

HB

17

Attached letters sent to following list.

Jim Holen
1311 West Shore Drive
Wasilla, AK 99687

Dimitri Bader
13341 Lower Canyon Road
Anchorage, AK 99516

Steven Campbell
Star Route Box 2325-DA
Wasilla, AK 99687

Nels and Lynda L. Z. Nichols
General Delivery
New Stuyahok, AK 99636

Richard DeBusman
P.O. Box 870769
Wasilla, AK 99687

David K. Maxwell
P.O. Box 874461
Wasilla, AK 99687

Ken Allen
636 Auklet
Palmer, AK 99645



Official Business

Alaska State Legislature

House

P.O. BOX V
State Capitol
Juneau, Alaska 99811

COMMITTEE ON STATE AFFAIRS

May 19, 1987

Steven Campbell
Star Route Box 2325-DA
Wasilla, AK 99687

Dear Mr. Campbell:

Thank you for writing to express your opinion about House Bill 17. I'm sorry I was not able to respond earlier because of the press of business during the last weeks of the legislative session.

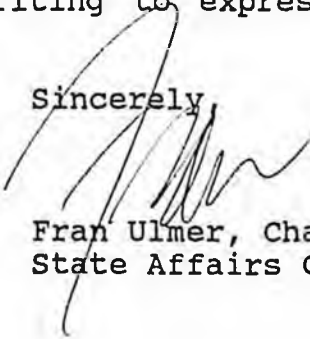
The House State Affairs Committee scheduled House Bill 17 for hearing on April 8 and heard testimony from both the Department of Administration and the public. At that time, the Department of Administration expressed concern that if the Retirement Incentive Program were extended at this time, there would be no way to evaluate the effect of the program during the first year, its costs and benefits.

House Bill 17 was assigned to a subcommittee of Representatives Menard, Davidson and Donley. The conclusion of this subcommittee was essentially the same as that of the Department of Administration: Close the window of eligibility on October 1, 1987, and allow the Department of Administration, Division of Retirement and Benefits, to prepare a thorough analysis of the costs and benefits of the existing program. I have enclosed a copy of their report for your information.

This subcommittee report was presented to the full State Affairs Committee at its meeting on May 15 and the decision of the committee was to hold this legislation until next session when more information would be available.

Thank you, again, for writing to express your opinion on House Bill 17.

Sincerely,


Fran Ulmer, Chair
State Affairs Committee

Enclosure

Curt Menard

351 W. Swanson Ave.
Wasilla, Alaska 99687

Or

P.O. Box V
Juneau, Alaska 99811

376-5315 Work
745-8122 Work
376-5855 Home
465-2679 Juneau



M E M O R A N D U M

DATE: April 27, 1987

FROM: Curt Menard, Chairman *Curt*
House State Affairs Subcommittee on HB17

TO: Fran Ulmer, Chairman
House State Affairs Committee

RE: Subcommittee Report on HB17

The House State Affairs Subcommittee has met and reviewed HB17, An Relating to the Early Retirement Program; and Providing for an Effective Date.

Recommendations of the committee include:

- 1) Close the window of eligibility on October 1, 1987.
- 2) No consensus could be reached on the questions relating to 17 year veterans retirement.
- 3) Allow the Department of Administration, Division of Retirement and Benefits to prepare a thorough analysis of the costs and benefits of the existing program.
- 4) Adopt provisions suggested by Representative Springer that would credit certain temporary work toward retirement.

In attendance at the subcommittee meeting were Representatives Menard, Davidson, Donley, and representatives from Representative Springer and Representative Larson's offices, the Division of Retirement and Benefits and APEA.

PUBLIC OPINION MESSAGE

DEAR: REPRESENTATIVE ULMER

NAME: STEVEN CAMPBELL
TITLE:
ADDRESS: S R BOX 2325-DA
CITY: WASILLA ZIP: 99687
PHONE: 892-7046
BILL NO: HB 17
SUBJECT: EARLY RETIREMENT PROGRAM
MESSAGE: PLEASE MOVE OUT ON TO HOUSE FLOOR FOR OPEN DISCUSSION.

POMID: 14121920
DATE: 05/14/87
TIME: 12:19:20
LIONAME: MAT-SU LIC

COPIES: REPRESENTATIVES

MEHARD
HOFFMAN
DAVIS
DONLEY
MARTIN

JC
Letter

PUBLIC OPINION MESSAGE

DEAR: REPRESENTATIVE ULMER

NAME: JIM HOLEN
TITLE:
ADDRESS: 1311 WEST SHORE DR
CITY: WASILLA ZIP: 99667
PHONE: 376-7498
BILL NO: TWO
SUBJECT: HB 17, SB 42--EARLY RETIREMENT
MESSAGE: I AM IN FAVOR OF EARLY RETIREMENT, HB 17 & SB 42. I ENCOURAGE YOU
TO MOVE THIS LEGISLATION THROUGH COMMITTEES AND ON TO FLOOR FOR A
VOTE. THANK YOU.

POMID: 14145055
DATE: 05/08/87
TIME: 14:50:55
LIONAME: MAT-SU LIO

COPIES: REPRESENTATIVES SENATORS

LARSON	KERTTULA
MENARD	SZYMANSKI
BOUCHER	ABOOD
DAVIDSON	FAIKS
DONLEY	HENSLEY
HOFFMAN	JOSEPHSON
MARTIN	UEHLING
	BENNETT
	BINKLEY
	DUNCAN
	FISCHER
	ZHAROFF

SAC

PUBLIC OPINION MESSAGE

DEAR: REPRESENTATIVE ULMER

NAME: DIMITRI BADER
TITLE:
ADDRESS: 13341 LOWER CANYON ROAD
CITY: ANCHORAGE, AK. ZIP: 99516
PHONE: 345-2160
BILL NO: HB 17
SUBJECT: EARLY RETIREMENT PROGRAM
MESSAGE: I WOULD RETIRE TODAY BUT I CAN'T BECAUSE OF MY FINANCIAL CRISIS.
PLEASE PASS THE RETIREMENT INCENTIVE PROGRAM ANOTHER YEAR FOR GGU MEMBERS.
THANK YOU.

POMID: 03144530
DATE: 05/15/87
TIME: 14:45:30
LIONAME: ANCHORAGE LIO

COPIES: REPRESENTATIVES

BOUCHER
DAVIDSON
DOHLEY
HOFFMAN
MARTIN
MENARD

C. H. H. P.

PUBLIC OPINION MESSAGE

DEAR: REPRESENTATIVE ULMER

NAME: KEN ALLEN
TITLE:
ADDRESS: 636 AUKLET
CITY: PALMER ZIP: 99645
PHONE: 745-5848
BILL NO: HB 17
SUBJECT: EARLY RETIREMENT PROGRAM
MESSAGE: TO MY KNOWLEDGE, HB17 HAS NOT MOVED. I WOULD LIKE TO KNOW
WHAT ACTION IS BEING TAKEN. REPLY REQUESTED.

PCNID: 14162335
DATE: 05/04/87
TIME: 16:23:35
LIONAME: MAT-SU LIO

COPIES: REPRESENTATIVES

BOUCHER
DAVIDSON
DONLEY
HOFFMAN
MARTIN
MENARD

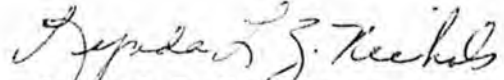
A
JC
Jimmie Littlejohn

General Delivery
New Stuyahok, Alaska 99636
May 5, 1987

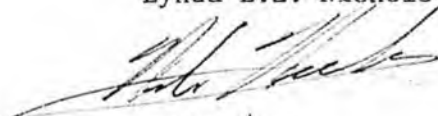
Dear Representative Ulmer:

Please support House Bill 17 which extends the early retirement option for another year.

Sincerely yours,



Lynda L.Z. Nichols



Nels

JC.

