

S B

4 2

HOUSE STATE AFFAIRS COMMITTEE

NEXT COMMITTEE: HESS

BILL: SB 42

CURRENT VERSION: CS SB 42 (FIN)

SCHEDULED: APRIL 11, 1988

SPONSOR: DUNCAN

PHONE NO: 4766

CONTACT FILE: \_\_\_\_\_

BILL SUBJECT: TERRITORIAL SERVICE AND BIA SERVICE UNDER THE RETIREMENT INCENTIVE PROGRAM

SPONSOR BACKUP: IN FILES

AFFECTED AGENCIES:

<u>DEPARTMENT</u>	<u>CONTACT/PHONE</u>	<u>COMMENT</u>
ADMINISTRATION	PUSHPENDER DHILLON/2200	NOTIFIED 3/30

FISCAL NOTES

<u>AGENCY</u>	<u>REQUESTED</u>	<u>DATED</u>	<u>FY 88 AMT</u>	<u>FY 89 AMT</u>
ADMINISTRATION		3/16/88	\$3,000	\$6,000

ACTION

<u>DATE</u>	<u>COMMENT</u>
4/11/88	HEARING: PASSED FROM HOUSE STATE AFFAIRS COMMITTEE

STATE OF ALASKA  
THE LEGISLATURE

LEGISLATIVE AFFAIRS AGENCY  
LEGISLATIVE REFERENCE LIBRARY

POUCH V - STATE CAPITOL  
JUNEAU, ALASKA 99811  
907-465-3800

May, 1988

Copies of minutes listed below were originally included in this file. The minutes are available on the STAIRS database CMPR. In order to save space copies of minutes have not been left in the files.

Mary Van Nimwegen

House State Affrs:

4/11/88

# HOUSE COMMITTEE REPORT

(7)

Date referred: 3/21/88

FURTHER REFERRALS:

HESS  
Finance

DATE: 4-11-88

The State Affairs Committee has considered CSSB 42(Fin)

"An Act relating to territorial service and BIA service under the retirement incentive program; and providing for an effective date."

**RECOMMENDS:**

- replace with \_\_\_\_\_  the same title
- attached amendment(s)  a new title
- do pass
- do not pass
- no recommendation
- individual recommendations
- additional referral to the \_\_\_\_\_ Committee

**ADOPTS:**  \_\_\_\_\_ letter of intent

**ATTACHES NEW FISCAL NOTE(S):**

- fiscal impact  same as previous fiscal note published 3/16/88
- zero fiscal note  same as previous zero fiscal note published \_\_\_\_\_
- zero with analysis

**SIGNING DO PASS:**

*[Signature]*  
 \_\_\_\_\_  
*Cliff Davidson*  
 \_\_\_\_\_  
*[Signature]*  
 \_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_

**SIGNING OTHER RECOMMENDATIONS:**

*[Signature]*  
 \_\_\_\_\_  
*Terry Martin - no rec.*  
 \_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_

*[Signature]*  
 \_\_\_\_\_  
 Chairman's signature



Official Business

# Alaska State Legislature

## House

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

### COMMITTEE ON STATE AFFAIRS

### CS SENATE BILL 42 (FIN)

### FILE CONTENTS

1. CS SB 42 (FIN): AN ACT RELATING TO TERRITORIAL SERVICE AND BIA SERVICE UNDER THE RETIREMENT INCENTIVE PROGRAM; AND PROVIDING FOR AN EFFECTIVE DATE.
2. MEMORANDUM FROM SENATOR DUNCAN TO REPRESENTATIVE ULMER, DATED MARCH 22, 1988.
3. LETTER TO REPRESENTATIVE ULMER FROM PEGGY AND JOHN DAVIS, DATED MARCH 25, 1988

### FISCAL NOTE

- A. DEPARTMENT OF ADMINISTRATION, DIVISION OF RETIREMENT AND BENEFITS: \$3,000 IN FY 88; \$6,000 IN FY 89.



# Alaska State Legislature

SENATOR JIM DUNCAN

P. O. Box V JUNEAU, ALASKA 99811

(907) 465-4766

2  
COMMITTEES:  
FINANCE  
RESOURCES  
BUDGET AND AUDIT

MARCH 22, 1988

TO: REPRESENTATIVE FRAN ULMER, CHAIR  
HOUSE STATE AFFAIRS COMMITTEE

FROM: SENATOR ~~JIM DUNCAN~~

SUBJECT: CS SENATE BILL 42 (FINANCE), AN ACT RELATING TO  
TERRITORIAL SERVICE AND BIA SERVICE UNDER THE  
RETIREMENT INCENTIVE PROGRAM.

