13 with an employer and whose contributions have not been refunded before
14 reemployment [RE-EMPLOYMENT] is not eligible for a refund.

15 * Sec. 27. AS 39.35 is amended by adding a new section to article 5 to
16 read:

17 Sec. 39.35.305. CREDITED SERVICE FOR EMPLOYMENT WITH THE DIVISION
18 OF MARINE TRANSPORTATION. (a) A vested employee ^{who is a member of the system on July 1, 1981,} is entitled to

19 credited service for periods of employment before January 1, 1977, with
20 the division of marine transportation for which the employee was
21 credited with service under a marine retirement trust. *The credited service allowed may*

22 (b) In order to obtain credited service under this section, an
23 employee shall make an election to do so and shall verify the period of
24 service. When eligibility for credited service has been established,
25 an indebtedness shall be determined as follows: (1) the employee's
26 actual compensation, or the calculated annual compensation for an
27 employee working less than 12 months, during the calendar year 1981 or
28 the year in which an employee first becomes vested under this chapter,
29 whichever is later, multiplied by (2) eight percent, and this product

not exceed an aggregate period of five years. Benefits are not payable on service credited under this section unless the employee makes retro-active contributions to the system for the period of time that service credited is claimed.

WILLIAM E. BLACKBURN
PROFESSIONAL CIVIL ENGINEER
BOX 25 DOUGLAS, AK. 99824
PHONE: 789-9592

5/8/81

RE: C.S. for HB 121

Rep. Mike Miller
Alaska Legislature
Pouch V
Juneau, Ak.

Dear Mike:

As a STATE EMPLOYEE I support C.S. for HB 121
with the following exception:

- (1) Why should the new retiree receive less
cost of living increase than an older retiree?
Expenses are probably greater at inception
into retirement - not the other way around.
If a cost of living is introduced, it should
not discriminate based on age. I support
equal cost of living for all employees.

Thanks Mike.

Sincerely,

Bill Blackburn

Box 193
Glennallen
99588
3/24/81

Representative Miller

Pouch V

Juneau, Alaska

99811

Dear Representative Miller:

We urge your support on H.B. 121.
Increasing retirement benefits
in keeping with raised cost of
living is absolutely necessary.
A guarantee of increased retirement
wages needs your support. Those
on fixed incomes will be hardest
hit as inflation increases. Please
support this bill H.B. 121 (P.R.P.A.)

Thank you
Mr + Mrs Larry Seubner
Teachers
Copper River School District

P. O. Box 199
Dillingham, Alaska 99576
April 5, 1981

Representative Mike Miller
Representative Jim Duncan
ALASKA STATE LEGISLATURE
Pouch V (MS 3100)
Juneau, Alaska 99811

Dear Representatives Miller and Duncan:

I am writing to you to express my support of House Bills No. 35 and No. 121 concerning retirement benefits.

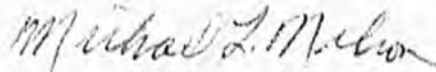
I believe that the increase in the basic retirement benefit formula as expressed in House Bill No. 35 will provide a strong incentive for state employees to view their employment as a long-term career opportunity, which will help to decrease the high employee turnover rate which continues to be a problem.

House Bill No. 121 has my support also, as long as the present retirement program can support the additional cash outflow. If the solvency of the program is in question, as pertains to House Bill No. 121 (and House Bill No. 35), then a serious consideration should be given to an increase in the employee-employer monthly contribution rate.

I do believe that the intent of these two bills is consistent with the desire to obtain and keep high quality persons in state employment, and to act as an inducement to recruit good people.

Your continued support of these bills and similar issues is appreciated by myself and fellow workers in our Dillingham Fish & Game area office.

Sincerely,



Michael L. Nelson

cc: Rep. Joe Chuckwuk

ALASKA STATE RETIRED TEACHERS ASSOCIATION

1411 West 33rd Avenue
Anchorage, AK 99503

The Honorable Mike Miller
House of Representatives
Pouch V
Juneau, AK 99811

Dear Representative Miller:

I am president of the Alaska State Retired Teachers Association which has a membership of 859. We strongly endorse HB 121 which would provide an automatic PRPA equal to the percentage increase in the Consumer Price Index. We do need just that kind of PRPA but we are reasonable, responsible citizens who realize that even today state monies are limited and that the needs are many. Therefore, may I suggest that while it is essential that the PRPA be automatic I feel there is room for negotiation as to the amount of the PRPA. I am also quite sure that some funding for a PRPA might come from increased contributions by the active teachers.

For example, a PRPA equal to 75% of the CPI would reduce the cost and still enable retirees to combat the inroads of inflation. In the last few years teacher salaries have increased and new retirees' benefits are based upon the higher salary. Therefore, the costs of a PRPA could be lessened by making the first payment due on the fifth anniversary of one's retirement or at the age of 65, whichever came first.