#317 response pls

JL

RECEIVED MAY 4 1987

FROM THE DESK OF RICHARD & NANCY DEBUSMAN
P.O. BOX 870769
WASILLA, ALASKA 99687
PH. # (907) 376-5538

4/18/87

Representative Fran Ulmer
Alaska State Legislature
P.O. Box V
Juneau, Alaska 99811

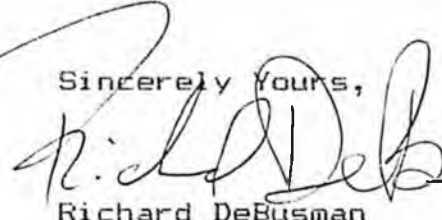
Dear Representative Ulmer:

After communicating with all of our local legislators, I find that HB 17 (early retirement for teachers) is in the State Affairs Committee and not moving at the moment???

I strongly encourage you to take the steps necessary to get this bill through committee and on to the floor where I am assured a good bit of support exists. I have planned to take advantage of this bill and know of several others making similar plans.

Please let me know if there is anything I can do to help move this bill.

Sincerely yours,



Richard DeBusman

P.O. Box 874461
Wasilla, Alaska 99687

5/01/87

Representative Fran Ulmer
Alaska State Legislature
P.O. Box V
Juneau, Alaska 99811

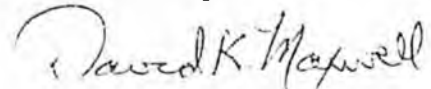
Dear Representative Ulmer,

HB 17 (early retirement for teachers) is in the State Affairs Committee and not moving at the moment. I strongly encourage you to take the steps necessary to get this bill through committee and on to the floor. I have planned to take advantage of this bill and know of several others making similar plans.

Passage of this bill would permit our school district to retain a teacher with three (3) or fewer years of experience, pay the school district's portion of the early retirement contribution, and save money by retiring me from my "top of the salary schedule" wage. The savings would continue each year until my replacement reached the top of the salary schedule.

Please let me know if there is anything I can do to help move this bill.

Cordially,



David K. Maxwell

QUALITY SERVICES

Date APR 09 1987

Juneau Empire

Client No. 615

Committee reviews early retirement

615

By CHUCK KLEESCHULTE

THE JUNEAU EMPIRE

A proposal to extend the state's current early retirement incentive program hit bumpy going Wednesday in a House committee. Whether an extension is going to be routed to oblivion, however, is far from certain.

Members of the House State Affairs Committee, chaired by Juneau Democrat Fran Ulmer, considered a bill (HB17) that would extend the early retirement incentive program, at least for classes of state workers not already approved to participate.

The Cowper administrator, however, testified against any extension of the current program, asking that lawmakers let the program end before possibly repeating it in the future to give the state time to assess whether it accomplished its goal of getting long-time state workers off the payroll, helping to curb worker layoffs.

Ken Humphreys, director of the state Division of Retirement and Benefits, said the administration is

unable to estimate exactly what the benefits have been.

"We know there are employees out there that are waiting to see if you extend the window of application before deciding whether to retire. If you don't close the window it has the effect of just giving everyone another year's service before they have to decide," said Humphreys.

Under the early retirement system, proposed last year by Juneau Sen. Jim Duncan, workers can get three years of service added to their totals, either giving them more benefits if already eligible for retirement or three years added to their service records to help them reach retirement.

The deadline for application for most state workers is June 30, although University of Alaska employees must apply by Sept. 30 and all other workers by Dec. 31.

A spokesman for state school

teachers urged the bill be extended and that the prohibition against workers who retire under program from being barred from taking other state jobs be removed.

Cherie Shelley, executive director of the Alaska Public Employees Association, also testified that if the program is to be extended it should be open to all employees.

Ulmer sent the bill to a subcommittee for review.

PUBLIC OPINION MESSAGE

DEAR: REPRESENTATIVE ULMER

NAME: JANE FEISTHAMEL
TITLE:
ADDRESS: PO BOX 871516
CITY: WASILLA ZIP: 99687
PHONE: N/A-
BILL NO: SB 42
SUBJECT: EXTEND EARLY RETIREMENT INCENTIVE PROGRAM
MESSAGE: PLEASE KNOW I SUPPORT THIS BILL AND HOPE YOU WILL DO THE SAME.

POMID: 14142503
DATE: 04/15/87
TIME: 14:25:03
LIONAME: MAT-SU LIO

COPIES: REPRESENTATIVES SENATORS

BOUCHER	ABOOD
DAVIDSON	FAIKS
DONLEY	HENSLEY
HOFFMAN	JOSEPHSON
MARTIN	UEHLING
MENARD	

PUBLIC OPINION MESSAGE

DEAR: REPRESENTATIVE ULMER

NAME: RICHARD DEBUSMAN

TITLE:

ADDRESS: PO BOX 870769

CITY: WASSILLA

ZIP: 99687

PHONE: 376-5538

BILL NO: SB 42

SUBJECT: EXTEND EARLY RETIREMENT INCENTIVE PROGRAM

MESSAGE: I SUPPORT EARLY RETIREMENT INCENTIVES FOR TEACHERS. I RESPECTFULLY
REQUEST THAT YOU DO EVERYTHING POSSIBLE TO GET THIS BILL INTO MOTION AND PASSED
(YES)

POMID: 14140523

DATE: 04/15/87

TIME: 14:05:23

LIONAME: MAT-SU LIO

COPIES: REPRESENTATIVES SENATORS

BOUCHER

DAVIDSON

DONLEY

HOFFMAN

MARTIN

MENARD

ELLIS

FURNACE

KOPONEN

ADAMS

BOYER

BROWN

DAVIS

FRANK

GOLL

LARSON

POURCHOT

RIEGER

SWACKHAMMER

WALLIS

ABOOD

FAIKS

HENSLEY

JOSEPHSON

UEHLING

ELIASON

FAHRENKAMP

KELLY

SZYMANSKI

BENNETT

BINKLEY

DUNCAN

FISCHER

ZHAROFF

PUBLIC OPINION MESSAGE

DEAR: REPRESENTATIVE ULMER

NAME: WAYNE BREDBERG
TITLE:
ADDRESS: P O BOX 873074
CITY: WASILA ZIP: 99687
PHONE: 376-9107
BILL NO: SB 42
SUBJECT: EXTEND EARLY RETIREMENT INCENTIVE PROGRAM
MESSAGE: AND HB17. GET OFF YOUR DUFF AND GET IT OUT ON THE FLOOR. THE
ISSUE IS TO GET IT VOTED IT ON AND DO IT NOW.

POMID: 14141433
DATE: 04/15/87
TIME: 14:14:33
LIONAME: MAT-SU LIO

COPIES: REPRESENTATIVES SENATORS

BOUCHER	ABOOD
DAVIDSON	FAIKS
DONLEY	HENSLEY
HOFFMAN	JOSEPHSON
MARTIN	UEHLING
MENARD	ELIASON
ELLIS	FAHRENKAMP
FURNACE	KELLY
KOPONEN	SZYMANSKI
ADAMS	BENNETT
BOYER	BINKLEY
BROWN	DUNCAN
DAVIS	FISCHER
FRANK	ZHAROFF
GOLL	
LARSON	
POURCHOT	
RIEGER	
SWACKHAMMER	
WALLIS	