CS SENATE BILL 42 (FINANCE), RELATING TO TERRITORIAL SERVICE  
AND BIA SERVICE UNDER THE RETIREMENT INCENTIVE PROGRAM IS  
CURRENTLY BEFORE THE HOUSE STATE AFFAIRS COMMITTEE.

THE CURRENT VERSION OF THE BILL WOULD REMEDY AN INEQUITABLE  
SITUATION WHICH AROSE AS THE RESULT OF THE ORIGINAL RETIREMENT  
INCENTIVE PROGRAM. A HANDFUL OF TEACHERS WHO HAD SERVICE TIME  
WITH THE BUREAU OF INDIAN AFFAIRS AS TEACHERS IN ALASKA WERE NOT  
ELIGIBLE TO PARTICIPATE IN THE INCENTIVE BECAUSE OF AN AMENDMENT  
TO THE ORIGINAL LEGISLATION WHICH EXCLUDED THE USE OF BIA SERVICE  
CREDIT FOR THE PURPOSES OF QUALIFYING FOR THE INCENTIVE. SO,  
EVEN THOUGH THESE TEACHERS TAUGHT IN ALASKAN SCHOOLS WHICH WERE  
OPERATED BY THE BIA UNTIL THE EARLY 1970'S, THEY DID NOT QUALIFY  
TO PARTICIPATE IN THE INCENTIVE.

THE FINANCE CS FOR SB 42 WOULD OPEN A SHORT WINDOW PERIOD  
BETWEEN ENACTMENT OF THE BILL AND AUGUST 1, 1988, EXCLUSIVELY FOR  
THE TEACHERS DISCUSSED ABOVE.

I WOULD APPRECIATE YOUR SCHEDULING CS SB 42 (FINANCE) FOR A  
STATE AFFAIRS HEARING AS SOON AS POSSIBLE. I HAVE ATTACHED  
BACKGROUND INFORMATION FOR YOUR USE. MY STAFF CONTACT ON THIS  
BILL IS ROXANNE STEWART AT 465-4766.

ATTACHMENTS

RECEIVED JAN 29 1988

Box 246  
Barrow, Alaska 99723  
January 15, 1988

Alaska State Legislature  
Senator Jim Duncan  
P. O. Box V  
Juneau, Alaska 99811

Dear Senator Duncan.

First, I wanted to express our appreciation for your efforts to correct the inequity in the RIP statute which prevented the participation of long-time Alaskan teachers with Alaskan BIA teaching service. Your assistance as prime sponsor of Senate Bill 42 has been very encouraging.

Secondly, my husband and I urge you to continue efforts in this regard. To facilitate this we are enclosing a brief summary of our past correspondence with you, along with recent developments in this area.

Although the RIP window is closed, there are a few persons around the state who were deprived of the opportunity to participate in that program because part of their teaching was under the BIA. They met TRS "20 and out" regulations, and desired to participate.

My husband and I have taught in Barrow for the past 18 years, all in the same school. The first 5 years were under the BIA, before the North Slope Borough was formed. We saw fellow employees from the BIA years (BIA Maintenance, Public Works, Roads, Utilities employees from round the state) receive credit for their BIA service and qualify for RIP under PERS. This was also true of former Public Health nurses and employees who had transferred into PERS with North Slope Borough service.

When we first heard of RIP nearly 2 years ago, we assumed we were included, as TRS has already included our category in the "20 and out" retirement option. It was with shock and disappointment that we found ourselves eliminated due to the Kerttula amendment's use of the definition of "employer." As we did not have access to the "Definitions" of the

sections related to education, it was several months before we found we were not included. To us, it seems that we are not accorded "equal protection" under the Constitution. . . however inadvertently that may have been. Our hopes rose last year as remediation under your SB 42 or HB 17 seemed possible. These were delayed past the window deadline by the budget shuffle.

We now find that the inequitable statute has been inequitably applied, and that 2 persons in Anchorage have actually retired using BIA teaching service both to complete required years, and also for credit. Our investigations indicate that their retirement cannot be nullified (for which we are glad), however for us to achieve the benefit they enjoy, legislative action is necessary.