HB 121 will, of course, have a fiscal note attached which will be based on actuarial studies done for the Division of Retirement Benefits. At our annual meeting on March 7, we were told that the fiscal note might be as much as \$150,000,000 for the first year. The actuaries' report dated June 30, 1980 shows the total expenditures made to 1,245 retirees and beneficiaries to have been \$15,597,360 for the fiscal year 1980. Although there will probably be another 200 teachers retiring as of July 1, 1981, that number hardly seems to justify the PRPA's costing ~~the~~ times as much as the annual expenditures. Can you find out for us if these figures are correct? Can you get an explanation that the retired teachers can understand? I am frank to admit that I do not understand the situation.

Juneau members Jane Gustafson and Rose Olive Druxman would like to tell you that you are a friend of the retired teachers. Do feel free to call upon them or upon Cliff Berge, chairman of our Legislative Committee, for information or for any other help. If I can assist in any way, please let me know. We are very appreciative of your efforts on our behalf.

Very truly,

Catherine J. Larson

(Mrs. Royce Larson)
President, ASRTA

Box 208
Copper Center, Alaska
99573
3/22/81


Representative Miller
Pouch V
Juneau, Alaska 99811

Dear Representative Miller,

I would like to encourage you to support H.B. 121 (P.R.P.A.).
I feel that teachers' standards of living will continue to
decrease as inflation increases. Especially those on fixed
retirement incomes will be affected. Please support this bill.

Sincerely,

Andrew Zajac



P.O. Box 1368
Juneau, Alaska
99802

April 4, 1991

Representative Mike Miller
Alaska State House of Representatives
Pouch "V," State Capitol Bldg.

Dear Mike,

The Juneau Retired Teachers Association
wishes to express thanks and appreciation
to you for sponsoring PRPA legislation,
SB 121. We are grateful for your
support.

Sincerely,

Roselline Druxman
President, JRTA

TELEGRAM

W. B. BOM, INC.
PHONE: 586-6442
JUNEAU, AK 99802

#V

02204 POM TDA GLENNALLEN ALASKA 15 03-25 2242P AST

PMS REP MIKE MILLER

'81 MAR 26 AM 1 30

JUN

RETIRED TEACHERS NEED DECENT STANDARDS OF LIVING. PLEASE
SUPPORT HB121 PRPA IN YOUR COMMITTEE.

JOE HEERSINK

GLENNALLEN ALASKA 99588

TELEGRAM

ALASKA
PHONE: 586-1111
JUNEAU, AK 99801

'81 MAR 26 AM 1 52

#

02208 POM TDA GLENNALLEN ALASKA 15 03-25 2229P AST
PMS REP MIKE MILLER

JUN

FIXED INCOME IS REALLY HURTING RETIRED TEACHERS. PLEASE
SUPPORT HB121 PRPA IN YOUR COMMITTEE.

HARRY HOFSTETTER

GLENNALLEN ALASKA 99588

#

02226 POM TDA GLENNALLEN ALASKA 15 03-25 1116P AST

981 MAR 26 AM 1 52

TELEGRAM

AMERICAN
PHONE CO.
1000
1000

PMS REP MIKE MILLER

JUN

SINCE INFLATION ERODES RETIRED TEACHERS PAY PLEASE SUPPORT

H121 PRPA IN YOUR COMMITTEE.

JOYCE FISH

GLENNALLEN ALASKA 99588

#

02218 POM TDA GLENNALLEN ALASKA 15 03-25 1102P AST

PMS REP MIKE MILLER

JUN

HELP KEEP RETIRED TEACHERS OUT OF POORHOUSE.

PLEASE JOIN US, AK 99802

SUPPORT HB121 PRPA IN YOUR COMMITTEE.

LORETTA DASQUEZ

GLENNALLEN ALASKA 99588

01 MAR 25

TELEGRAM

TELECOM, INC.

PHONE: 586-8442

52

Box 22
Glennallen, AK 99588
March 25 1981

Representative Mike Miller
Pouch V
Juneau, AK 99811

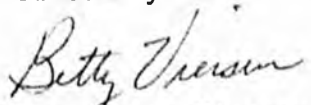
Dear Representative Miller

As a teacher in Alaska for eleven years, I would like to encourage you to support HB 121 (P.R.P.A). It would be difficult for Alaska teachers to live on their retirement in Alaska if the retirement was not tied in some way to the cost of living and inflation.

Please support HB 121.

We appreciate your dedication to Alaskan government and its politics.

Sincerely


Mrs. Betty Viersen

Legislation that will:

- Fight Post-Retirement Inflation
 - Increase the Benefit Formula
-

Contact your Legislator. Get support for this bill. This legislation will help fight inflation during your post-retirement years.