Official Business

Alaska State Legislature

House

STATE AFFAIRS COMMITTEE
HOUSE BILL 17
FILE CONTENTS

P.O. BOX V
State Capitol
Juneau, Alaska 99811

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2. LETTER FROM SANDY STURROCK TO SENATOR DUNCAN, DATED FEBRUARY 11, 1987
3. LETTER FROM SHIRLEY HOLLOWAY TO REPRESENTATIVE ULMER, DATED FEBRUARY 2, 1987, AND RESPONSE, DATED FEBRUARY 9, 1987
4. LETTER FROM SUE MCKECHNIE TO REPRESENTATIVE ULMER, DATED FEBRUARY 11, 1987, AND RESPONSE, DATED MARCH 4, 1987
5. LETTER FROM JEROME GEORGE FAMILY TO REPRESENTATIVE ULMER, DATED MARCH 10, 1987
6. RECOMMENDATION FROM ROBERT G. CHOUINARD, APEA MEMBER, FOR SAVING MONEY
7. LETTER FROM GARREY PESKA TO SENATOR DUNCAN, DATED MARCH 12, 1987
8. LETTER FROM CARL GRAUVOGEL TO REPRESENTATIVE LARSON, DATED APRIL 1, 1987
9. LETTER FROM J.K. HUMPHREYS TO REPRESENTATIVE ULMER, DATED APRIL 6, 1987
10. POSITION PAPER, DEPARTMENT OF ADMINISTRATION
11. LETTER FROM ELIZABETH BELFLOWER TO REPRESENTATIVE ULMER, DATED APRIL 13, 1987, AND RESPONSE
12. LETTER FROM DOROTHY WELLS, TRS BOARD, TO REPRESENTATIVE GRUSSENDORF, DATED APRIL 7, 1987
13. LETTER FROM ROBERT STALNAKER TO REPRESENTATIVE GRUSSENDORF WITH PERS BOARD RESOLUTION
14. SUBCOMMITTEE REPORT FROM REP. MENARD, DATED 4/27/87
15. PUBLIC OPINION

FISCAL NOTE

- A. DEPARTMENT OF ADMINISTRATION, RETIREMENT AND BENEFITS, \$46,900

FISCAL NOTE

REQUEST:

Revision Date: _____ Agency Affected: Administration
 Title: An act relating to the BRU: Retirement and Benefits
 early retirement program
 Sponsor: Larson Components: Retirement and Benefits
 Requestor: _____

EXPENDITURES/REVENUES: (Thousands of Dollars)

OPERATING	FY 88	FY 89	FY 90	FY 91	FY 92	FY 93
PERSONAL SERVICES	0	69.1	34.5	34.5	34.5	0
TRAVEL	1.9	0	0	0	0	0
CONTRACTUAL	10.0	20.0	10.0	10.0	10.0	0
SUPPLIES	0.5	1.0	0.7	0.7	0.7	0
EQUIPMENT	0	0	0	0	0	0
LAND & STRUCTURES	0	0	0	0	0	0
GRANTS, CLAIMS	0	0	0	0	0	0
MISCELLANEOUS	0	0	0	0	0	0
TOTAL OPERATING	12.4	90.1	45.2	45.2	45.2	0
CAPITAL	0	0	0	0	0	0
REVENUE	0	0	0	0	0	0

FUNDING: (Thousands of Dollars)

GENERAL FUND	0	0	0	0	0	0
FEDERAL FUNDS	0	0	0	0	0	0
OTHER	12.4	90.1	45.2	45.2	45.2	0
TOTAL	12.4	90.1	45.2	45.2	45.2	0

POSITIONS:

FULL-TIME	0	2.0	1.0	1.0	1.0	0
PART-TIME	0	0	0	0	0	0
TEMPORARY	0	0	0	0	0	0

ANALYSIS: (Attach a separate page if necessary)

Analysis attached.

Prepared By: Robert F. Stalnaker Phone: 465-4470
 Division: Retirement and Benefits Date: 01/29/88

Approved by Commissioner: John M. Andrews Date: 2/4/88
 Agency: Department of Administration

Distribution (by preparer):

- Legislative Finance
- Legislative Sponsor
- Requestor
- Office of Management and Budget
- Impacted Agency(ies)

House Bill 17
Fiscal Note Analysis
Prepared by Division of Retirement & Benefits
Department of Administration

Analysis:

This legislation extends the effects of the Retirement Incentive Program (RIP) through FY 92. The money to fund the RIP positions and the contractual costs listed below will be collected as part of the administration fee paid by each employer who participates in the RIP.

Personal Services:

See attached forms. Two positions are requested in the fiscal note for FY 89, under the assumption that the workload generated by this extension will be less due to the fact that the majority of eligible members had previously elected to retire under the first RIP. There are three nonpermanent positions authorized in FY 89 for the RIP; this request would result in a decrease to a total of two RIP positions for FY 89. There would also be a need for one RIP position in FY 90, 91 and 92 so that all affected TRS members have their retirement benefits recalculated for each of the three years following their retirement.

Travel:

\$1.9 represents the cost of two counseling trips in FY 88, one for participating school districts and the other for participating political subdivisions.

Contractual:

\$10.0 represents 75% of projected FY 87 costs, based upon actual expenditures from July through December 1986. Contractual costs include postage, forms, printing, phones, and data lines.

Supplies:

\$.5 in FY 88 represents the cost to increased supply needs to communicate with concerned members. The supply needs for the continuing temporary employee through 1992 are represented in the fiscal note.

An analysis of the impact of this bill on the actuarial soundness of the Public Employees' (PERS) and Teachers' (TRS) Retirement Systems funds is provided in the attached letter to Representative Ulmer.

Position Title Retirement and Benefits Technician II		No. of Positions 2	Range/Step 12B	Barg. Unit G
Time Status Full-time	Staff Months 12.0	Location AWA		Election District 4
Type of Expenditure		Amount		
I	2	3		
Salary 1 position	25,620			
Benefits	8,907			
Premium Pay				
Other				
Total Personal Services		34,527		
Travel				
Contractual		1,000		
Commodities		500		
Equipment				
Other				
Total Cost		36,027		
Funding Source for Total Cost				
Federal Receipts 1002				
G. F. Match 1003				
General Fund 1004				
GF Program Receipts 1005		11,889		
Other 1028 Program Receipts		24,138		
<p>Justification</p> <p><u>Retirement and Benefits Technician II</u></p> <p>The Retirement and Benefits Technicians II are responsible for the day-to-day technical duties of the RIP. One is needed through June 30, 1988, two through June 30, 1989, and only one will be needed for the three years following. These positions are permanent full-time positions located in the Juneau office. The major duties of the technicians are:</p> <ol style="list-style-type: none"> (1) Calculate retirement projections and retirement benefits for members of the PERS and TRS; (2) Research the member files for record system maintenance; (3) Correct service records in the automated system and adjust for periods of leave without pay; (4) Maintain records for the RIP; and (5) Notify members by mail of their retirement status, effective date, amounts of benefits, etc. 				

6/6B1/0203-02

**Request For
New Position**

Agency Administration
 BRU Retirement and Benefits
 Component Retirement Incentive Program (RIP)

FY 89

Page 1 of 1
 Revised Date

Public Employees Retirement System
Teachers' Retirement System
Judicial Retirement System
Elected Public Officers Retirement System
National Guard Retirement System
Territorial Retirement System
Retirees' Voluntary Dental Vision Audio Plan
Supplemental Benefits System
Group Health Life Insurance Benefits
Deferred Compensation Plan
Public Employers Social Security Contributions

DEPARTMENT OF ADMINISTRATION

DIVISION OF RETIREMENT & BENEFITS

PLEASE REPLY TO:

P.O. BOX CR
JUNEAU, ALASKA 99811-0203
PHONE: (907)465-4460

2600 DENALI ST. SUITE 401
ANCHORAGE, ALASKA 99503-2740
PHONE: (907) 277-7504

STEVE COWPER, GOVERNOR

January 29, 1988

The Honorable Fran Ulmer
Chairman
House State Affairs Committee
Alaska State Legislature
P.O. Box V
Juneau, AK 99811

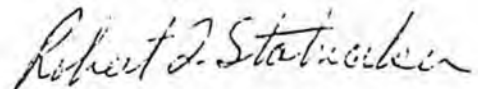
Dear Representative Ulmer:

Re: House Bill 17

In accordance with AS 24.08.036, I am providing an analysis below on House Bill 17. The analysis includes the long-term and short-term costs to the state if the bill is adopted and the impact the bill will have on the actuarial soundness of the Public Employees' (PERS) and Teachers' (TRS) Retirement Systems funds. Required changes to the appropriation for the Division of Retirement and Benefits are discussed in a separate fiscal note.