Just before Christmas, I contacted all other known teachers around the state with Alaskan BIA teaching experience. Of those who responded to previous questionnaires, there are 7 who could not retire last year because of the Kerttula Amendment that still are interested in retiring.

It is our hope that SB 42 could be reworked to provide this remediation and relief by perhaps opening a 90-day enrollment period for teachers unfairly prevented from participating last year. It is obvious that this is not a high-cost correction, and it would still have some economic benefits to school districts.

Bob Manners, our NEA-Alaska Legislative liason man has been aware of the constitutional equity problems of the original RIP as they relate to former BIA teachers, and is our contact person there in Juneau for attempting to resolve this problem. His phone number is 586-3090.

As persons who love their professions, and have spent much of our adult lives in the service of native Alaskans, we beg your assistance with this problem. A letter from Jan Faiks, received last spring is attached along with a copy of your letter to us at that time`.

Thank you very much for your assistance in "helping to make it fair."

Sincerely,

*Peggy & John*

Peggy and John Davis, Teachers

*Thank you for your letter of support last spring!*

# Alaska State Legislature

## House of Representatives

Al Adams

Chairman

Committee on Finance



Official Business

WHILE IN SESSION  
P.O. Box V  
State Capitol  
Juneau, Alaska 99811  
(907) 465-3706

OUT OF SESSION  
P.O. Box 333  
Kotzebue, Alaska 99752  
(907) 442-3320

1024 W. 6th  
Anchorage, Alaska 99501  
(907) 274-0615

February 25, 1988

Peggy & John Davis  
P.O. Box 246  
Barrow, AK 99723

Dear Ms. & Mr. Davis:

Thank you for your letter regarding participation in the Retirement Incentive Program by former Alaskan BIA teachers.

Although I have not been an enthusiastic supporter of the RIP program, I whole-heartedly agree with your position that this program has unfairly treated those employees who would have otherwise qualified for early retirement except for the fact that a portion of their teaching career in Alaska was under the BIA.

I have spoken to Mr. Bob Manners of the NEA and Senator Duncan's office and understand that Senate Bill 42 will be under consideration in the Senate Finance Committee next week to deal with this oversight in the original legislation. At this time I can assure you that I will do everything possible to see that this measure receives favorable consideration in the House at such time as it passes the Senate.

Again, thank you for bringing this matter to my attention. If there is anything further I can do for you at this time, please don't hesitate to contact my office.

Sincerely,

A handwritten signature in cursive script that reads "Al Adams".

Al Adams  
Chairman

House Finance Committee

PUBLIC OPINION MESSAGE

RECEIVED MAR 14 1988

PUBLIC OPINION MESSAGE

DEAR: SENATOR DUNCAN

DEAR: SENATOR DUNCAN

NAME: LARRY M. SMITH  
 TITLE:  
 ADDRESS: 3434 CAMPBELL AIRSTRIP ROAD  
 CITY: ANCHORAGE ZIP: 99504  
 PHONE: 333-9173  
 BILL NO: SB 42  
 SUBJECT: EXTEND EARLY RETIREMENT INCENTIVE PROGRAM  
 MESSAGE: I STRONGLY SUPPORT THE AMENDMENT TO SB 42 WHICH WOULD ALLOW BIA  
 RVICE TO BE CREDITED UNDER THE RETIREMENT INCENTIVE PROGRAM.  
 IS: SENATOR BINKLEY AND SENATOR HALFORD  
 PLEASE KEEP ME ADVISED TO THE STATUS OF THIS BILL.

NAME: JED WHITTAKER  
 TITLE:  
 ADDRESS: 2804 ASPEN  
 CITY: ANCHORAGE ZIP: 99507  
 PHONE: N/R-  
 BILL NO:  
 SUBJECT: DEMOCRACY  
 MESSAGE: PLEASE BRING HJR 4 TO A FLOOR VOTE. IT IS ONLY DEMOCRATIC TO DO SO.