It would mean an immediate pension adjustment for older retirees - the retirees who need it most. It would guarantee protection against future inflation on a soundly funded basis. It could be an incentive to help retain qualified employees in state service.

Currently, retirees may receive a discretionary 4% PRPA (Post Retirement Pension Adjustment), upon determination by the Administrator. A fixed schedule would be established under the provisions of this bill. A fixed schedule would lend stability and security to a retiree's plans for the future. Income would be predetermined and could not vary due to political or administrative whims and pressures.

This major upgrading of post retirement benefit increase is costly. There would be a 2% increase in the employees' contribution. However, the overall cost breakdown is equitable with FY82 costs of approximately \$79 million apportioned: State - \$35 million; political subdivisions - \$32 million; employees - \$11 million.

The bill would provide the following PRPA schedule:

- For those 65 and over - 75% of the CPI, not to exceed 9% per year.
- For those 60-64 and those under 65 on disability retirement - 50% of the CPI, not to exceed 6% per year.
- For those 55-59 - 25% of the CPI, not to exceed 3% per year.

Benefit Formula Increase Effects:

Current Benefit Formula - 2% of the average monthly salary, based upon salaries for the three, consecutive, highest-income years, multiplied by the number of years worked.

Non Peace Officers' System Employees - will increase formula to 2¼% for 10 years of service, and to 2½% for 20 years or more of service. The increase would be retroactive to the initial date of hire.

Peace Officers' System Employees would have the option of remaining in the system (20 years retirement), or moving to the non Peace Officers' system.

Department of Fish & Game Employees - current employees in the Peace Officers' System, would have the option of remaining in that System, even when promoted to a non-covered position in Fish & Game, or moving to the non Peace Officers' System. New Fish & Game employees will be in the non Peace Officers' System, and those with certified hazardous duty assignment will receive other additional benefits.

**Contact your Legislator Today
Pouch V, Juneau 99811**

**Alaska Public Employees Association
340 N. Franklin St., Juneau 99801 586-2334**

141
121
211 HECKMAN ST.
KETCHIKAN, ALASKA

REP. MIKE MILLER
STATE AFFAIRS & FINANCE
JUNEAU, ALASKA

DEAR MIKE:

I WANT TO THANK YOU FOR YOUR
EFFORT IN BACKING HB #121
PROVIDING A POST RETIREMENT PENSION
ADJUSTMENT FOR BOTH TRS & PERS
EQUAL TO THE CONSUMER PRICE INDEX
FOR ANCHORAGE.

WE HAVE THE MONEY IN ALASKA
NOW AND I CAN'T THINK OF A
MORE WORTHWHILE WAY OF USING SOME
OF IT. THE MANY RETIRED TEACHERS
OF ALASKA HAVE GIVEN MUCH TO THE
YOUTH OF OUR STATE AND THIS IS ABOUT
THE ONLY WAY WE CAN SHOW OUR GRATITUDE.

SINCERELY

Mary Burns



Alaska Public
Employees Association

APEA

State Headquarters: 340 N. Franklin, Juneau, AK 99801 (907) 586-2334

January 28, 1982

Representative Ray H. Metcalfe
Pouch V
Juneau, AK 99811

Dear Representative Metcalfe:

On behalf of the Alaska Public Employees Association members and myself, I wish to express our appreciation for your support of CSHB 121.

As you know I am personally aware of the time and effort you expended to negotiate passage of this bill. The members are cognizant of your real contribution and gratefully acknowledge your efforts on their behalf.

I am looking forward to a continuation of our present working relationship during the remainder of the current session.

Most sincerely,

Cherie Shelley
Executive Director

CS/rm

REC'D JAN 29 1982

Fairbanks Field Office
825-D College Road
Fairbanks, AK 99701
Telephone: (907) 456-5412

Anchorage Field Office
833 Gambell Street, Suite A
Anchorage, AK 99501
Telephone: (907) 274-1688

Juneau Field Office
227 4th Street
Juneau, AK 99801
Telephone: (907) 586-6305

(Resources Committee Room) 118

Dept. of Admin. 2277 Judy Crowder

H.B. 121 -
H.B. 35 -

Jim Kelly - Jim Crawford - assist. dir. at ASHA
ASHA - threat of cutoff of HUD money - need

? Jack Smokey - Anchorage Lawrence Kimball - Anchorage

✓ John Curtis - Anchorage 279-7643 465-4964

Jim Crawford 9:00 Friday -

TUGGLE - when bill is coming over

23rd
Legislative Finance

Given to editor this morning

- UFW

House Secretaries ⊕ 3757 ⊕ 35
3729 121

(519) office

8

MSG 31-00011789 PRTY 1 04/08/01 16:59:49 BRIG: 1F01 IN= 0016 OUT= 0114
FROM: MAXINE / FAIRBANKS TO: JUNG INFO PAGE 0001
TARGET: LJM2 SUBJ: POM'S

TO: REP. MILLER, SMITH, BROWN, ROGERS, BETTISWORTH, ARBOO, CUDDY
FR: GAYLE W HARBO, BOX 80522, COLLEGE 99708 PH. 452-7815
RE: HB 121

I STRONGLY URGE YOUR FAVORABLE PASSAGE OF HB 121 OUT OF CMTE. WE APPRECIATE YOUR WORK ON THIS BILL.