The Retirement Incentive Program Act requires state agencies and participating employers and employees to reimburse the PERS and TRS for the cost of participation in the program; it also requires state agencies to show savings in order to participate in the program. As the amendments in this bill make no changes to those requirements, there should be no long-term or short-term costs to the state. There will not be any impact on the actuarial soundness of the retirement systems funds if this bill becomes law.

Sincerely,



Robert F. Stalnaker
Acting Director

RFS/DS/bb/7

2/11/87

Senator Duncan
Box V

Juneau, Alaska 99811

RECEIVED FEB 13 1987

Dear Sir:

I have read with interest the hard time you are having in hearings on your bill to extend the Retirement Incentive Program for one year. Apparently the administration (or Mr Peeka at least) has reneged on their campaign promise to support the extension.

If this bill is not now acceptable I would like to offer another idea that maybe they could support. This would be to allow employees (at their own expense) to buy years of service (for retirement purposes) equal to 20% of their state service time, not to exceed five years. This would allow, say, an employee with 25 years service to buy 5 years and retire with 30 years. The cost would be funded entirely by the employee.

Anyway, this is just an idea - keep up your good work for Juneau. I am sending a copy of this to Representatives Hudson and Udner as they may have thoughts on this and want to discuss them.

Thanks for your concern,

Sandy Sturrock
1632 Glacier Ave

Juneau, Alaska 99801

STATE OF ALASKA



REPRESENTATIVE
FRAN ULMER

HOUSE OF REPRESENTATIVES

3
P.O. Box V
JUNEAU, ALASKA 99811
(907) 465-4947

February 9, 1987

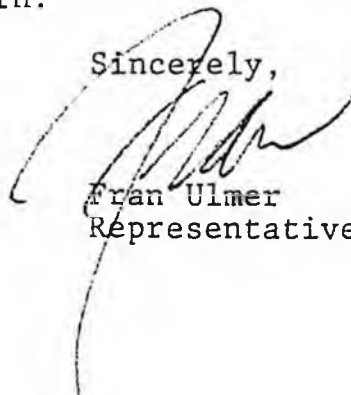
Shirley J. Holloway, Ed.D.
Associate Superintendent
North Slope Borough School District
Pouch 169
Barrow, AK 99723

Dear Dr. Holloway:

You wrote regarding SB 42 and your support for it. I co-sponsored a similar bill on the House side, HB 17. Since doing so, I have heard from several superintendents that it may not have its desired effect of saving the districts money. It may actually cost more because teachers will wait longer to retire if the "window of time" is extended.

I am continuing to investigate this issue. Thank you for your letter and your concern.

Sincerely,



Fran Ulmer
Representative District 4B

NORTH SLOPE BOROUGH SCHOOL DISTRICT



Barrow Wolves
Barrow High School
Pouch 8950
Barrow, Alaska 99723
(907) 852-8950

February 2, 1987

Frost Freek Elementary School
P.O. Box 450
Barrow, Alaska 99723
(907) 852-4711

The Honorable Fran Ulmer
Alaska House of Representatives
P.O. Box V
Juneau, Alaska 99811

Nanaimut Wolves
Nanaimut School
Anaktuvuk Pass, Alaska 99721
(907) 661-2226

Dear Representative Ulmer:

Atkasuk Eagles
Mirage River School
Atkasuk, Alaska 99723
(907) 633-6315

Last year when Ch 26, SLA 1986 was presented in its original form, I was supportive of the intent. However, modifications were made which limited employees from participating in the retirement incentive program. SB 42 appears to put us back on track in that it broadens the scope for potential retirees.

Kaveolook Rams
Harold Kaveolook School
P.O. Box 10
Kaktovik, Alaska 99747
(907) 640-6626

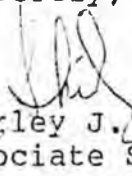
I fully support SB 42. At a time when the State faces serious revenue problems, the early retirement opportunity allows employers to reduce staff and related benefits.

Nuqsut Trappers
Nuqsut School
Nuqsut, Alaska 99724
(907) 480-6717

I hope you will assist in the rapid passage of SB 42.

Sincerely,

Tigigat Harpooners
Tigigat School
P.O. Box 125
Point Hope, Alaska 99766
(907) 268-2662 or 268-2663


Shirley J. Holloway, Ed.D.
Associate Superintendent

Gully School
Point Lay, Alaska 99759
(907) 833-2312

SH:jk

Atq Muskies
Atq School
P.O. Box 10
Wainwright, Alaska 99783
(907) 763-2541 or 763-2551

STATE OF ALASKA



REPRESENTATIVE
FRAN ULMER

HOUSE OF REPRESENTATIVES

4
P.O. Box V
JUNEAU, ALASKA 99811
(907) 465-4947

March 4, 1987

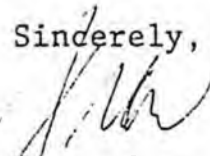
C. Sue McKechnie
P.O. Box 3246
Palmer, AK 99645

Dear Ms. McKechnie:

Thank you for your letter expressing your support for HB 17, an Act relating to the early retirement program.

That bill has been referred to the State Affairs Committee, which I chair, for scheduling. I will share your letter with members of the Committee so that they may have the benefit of your comments before the bill comes before them for consideration.

Sincerely,



Fran Ulmer
Representative District 4B

cc: State Affairs Committee w/encl.

/Bh

Carrol Sue MacHechnie

P.O. BOX 3246 • PALMER, ALASKA 99645

FEB. 11, 1987

DEAR REP. ULMER,

ENCLOSED IS A LETTER THAT I WROTE
ON HB 17. I HOPE THAT IT WILL PASS.

SINCERELY,

C. Sue MacHechnie

RECEIVED FEB 17 1987

Carrol Sue MacKechnie

REF HB 17

P.O. BOX 3248 • PALMER, ALASKA 99645

FEB. 10, 1987

DEAR REPRESENTATIVE LARSON:

THANK YOU FOR RESPONDING TO MY REQUEST FOR A COPY OF HB NO. 17, "AN ACT RELATING TO THE EARLY RETIREMENT PROGRAM; AND PROVIDING FOR AN EFFECTIVE DATE." I APPROVE OF THE BILL AND HAVE NO RECOMMENDATIONS FOR CHANGE TO MAKE. THE EXTENSION OF EARLY RETIREMENT WILL ENABLE ME TO RETIRE MAY 1, 1988. CURRENTLY I AM ENTERING MY 21ST YEAR OF PUBLIC SERVICE.

I HEARD A RUMOR FROM THE TOK AREA THAT THE BILL WILL NOT PASS, WITH THE OPPOSITION BEING THAT EMPLOYEES THAT PLAN TO RETIRE THIS YEAR WILL NOT, AND EXTEND THEIR RETIREMENT INTO 1988. INDEED, FOR THE BARE FEW THAT WOULD DO SO, THIS WOULD BE POOR REASONING FOR THE BILL NOT TO PASS. I MYSELF KNOW OF A NUMBER OF EMPLOYEES WHO HOPE TO RETIRE IN 1988 WITH THE PASSAGE OF HB NO. 17, OR A SIMILAR BILL. DESPITE THE TREMENDOUS DROP IN INCOME THE 3 YEAR INCENTIVE IS THERE TO RETIRE. ESPECIALLY FOR EMPLOYEES WITH LONG TERM SERVICE. NO ONE WOULD EXPECT SUCH AN OPPORTUNITY TO COME AGAIN FOR YEARS TO COME.