POHID: 03095256  
 DATE: 03/14/88  
 TIME: 09:52:56  
 OHNAME: ANCHORAGE LIO

POHID: 03095817  
 DATE: 03/14/88  
 TIME: 09:58:17  
 LIONAME: ANCHORAGE LIO

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COPIES: SENATORS

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TAYLOR	ULMER	ZHAROFF
WALLIS	ZANACKI	

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 COGHILL  
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 KERTTULA  
 RODEY  
 STURGULEWSKI  
 SZYMANSKI  
 UEHLING  
 ZHAROFF

## PUBLIC OPINION MESSAGE

DEAR: SENATOR DUNCAN

NAME: MILDRED JOHNSON  
 TITLE:  
 ADDRESS: 202 STEWART  
 CITY: ANCHORAGE  
 PHONE: 333-8656  
 BILL NO: SB 42

ZIP: 99508

SUBJECT: EXTEND EARLY RETIREMENT INCENTIVE PROGRAM  
 MESSAGE: I STRONGLY SUPPORT THE AMENDMENT TO SB 42 WHICH WOULD ALLOW BIA SERVICES TO BE CREDITED UNDER THE RETIREMENT INCENTIVE PROGRAM.

POMID: 03162813  
 DATE: 02/22/88  
 TIME: 16:28:13  
 LOCATION: ANCHORAGE LIO

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SHULTZ	SPRINGER	SZYMAWSKI
SUND	SHACKHAMMER	UEHLING
TAYLOR	ULMER	ZHAROFF
WALLIS	ZAWACKI	

## PUBLIC OPINION MESSAGE

DEAR: SENATOR DUNCAN

NAME: MARY K. GLOVER  
 TITLE:  
 ADDRESS: 4660 REKA, RD 23  
 CITY: ANCHORAGE  
 PHONE: 337-3021  
 BILL NO: SB 42

ZIP: 99508

SUBJECT: EXTEND EARLY RETIREMENT INCENTIVE PROGRAM  
 MESSAGE: I STRONGLY SUPPORT THE AMENDMENT IN SB 42 WHICH WOULD ALLOW BIA SERVICE TO BE CREDITED UNDER THE RETIREMENT INCENTIVE PROGRAM.

POMID: 03133809  
 DATE: 02/22/88  
 TIME: 13:38:09  
 LOCATION: ANCHORAGE LIO

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PETTYJOHN	PHILLIPS	RODEY
POURCHOT	RIEGER	STURGULEWSKI
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SUND	SHACKHAMMER	UEHLING
TAYLOR	ULMER	ZHAROFF
WALLIS	ZAWACKI	

RECEIVED FEB 23 1988

RECEIVED FEB 23 1988

## PUBLIC OPINION MESSAGE

DEAR: SENATOR DUNCAN

NAME: COIMIE WEBB  
 TITLE:  
 ADDRESS: 1804 SOUTH SALEM DRIVE  
 CITY: ANCHORAGE, ALASKA  
 PHONE: 561-0534  
 BILL NO: SB 42

SUBJECT: EXTEND EARLY RETIREMENT INCENTIVE PROGRAM  
 MESSAGE: I STRONGLY SUPPORT AMENDMENT TO SB 42 WHICH WOULD ALLOW B.I.A. SERVICE TO BE CREDITED UNDER THE RETIREMENT INCENTIVE PROGRAM.

ZIP: 99515

*Sheldon  
 Cantone*  
*Reply*

## PUBLIC OPINION MESSAGE

DEAR: SENATOR DUNCAN

NAME: PHYLISS BRACKEN  
 TITLE:  
 ADDRESS: P.O. BOX 771551  
 CITY: EAGLE RIVER  
 PHONE: 694-9609  
 BILL NO: SB 42

SUBJECT: EXTEND EARLY RETIREMENT INCENTIVE PROGRAM  
 MESSAGE: I STRONGLY SUPPORT THE AMENDMENT TO SB 42 WHICH WOULD ALLOW BIA SERVICE TO BE CREDITED UNDER THE RETIREMENT INCENTIVE PROGRAM.