IT IS EXTREMELY IMPORTANT TO TEACHERS TO RECEIVE A P.D.P.A. COMMENSURATE WITH COLA. IT IS JUST IMPOSSIBLE FOR RETIRED PEOPLE TO KEEP AHEAD RIGHT NOW.

I HOPE YOU WILL LISTEN TO TEACHER CONCERNS APRIL 10, 11, AT OUR ANNUAL FLY-IN. THANKS

14

MSG 01-00011983 PRTY 1 04/09/81 15:48:51 0815 1701 IN= 0014 SNT= 0000
FROM: ANNIE IN FAIRBANKS TO: BUREAU INFO.
TARGET: LJM2 SUBJ: POK PAGE 0001

TO: REPS. MILLER, FULLER, BROWN, ABOOD, AND CUDDY
REPS. BETTISWORTH, FANNING, RANDOLPH, ROGERS, SMITH
SENS. PARR, FAHRENKAMP AND BENNETT

FROM: LOLA TILLY, 665 10TH AVE. 304, FAIRBANKS 99701 452-2504

THANK YOU FOR YOUR EFFORTS IN BEHALF OF HR 104 AUTOMATIC COST OF LIVING
ADJUSTMENT TEACHERS' RETIREMENT.

MSG 81-00012145 PRTY 1 04/10/81 17:45:42 ORIG: LF01 IN= 0005 OUT= 0036
FROM: MAXINE/DBX TO: JUND INFO PAGE 0002
TARGET: LJM2 SUBJ: FOM

TO: REP ROGER, AND ALL MEMBERS OF HOUSE FINANCE *Cotton, Freeman, Adams, Buchholz,*
REP BEARNE AND ALL MEMBERS OF HOUSE STATE AFFAIRS *Malone, Meekins, Moss, Leger,*
Miller, Fuller, Wood, Brown, Cuddy
FR: G. DONALD WHEAT, 312 MINNIE ST. FAIRBANKS 99701 PH. 452-0636
RE HR 121

PLEASE SUPPORT HR 121 WHICH PROVIDES FOR ANNUAL ADJUSTMENTS FOR
RETIRED TEACHERS AND PUBLIC EMPLOYEES. RETIRED PERSONS ARE LOSING
PURCHASING POWER AS IS EVERYONE. BUT OUR INCOMES HAVE INCREASED VERY
LITTLE IN THE PAST FIVE YEARS. PLEASE HELP US ENJOY OUR GOLDEN
YEARS.

MSG 81-00011127 PRTY 1 04/06/81 10:19:07 ORIG: LM00 IN= 0002 OUT= 0020
FROM: MARY/MATSU TO: JUNEAU INFORMATION
TARGET: LJH2 SUBJ: P.O.M. PAGE 0004

TO: HOUSE STATE AFFAIRS COMMITTEE
RE: MILLER, REP. FULLER, REP. BROWN, REP. ARDOD, REP. CUDDY
FR: JOHN DEFREEST, BOX 2753, PALMER 99645, 745-3043

AS A RETIRED TEACHER, I APPLAUD THE WORK YOU HAVE DONE ON THE STATE
AFFAIRS COMMITTEE. I STRONGLY URGE PASSAGE OF HR 121 ON AFFECT TEACHER
AND PUBLIC EMPLOYEE RETIREMENT BASED ON CONSUMER PRICE INDEX AS COMPUTED
FOR ANCHORAGE. THANK YOU.

6
MSG 81-00011166 PRTY 1 04/06/81 12:36:06 ORIG: LF01 IN= 0002 OUT= 0034
FROM: MAXINE/FAIRBANKS TO: JUNO INFO
TARGET: LJHZ SUBJ: FOM PAGE 0001

TO: REP. MILLER, REP. BROWN, REP. ABOOD, REP. CUDDY

FR: LOIS MEIER, 721 NORTHWARD BLDG., FAIRBANKS 99701 PH. 452-3638

RE: HB 121

I APPRECIATE YOUR CONCERN AND WORK FOR THE RETIRED STATE TEACHERS AND
PUBLIC EMPLOYEES AND URGE YOU TO SUPPORT HB 121 THIS LEGISLATIVE SESSION
TO GIVE THEM AN AUTOMATIC P.R.F.A.