CONCERNING THE BILL I ALSO HEARD THAT SOME LEGISLATORS WANT TO GIVE THE BILL A ONE YEAR RESTING PERIOD AND PASS IT NEXT YEAR. WITH THIS RUMOR MOVING ABOUT STATE EMPLOYEES SOME THAT WOULD RETIRE THIS YEAR MAY CHANGE THEIR MIND, AND NOT RETIRE UNTIL 1989. THEREFORE, A BILL EXTENDING THE RETIREMENT THIS YEAR WOULD BE MORE EFFECTIVE THAN A YEAR REST PERIOD, AND THEN PASSING.

IN CLOSING, THANK YOU FOR YOUR PROMPT

RESPONSE AND LETTER OF CONCERN. I KNOW THAT
YOU, AS ALL LEGISLATORS, ARE EXTREMELY BUSY
IN THIS MOST TRYING TIME OF STATE GOVERNMENT.

SINCERELY,

Carol Sue McKee
State Employee
P. O. Box 3246
Palmer, AL, 36045

CC: REP. MEHARD
REP. ULMER
REP. SWACKHAMMER
SEN. MIKE SZMANSKI
SEN. SAM COTTON
SEN. PAT ROBY
SEN. KERTTULA

The Honorable Representative Ulmer
Pouch V
Juneau, AK 99811

RECEIVED
3640 Dora Ave.
Anchorage, AK 99516

March 10, 1986

House Bill 17

Dear Representative Ulmer:

As one of the sponsors of House Bill 17, you are aware that the Legislature is now considering an one year extension to the Retirement Incentive Program. We are confident of your continued support for this bill and hope that the following points will assist you in seeking support from others for passage of the bill.

There is no doubt that there will have to be a continued effort to reduce the size of the State workforce. The reductions already made are certainly not sufficient to meet the lower budgets of the future. Due to the Personnel Rules and Union Agreements, the person who is laid off is the last person hired - the person with the least seniority. These are usually the younger employees who have not been in the workforce long enough to build up sufficient financial reserves to weather a layoff. They are not readily marketable in these difficult times. Once their meager reserves are exhausted, they will be on unemployment or welfare. They will be forced to default on their mortgage, their student loans, and automobile loans. In general many will become a drain on other State programs.

On the other hand, the Retirement Incentive Program will result in the senior employees retiring. The younger employees will be able to retain their jobs, their homes, and continue to contribute to the State rather than become a burden to the State. Meanwhile the retired employee whose home may be nearly paid off, who has established reserves, and now has a retirement check is not going to default on any loans, or otherwise drain State or private resources.

The retired employee will be spending money in the local economy. Based on the latest figures supplied by the Department of Administration, 450 employees have already taken advantage of the program. Their PERS, deferred compensation, and SBS benefits are well in excess of one million dollars a month which is being pumped into the Alaska economy. Although there is a small one time initial cost to the State, that cost is far less than would be experienced had 450 employees without seniority been laid off to drain unemployment and welfare reserves.

There are also the more publicized benefits of laying off senior employees at higher pay steps and replacing them with less senior employees at lower pay steps. We have heard that these benefits are largely offset by the State's one time match to the retirement program. This is true only if this is viewed in the short term. The benefit continues for several years until the promoted employee receives the numerous step increases necessary to bring his salary up to that of the employee he replaced. The State's one time match to the retirement fund is a cost only in the first year. The State reaps the full value of the benefit in all succeeding years.

Admittedly if only the benefits of replacing retiring employees with people at lower pay steps were evaluated, the first year benefit to the State is rather small. However, if it is viewed over several years the benefits become very significant. But even more significant are the secondary benefits outlined earlier in this letter.

We hope you agree that it is preferable to have some retired employees out there pumping new money into the economy rather than lay off many junior employees who, lacking financial reserves, will soon become a burden to other State programs such as unemployment and welfare. If it were not for the Retirement Incentive Program, millions of dollars in benefits would be locked up in investment portfolios rather than being spent to bolster our economy.

We hope you can convince others to take the time to evaluate both the short and the long term benefits. We are confident that when they do, they will find that some of the less publicized secondary benefits become significant arguments in favor of extending the Retirement Incentive Program for another year.

Please let us know if we can count on your continued support for House Bill 17 (Senate Bill 42).

Sincerely;

A handwritten signature in cursive script, appearing to read "Jerome George".

The Jerome George family



RECEIVED MAR 20 1987

6

How Can Dollars Be Saved At Your Worksite?

Many legislators have asked APEA for suggestions from our membership on methods to reduce the state budget without laying off employees, eliminating programs, or curtailing services to the public.

You are the people on the job. You are the people who have and can look around your worksite, your office, your division or your department and see where changes could save money.

For example: is there any equipment, supplies or furniture that your worksite could do without? Could the cost of printed matter be reduced by downgrading the grade of paper or reducing the number of colors? Do you know of any contract consultants doing a job that could be done more economically and effectively in-house?

These are just a few ideas and we're sure you have many more. Please give this serious thought.

Write your ideas and suggestions in the space provided below. When you have done this give this form to your chapter chair, delegate, SAC director, employee rep or regional executive committee member. They have been alerted to pass your ideas along to APEA. We will make sure that your ideas are presented to the appropriate legislative finance committee members who are working on your budget and have asked for your input.

IT IS RECOMMENDED THAT HOUSE BILL #17 AND SENATE BILL #42 BE PASSED.
BOTH BILLS DEAL WITH EXTENDING THE EARLY RETIREMENT PROGRAM
ONE MORE YEAR. THE BILLS ARE A RETIREMENT INCENTIVE PROGRAM THAT
IN EFFECT REDUCE THE NUMBER OF MIDDLE AND UPPER LEVEL
MANAGERS. XXXX FROM STATEMENTS MADE BY MEMBERS OF THE
LEGISLATURE AND ARTICLES IN THE NEWS MEDIA, IT APPEARS THAT
A REDUCTION IN THE NUMBERS OF STATE EMPLOYEES ESPECIALLY
THE HIGHER PAID MEMBERS, IS A GOAL THAT IS WORTHWHILE. A
MORE EFFECTIVE AND EFFICIENT STATE GOVERNMENT CAN BE
ACHIEVED WITH FEWER MEMBERS.

THE ALASKA PUBLIC EMPLOYEES' RETIREMENT SYSTEM CAN VERY WELL AFFORD
THE COSTS OF THESE BILLS. IN THE PUBLICATION NEWS BREAK PERS NUMBER 25
FOR DECEMBER 1986 WAS AN ARTICLE TITLED "CONTRIBUTION RATES
REQUIRED FOR EMPLOYERS". THE ESTIMATED SAVINGS FOR FISCAL YEAR
1997 IS \$13.9 MILLION FOR THE STATE OF ALASKA. THE EMPLOYERS
CONTRIBUTIONS WERE REDUCED BECAUSE OF A CHANGE IN ACTUARIAL ASSUMPTIONS
ADOPTED BY THE PERS BOARD. THE SALARY ASSUMPTIONS WERE REDUCED AND THE
INVESTMENT EARNINGS ASSUMPTION WAS INCREASED BECAUSE OF EXPENSIVE ANALYSIS.

Department

Chapter

Robert G. Chouinard
ROBERT G. CHOUINARD
510 DUNBAR ST
FAIRBANKS ALASKA 99701
March 6 1987

epic The Employees Political Information Committee
The political action arm of APEA

RECEIVED APR 1 1987

1 APRIL 1987

8

Representative Ron Larson
House of Representatives
P.O. Box V, Juneau, Ak 99811

Dear Rep. Larson,

I'm writing to you regarding HB-17, the early retirement bill which you co-sponsored this year. Your bill contains a number of changes to the early retirement bill that passed the legislature last year. Therefore, I was hoping you would also include an amendment which would right an inequity in retirement legislation that is long overdue.