ZIP: 99577

*Reply*  
*Shelly  
 Cayan*

POMID: 03120433  
 DATE: 02/22/88  
 TIME: 12:04:33  
 LOCATION: ANCHORAGE LIO

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DAVIDSON	DAVIS	FAHRENKAMP
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SHULTZ	SPRINGER	SZYMAWSKI
SUND	SWACKHAMMER	UEHLING
TAYLOR	ULMER	ZHAROFF
WALLIS	ZAWACKI	

POMID: 03121648  
 DATE: 02/22/88  
 TIME: 12:16:48  
 LOCATION: ANCHORAGE LIO

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RECEIVED FEB 23 1988

RECEIVED FEB 23 1988

PUBLIC OPINION MESSAGE

DEAR: SENATOR DUNCAN

NAME: NANCY MCGEE  
 TITLE:  
 ADDRESS: 3134 DELTA DRIVE  
 CITY: ANCHORAGE  
 PHONE: 248-0241  
 BILL NO: SB 42  
 SUBJECT: EXTEND EARLY RETIREMENT INCENTIVE PROGRAM  
 MESSAGE: I SUPPORT THE AMENDMENT TO SB 42 WHICH WOULD ALLOW BIA SERVICES TO BE CREDITED UNDER THE RETIREMENT INCENTIVE PROGRAM.

ZIP: 99502

*Reply  
 to  
 Nancy  
 McGee*

PUBLIC OPINION MESSAGE

DEAR: SENATOR DUNCAN

NAME: JACKIE SMITH  
 TITLE:  
 ADDRESS: 3434 CAMPBELL AIRSTRIP RD.  
 CITY: ANCHORAGE  
 PHONE: 333-9173  
 BILL NO: SB 42  
 SUBJECT: EXTEND EARLY RETIREMENT INCENTIVE PROGRAM  
 MESSAGE: I STRONGLY SUPPORT THE AMENDMENT TO SB 42 WHICH WOULD ALLOW BIA SERVICE TO BE CREDITED UNDER THE RETIREMENT INCENTIVE PROGRAM.

ZIP: 99504

POMID: 03112716  
 DATE: 02/22/88  
 TIME: 11:27:16  
 LIQNAME: ANCHORAGE LIO

POMID: 03112918  
 DATE: 02/22/88  
 TIME: 11:29:18  
 LIQNAME: ANCHORAGE LIO

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RECEIVED FEB 23 1988

RECEIVED FEB 23 1988

## PUBLIC OPINION MESSAGE

DEAR: SENATOR DUNCAN

*Repg*

NAME: MORGEN PAULK  
 TITLE:  
 ADDRESS: 4201 FLORINA APT. 4  
 CITY: ANCHORAGE  
 PHONE: 562-6171

ZIP: 99502

BILL NO: SB 42

SUBJECT: EXTEND EARLY RETIREMENT INCENTIVE PROGRAM  
 MESSAGE: I SUPPORT THE AMENDMENT FOR THE B.I.A. TO BE CREDITED UNDER THE  
 RETIREMENT INCENTIVE PROGRAM.

FOMID: 03075807  
 DATE: 02/22/88  
 TIME: 07:58:07  
 IONAME: ANCHORAGE LIO

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SHULTZ	SPRINGER	SZYMAWSKI
SUID	SHACKHAMMER	UEHLING
TAYLOR	ULMER	ZHAROFF
WALLIS	ZAHACKI	

## PUBLIC OPINION MESSAGE

DEAR: SENATOR DUNCAN

*Repg*

NAME: PEGGY DAVIS  
 TITLE:  
 ADDRESS: P.O. BOX 246  
 CITY: BARROW  
 PHONE: 852-4711

ZIP: 99723

BILL NO: SB 42

SUBJECT: EXTEND EARLY RETIREMENT INCENTIVE PROGRAM  
 MESSAGE: WITH 17 YEARS BARROW TEACHING, I COULD NOT RETIRE UNDER R.I.P. BECAUSE  
 5 BARROW YEARS WERE UNDER B.I.A.. OTHER FORMER B.I.A. EMPLOYEES COUNTED THEIR  
 YEARS TOWARD R.I.P./P.E.R.S.. SUPPORT WORDING TO OPEN A CORRECTIVE R.I.P. WINDOW  
 FOR APPROXIMATELY 7 TEACHERS LEFT STATEWIDE. WE CARED. DO YOU?  
 HELP MAKE IT FAIR!

FOMID: 04140203  
 DATE: 03/02/88  
 TIME: 14:02:03  
 IONAME: BARROW INFO OFFICE

COPIES: SENATORS

BINKLEY  
 FISCHER  
 HALFORD  
 HENSLEY  
 UEHLING  
 ZHAROFF


RECEIVED FEB 23 1988

PUBLIC OPINION MESSAGE

DEAR: SENATOR DUNCAN

NAME: JOHN DAVIS  
TITLE:  
ADDRESS: BOX 246  
CITY: BARROW  
PHONE: 852-6745  
BILL NO: SD 42  
SUBJECT: EXTEND EARLY RETIREMENT INCENTIVE PROGRAM  
MESSAGE: TREAT ALL ALASKAN TEACHERS EQUITABLY. PASS SD 42.