As you are probably aware, state employees currently fall into two principal categories of employment; permanent or permanent seasonal. The number of years of state service worked in either of these categories counts toward retirement. Prior to 1977, the permanent-seasonal classification did not exist; everyone who was not a permanent employee was on seasonal or "temporary" status, even though they may have worked as long as 11 months each year. Temporary employees did not receive any benefits including holidays or overtime pay differential. The 1977 legislation essentially eliminated all temporary service (with minor exceptions for emergency hire which still exist today), and created permanent-seasonal positions with accompanying benefits including retirement credit for each month of state service.

Later, in about 1980, the legislature passed a bill providing credit for temporary time which could be used as additional years of service, once an employee was eligible for retirement. To receive this credited service, an employee must pay full actuarial costs. Here is the inequity! Permanent seasonal employees receive full credit TOWARD retirement at a relatively small cost to the employee; employees with seasonal time pay full actuarial costs, and they are not allowed to apply that time toward retirement. Are you aware that even employees who worked for the territory of Alaska prior to statehood can apply their years of service toward retirement? I think these inequities were probably an oversight due to the many pieces of legislation that were written to deal with retirement issues.

Does it not seem fair and logical that employees who worked for the state when it was young (prior to 1977) should receive the same consideration for retirement as present day employees in a similar classification?. This could occur without any additional costs to the State. People who claim

temporary service must now pay full actuarial costs to receive any benefits for this time, and most people would be pleased to pay those full costs if they could use that time toward retirement.

There is yet, another very good reason! We hear many cries from the Governor, legislators, and influential businessmen that the size of state government must be reduced. In fact, the present budget calls for the elimination of approximately 800 state positions. This goal can be accomplished most easily through natural attrition and retirement. It would seem to me that an orderly process of reducing state government, with as few layoffs as possible, is far preferable to massive layoffs and unemployment. Obviously, the RIP legislation is intended to do just that. Why not, then, give people an opportunity to retire that have legitimate state service, but because of a "quirk" in past legislation are unable to apply it?

For the reasons above, I (and many employees with past temporary service) respectfully, request that you include an amendment in HB-17 that would allow temporary time to be credited toward retirement.

I understand from your staff that HB-17 has not yet been scheduled for a hearing. I'd appreciate it if you would advise me of the bills' status and your intentions. I would be glad to come down and testify if you believe that such action is necessary.

Sincerely,



Carl A. Grauvogel
2700 Pelican Dr.
Anchorage, Ak 99515
Tel. 267-2191 work
242-2056 home

cc State Affairs: Representatives Ulmer, Hoffman, Boucher, Davidson, Donley, Martin, and Menard

For Rep. Ullmer

7
re: HB17.

Position Paper
and Fiscal Note
specific to HB17
is being prepared.

March 12, 1987

The Honorable Jim Duncan
Alaska State Senate
P.O. Box V
Juneau, Alaska 99811

Dear Senator Duncan:

Please excuse my tardiness in responding to your letter of February 24, 1987 regarding the Retirement Incentive Program and Senate Bill 42.

You asked me to develop a position paper indicating points that the Administration can support.

Following are my comments.

RIP FUNDING:

The payment of the additional retirement costs for the RIP has been one of the major causes for concern with the program for State employees. There are several funding alternatives recently discussed that would resolve the funding problems with the use of lapsed funds being at the top of the list. Certainly, the Administration would support legislation to allow the use of lapsed funds through the working reserve account to pay the employer RIP costs.

OUTSIDE TEACHING SERVICE:

The provision to allow teachers to use outside teaching service to qualify for the RIP makes sense. Most (if not all) school districts establish their pay scales for teachers based on educational achievement and on total years of teaching service -- teaching both in Alaska as well as out of Alaska. The purpose of the program is to entice teachers at the top of the pay scale to retire now to allow hiring replacements at entry levels or to leave positions vacant as necessary. The proposed amendment would increase the number of higher paid teachers eligible to retire, therefore allowing the school districts more latitude in the use of the program. We would certainly support such an amendment. The districts have problems with layoffs of tenured teachers and this might help.

March 12, 1987


PERIODIC FUTURE WINDOW OPENINGS:

In my opinion, we should allow the current RIP provisions for state employees to expire as scheduled.

If we passed legislation now that provides for another opening in the future, I believe many employees would choose not to exercise their option under the current program. If the employees know they will be eligible again next year, they will logically try to stay on the payroll till then to maximize their credited service. Most state employees must exercise their retirement option under the program no later than 10/1/87. Many of those employees have signed up to retire on 10/1/87. They are obviously waiting to see if the program will be extended.

As you know, the current program will have been in effect during part of FY'86, all of FY'87, and part of FY'88 before it expires. I believe that is a long enough time period for an incentive program such as this.

Sincerely,



Garrey Peska
Commissioner

GP/lb

STATE OF ALASKA

DEPARTMENT OF ADMINISTRATION

DIVISION OF RETIREMENT & BENEFITS

PLEASE REPLY TO:

P.O. BOX CR
JUNEAU, ALASKA 99811-0203
PHONE: (907)465-4460

2600 DENALI ST. SUITE 401
ANCHORAGE, ALASKA 99503
PHONE (907) 277-7504

Public Employees' Retirement System
Teachers' Retirement System
Judicial Retirement System
Elected Public Officers Re
National Guard Retirement
Territorial Retirement Syst
Retirees' Voluntary Dental-V.
Supplemental Benefits System
Group Health/Life Insurance Benefits
Deferred Compensation Plan
Public Employers Social Security Contributions

STEVE COWPER, GOVERNOR

April 6, 1987

The Honorable Fran Ulmer
Chairman
House State Affairs Committee
Alaska State Legislature
P.O. Box V
Juneau, AK 99811-3100

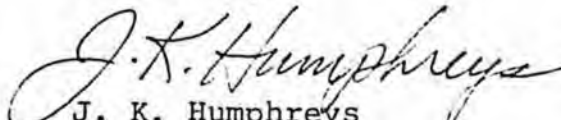
Dear Representative Ulmer:

Re: House Bill 17

In accordance with Alaska Statute 24.08.036, I am providing the analysis below on House Bill 17. The analysis includes the long-term and short-term costs to the State if the bill is adopted and the impact the bill will have on the actuarial soundness of the Public Employees' Retirement System (PERS) and the Teachers' Retirement System (TRS) funds. Required changes to the appropriation for the Division of Retirement and Benefits are discussed in a separate fiscal note.

The Retirement Incentive Program Act requires State agencies and participating employers and employees to reimburse the PERS and TRS for the cost of participation in the program; it also requires State agencies to show savings in order to participate in the program. As the amendments in this bill make no changes to those requirements, there should be no long-term or short-term costs to the State. There will not be any impact on the actuarial soundness of the retirement systems funds if this bill becomes law.

Sincerely,


J. K. Humphreys
Director

JKH/dkk
9/6K1/040687-02

10

POSITION PAPER
HB 17

This bill would extend the window of eligibility an additional year for the Retirement Incentive Program (RIP) for State employees and members of the Teachers' Retirement System (TRS) not employed by the University of Alaska and who have not previously been designated as members of qualified organizational units by their employers. It would also alter the method in which the three years of RIP credited service would be applied towards retirement eligibility and benefit calculation credit for members of the TRS only; this method of calculating the incentive would be substantially more expensive for employers.

Extending the eligibility period for the RIP, in addition to increasing the number of potential eligibles for selected groups, would tend to defeat the purpose of the program as we understand it. The success or failure of the RIP cannot be fairly assessed until the eligibility period has expired and all eligibles who are going to retire have done so. Second, if extending the program is deemed advantageous, Public Employees' Retirement System (PERS) employers other than the State and the University of Alaska would most likely petition the legislature to also be included in the extension period.

Section 4 of this bill contains provisions which prompt several matters of concern. By altering only the TRS RIP benefit calculations, not only is there a two-tiered system for treating RIP credit within the TRS but there is an inequity being developed between the PERS and TRS. The TRS formula applying to the second eligible group serves to advantage the younger employee who is retiring early and disadvantage the older employee who would already be eligible to retire. The formula allows the younger employee to, in effect, double dip by first buying the service credit to qualify for a normal retirement benefit and second, be given benefit calculation credit for that same service on an incremental basis as with the older employee. As noted above, the new formula would represent a substantial overall increase in TRS employer costs to fund the enhanced incentive for some members.

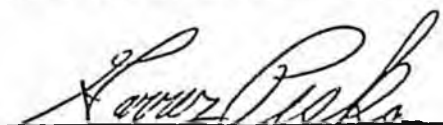
Only after the original window periods have closed and the benefits to the employers and the public have been assessed should consideration be given to continuing the program by opening a second window. The second window opened could then be better defined to more specifically apply remedy to those employers or employee groups where there is a greater need for this incentive.



J. K. Humphreys, Director
Division of Retirement and Benefits

4/7/87

Date



Commissioner Garrey Peska
Department of Administration

4/8/87

Date



Official Business

Alaska State Legislature

House

P.O. BOX V
State Capitol
Juneau, Alaska 99811

COMMITTEE ON STATE AFFAIRS

April 21, 1987

Elizabeth D. Belflower
Box 210303
Auke Bay, AK 99821

Dear Beth:

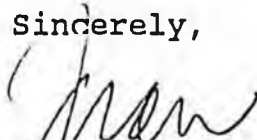
Thank you for sending me a copy of your letter regarding Senate Bill 42. There is a companion bill which is currently in the House State Affairs Committee, House Bill 17.

The House State Affairs Committee held a hearing on House Bill 17 and heard testimony describing several problems with this bill. First of all, Ken Humphreys, Director of the Division of Retirement and Benefits, testified that if the current early retirement program is not allowed to expire on June 30, then it will be impossible to measure its success since some who may be planning to retire now may hold out for another year. Secondly, in reference to your problem in working for another government entity should you decide to retire, testimony was offered that it may be better to not have retirees competing for jobs with those who have been laid off prior to retirement and do not have a retirement income. This concern may explain why that provision was placed in the bill last year.

A subcommittee consisting of Representatives Menard, Donley and Davidson was appointed to work on the bill and return it to the full committee with comments. I have shared your letter with the members of the committee for their information.

Thank you, again, for copying me on your letter and for expressing your opinions.

Sincerely,


Fran Ulmer, Chair
State Affairs Committee

HB 17

RECEIVED APR 15 1987

Box 210303
Auke Bay, Alaska
April 13, 1987

Senator Mitch Abood, Chairman
State Affairs Committee
Alaska State Senate
Juneau, Alaska

Re: Senate Bill 42

Dear Senator Abood:

Due to absences in our department, I am unable to take the time off to appear before your committee in person; therefore, I have asked that this letter be read as testimony.

As a school librarian who is a possible candidate for the early retirement program, I would like to express my concern with Section 7 "Indebtedness on Reemployment" in Senate Bill 42. My husband and I after fifteen years consider Juneau our home and plan to remain here. In my chosen field this section of SB 42 really limits the possibilities of future employment in the Juneau area. City and state government are our principal sources of employment in Juneau; therefore, this greatly impacts any person retiring under this bill and wishing to remain as a part of the community. It almost totally eliminates the possibilities of part-time or full-time employment in the local area for these retirees.

I encourage your committee to recommend a change in this bill by removing the stipulations of this section.

Thank you for your consideration.

Sincerely,



Elizabeth D. (Beth) Belflower

cc: Senator Duncan
Rep. Ulmer
Rep. Hudson

STATE OF ALASKA

DEPARTMENT OF ADMINISTRATION

DIVISION OF RETIREMENT & BENEFITS

PLEASE REPLY TO:

P.O. BOX CR

JUNEAU, ALASKA 99811-0203
PHONE: (907)465-4460

2606 DENALI ST. SUITE 401

ANCHORAGE, ALASKA 99503
PHONE (907) 277-7504

Public Employees Retirement
Teachers' Retirement System
Judicial Retirement System
Elected Public Officers Retirement
National Guard Retirement System
Territorial Retirement System
Retirees' Voluntary Dental-Vision-Audio Plan
Supplemental Benefits System
Group Health/Life Insurance Benefits
Deferred Compensation Plan
Public Employees Social Security Contributions

STEVE COWPER, GOVERNOR

April 7, 1987

The Honorable Ben Grussendorf
Speaker of the House
House of Representatives
P.O. Box V
Juneau, AK 99811

Dear Representative Grussendorf:

At its March 23 meeting, the Teachers' (TRS) Retirement Board passed a resolution opposing two provisions of HB 17. The first provision (Sec. 1) extends the window period for the Retirement Incentive Program (RIP); and the second (Sec. 4) allows TRS members to receive, under the RIP, three years of TRS service credit applied to their benefit computation after the member retires.

The board opposes extending the window periods at this time because there can be no accurate assessment of the effectiveness of the RIP until after the existing window periods have been closed. After that time, if it is determined by the legislature that such a program is still needed, the board would be supportive of reinstating it.

Under the RIP, TRS members are now able to retire with as few as 17 years of membership service by using a three-year incentive to satisfy retirement eligibility under the "20 and cut" provision, with their benefit being calculated on 17 years of service. Following retirement, HB 17 (Sec. 4) would provide for those retired members to incrementally add those three RIP years of credit to their benefit calculation, thereby ultimately allowing them to receive a benefit calculated on 20 years of service. This would have the same effect as lowering the years of service requirement below 20 years and granting an additional three years of service credit to members after they retire, to which the board is fundamentally opposed.

If you have any questions, please contact me.

Sincerely,

Dorothy Wells

Dorothy Wells
Chairperson
Teachers' Retirement Board

DW/CS/cam/I

cc: TRS Board Members

Committees of referral in House
and corresponding Senate committees

PUBLIC OPINION MESSAGE

DEAR: REPRESENTATIVE ULMER

NAME: JOHN DAVIS

TITLE:

ADDRESS: BOX 246

CITY: BARROW

ZIP: 99723

PHONE: 052-6745

BILL NO: HB 17

SUBJECT: EARLY RETIREMENT PROGRAM

MESSAGE: MY WIFE AND I HAVE TAUGHT IN BARROW FOR THE PAST 17 YEARS. WE'D LIKE TO HAVE OUR 5 ALASKA BIA YEARS COUNT ON THE EARLY RETIREMENT PROGRAM. HB 17 APPEARS TO ACCOMPLISH THIS, AS WELL AS SB42. IF SO, PLEASE PASS ONE OR BOTH.

POMID: 04111342

DATE: 04/07/87

TIME: 11:13:42

LIONAME: BARROW INFO OFFICE

COPIES: REPRESENTATIVES SENATOR

ADAMS	HENSLEY
BOUCHER	
DAVIDSON	
DONLEY	
HOFFMAN	
MARTIN	
MENARD	
BOYER	
BROWN	
DAVIS	
FRANK	
GOLL	
LARSON	
POURCHOT	
RIEGER	
SWACKHAMMER	
WALLIS	

STATE OF ALASKA

DEPARTMENT OF ADMINISTRATION

DIVISION OF RETIREMENT & BENEFITS

PLEASE REPLY TO:

X P.O. BOX CR
JUNEAU, ALASKA 99811-0203
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STEVE COWPER, GOVERNOR

April 21, 1987

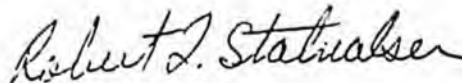
Honorable Ben Grussendorf
Speaker of the House
Alaska State Legislature
P.O. Box V
Juneau, AK 99811

Dear Representative Grussendorf:

At its March 25 meeting, the Public Employees' (PERS) Retirement Board passed the enclosed resolution which: (1) opposes HB 17, a bill which would extend the Retirement Incentive Program (RIP); and (2) supports SB 121, a bill which would remove the deadline for claiming temporary service.

If you have any questions, please contact me.

Sincerely,



Robert F. Stalnaker
Deputy Director

RFS/CJS/cam/6

Enclosure

cc: PERS Board Members w/encl.

Committees of referral in House
and corresponding Senate committees w/encl.

Honorable Don Bennett w/encl.
Co-Chairman, Senate Finance

Honorable John Binkley w/encl.
Co-Chairman, Senate Finance

Honorable Mitch Abood w/encl.
Chairman, Senate State Affairs

Honorable Al Adams w/encl.
Chairman, House Finance

Honorable Fran Ulmer w/encl. ✓
Chairman, House State Affairs

Curt Menard

351 W. Swanson Ave.
Wasilla, Alaska 99687

Or
P.O. Box V
Juneau, Alaska 99811

376-5315 Work
745-8122 Work
376-5855 Home
465-2679 Juneau



M E M O R A N D U M

DATE: April 27, 1987

FROM: Curt Menard, Chairman *Curt*
House State Affairs Subcommittee on HB17

TO: Fran Ulmer, Chairman
House State Affairs Committee

RE: Subcommittee Report on HB17

The House State Affairs Subcommittee has met and reviewed HB17, An Relating to the Early Retirement Program; and Providing for an Effective Date.

Recommendations of the committee include:

- 1) Close the window of eligibility on October 1, 1987.
- 2) No consensus could be reached on the questions relating to 17 year veterans retirement.
- 3) Allow the Department of Administration, Division of Retirement and Benefits to prepare a thorough analysis of the costs and benefits of the existing program.
- 4) Adopt provisions suggested by Representative Springer that would credit certain temporary work toward retirement.

In attendance at the subcommittee meeting were Representatives Menard, Davidson, Donley, and representatives from Representative Springer and Representative Larson's offices, the Division of Retirement and Benefits and APEA.

Dr. F...

SEARCHED / INDEXED / SERIALIZED / FILED

April 24, 1987

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

Dear Mr. Navarre:

I think the attached letter to Stephen McPhetres, Director of the Alaska Council of School Administrators, from Vic Varick, Sterling Elementary School Principal, has some good ideas regarding extending early retirement to an additional group of people. Such action could further reduce the number of teachers to be let go in this school district by enlarging the early retirement feature now.

I support this idea and request that you investigate giving your support to the extension of the early retirement bill introduced by Representative Larson. I appreciate your efforts in Juneau and look forward to your return to the Kenai area.

Sincerely yours,

T.R. Maughan

T.R. Maughan, Coordinator
Federal Programs Department

pb

*draft reply
1/11/87*

Sterling Elementary School

Kanal Peninsula Borough School District
Drawer 89
STERLING, ALASKA 99672

April 16, 1987

Stephen T. McPhetres, Executive Director
Alaska Council of School Administrators
326 Fourth St., Suite #211
Juneau, Alaska 99801

Dear Steve:

Thank you for your recent thoughts on the extension of the early retirement bill introduced by Representative Larson.

Steve, it seems to me that the extension of RIP could be accomplished, in another more appealing fashion, for everyone concerned.

Instead of extending the time for the existing RIP to 1988, this new plan would allow a member to buy-in four years (payable up-front) with an application deadline of August 1, 1987, or sooner, to allow school districts time for replacements before the next school year begins.

It seems to me that this proposal, (compared to the existing proposal), would motivate all of the would-be retirees to make a commitment now (instead of waiting another year)!

Also, the state would be able to retire a number of members sufficient enough to amount to a substantive savings to the system. Thus, the original intent is written back into the original bill, only this time with a greater number of retirees at no additional cost to the state.

Sound like a great idea? If so, I would appreciate your support in passing it along to Rep. Larson and others.

Thanks much, Steve, for keeping me posted.

Sincerely,



Vic Varick
Principal

sg

P.O. Box 874461
Wasilla, Alaska 99687

5/01/87

Representative Fran Ulmer
Alaska State Legislature
P.O. Box V
Juneau, Alaska 99811

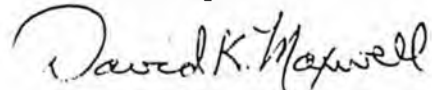
Dear Representative Ulmer,

HB 17 (early retirement for teachers) is in the State Affairs Committee and not moving at the moment. I strongly encourage you to take the steps necessary to get this bill through committee and on to the floor. I have planned to take advantage of this bill and know of several others making similar plans.

Passage of this bill would permit our school district to retain a teacher with three (3) or fewer years of experience, pay the school district's portion of the early retirement contribution, and save money by retiring me from my "top of the salary schedule" wage. The savings would continue each year until my replacement reached the top of the salary schedule.

Please let me know if there is anything I can do to help move this bill.

Cordially,



David K. Maxwell

JC

RECEIVED MAY 4 1987

FROM THE DESK OF RICHARD & NANCY DEBUSMAN
P.O. BOX 870769
WASILLA, ALASKA 99687
PH. # (907) 376-5538

4/18/87

Representative Fran Ulmer
Alaska State Legislature
P.O. Box V
Juneau, Alaska 99811

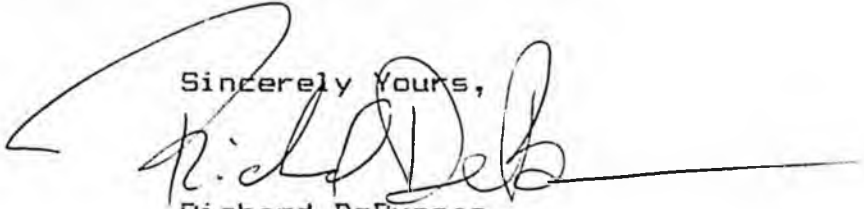
Dear Representative Ulmer:

After communicating with all of our local legislators, I find that HB 17 (early retirement for teachers) is in the State Affairs Committee and not moving at the moment???

I strongly encourage you to take the steps necessary to get this bill through committee and on to the floor where I am assured a good bit of support exists. I have planned to take advantage of this bill and know of several others making similar plans.

Please let me know if there is anything I can do to help move this bill.

Sincerely Yours,


Richard DeBusman

General Delivery
New Stuyahok, Alaska 99636
May 5, 1987

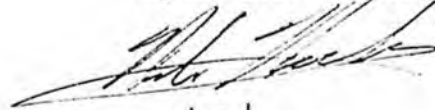
Dear Representative Ulmer:

Please support House Bill 17 which extends the early retirement option for another year.

Sincerely yours,



Lynda L.Z. Nichols



Nels

JL

#317 response pls

May 4, 1987

Alaska State Legislature
P.O. Box 1 (MS3100)
Juneau, AK 99811

Dear Fran Ulmer;

House Bill 17 is a bill which I support because it would ease some of the financial stresses over the next few years. Some teachers that are near retirement have salaries which are twice the salary of a new teacher. Another positive factor for early retirement is that it is a quick and easy way to reduce the number of teachers on a salary without the usual problems involved in teacher cut backs.

House Bill 199 is another item I would like to bring to your attention. Many of us who are new in the last one, two, three, or four years have survived in very stressful conditions as nontenured teachers in a time of cutbacks. Having taught for 20 years, it is obvious to me that teachers in the third richest state with one or two years tenure should be able to invest in Alaska by buying a home and becoming some of Alaskas most productive citizens. No intelligent teacher would bet his future on a system as poor as the Alaskan Education System would be if House Bill 199 was put into affect.

Please help keep good teachers by voting MC on House Bill 199.

Respectfully,

James Hashman
James Hashman

JK
4317