ZIP: 99723



FORMID: 04172346  
DATE: 03/02/88  
TIME: 17:23:46  
LOCATION: BARROW INFO OFFICE

COPIES: SENATORS

BINKLEY  
FISCHER  
HALFORD  
HENSLEY  
UEHLING  
ZHAROFF


RECEIVED MAR 03 1988

PUBLIC OPINION MESSAGE

DEAR: SENATOR DUNCAN

NAME: RUTH ANN HOAR  
TITLE:  
ADDRESS: P.O. BOX 113  
CITY: TOK  
PHONE: 883-5532  
BILL NO: SD 42  
SUBJECT: EXTEND EARLY RETIREMENT INCENTIVE PROGRAM  
MESSAGE: I WAS DENIED THE OPTION OF THE EARLY RETIREMENT INCENTIVE PROGRAM LAST YEAR BECAUSE MY SERVICE TIME INCLUDED ALASKA DTA TEACHING. TEACHERS WHO TAUGHT NATIVE CHILDREN SHOULD BE ENTITLED TO THE SAME BENEFITS THAT OTHER TEACHERS IN THE STATE RECEIVED. PLEASE SUPPORT SD 42 TO RECTIFY THIS INEQUALITY.

ZIP: 99780



FORMID: 02094729  
DATE: 03/03/88  
TIME: 09:47:29  
LOCATION: DELTA JUNCTION LIO

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RECEIVED MAR 03 1988

PUBLIC OPINION MESSAGE

DEAR: SENATOR DUNCAN

*Reply*

NAME: MICHAEL HOAR  
TITLE:  
ADDRESS: BOX 113  
CITY: TOK, ALASKA  
PHONE: 883-5532  
BILL NO: SB 42

ZIP: 99780

SUBJECT: EXTEND EARLY RETIREMENT INCENTIVE PROGRAM  
MESSAGE: I AM A LONG TIME TEACHER IN THE STATE OF ALASKA WHO WAS DENIED THE  
PORTION OF THE EARLY RETIREMENT INCENTIVE PROGRAM LAST YEAR BECAUSE MY SERVICE  
INCLUDED ALASKA BIA TEACHING. I URGE YOU TO SUPPORT SB 42 TO RECTIFY THIS IN-  
EQUALITY. IN THE INTEREST OF FAIRNESS, PLEASE SUPPORT SB 42.

POPID: 02155255  
DATE: 03/01/88  
TIME: 15:52:55  
LIONAME: DELTA JUNCTION LIO

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PUBLIC OPINION MESSAGE

DEAR: SENATOR DUNCAN

RECEIVED MAR 03 1988

*Reply*

NAME: TIM MACDONALD  
TITLE:  
ADDRESS: P.O. BOX 272  
CITY: DOT LAKE  
PHONE: 882-2665  
BILL NO: SB 42

ZIP: 99737

SUBJECT: EXTEND EARLY RETIREMENT INCENTIVE PROGRAM  
MESSAGE: PLEASE SUPPORT THOSE TEACHERS WHO HAVE DEDICATED THEMSELVES TO THE  
EDUCATION OF RURAL ALASKA SCHOOLS WHILE UNDER BIA CONTROL. BENEFITS FOR EARLY  
RETIREMENT SHOULD BE EXTENDED TO INCLUDE THESE DEDICATED EDUCATORS OF ALASKA'S  
EARLY RURAL EDUCATIONAL EFFORT. PLEASE VOTE YES FOR SB 42.

POPID: 02120839  
DATE: 03/02/88  
TIME: 12:08:39  
LIONAME: DELTA JUNCTION LIO

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RECEIVED MAR 02 1988

*aisb42  
#4*

PUBLIC OPINION MESSAGE

DEAR: SENATOR DUNCAN

NAME: SALLY MCCLELLEN  
TITLE: TEACHER  
ADDRESS: BOX 311  
CITY: KOTZEBUE  
PHONE: 442-3250  
BILL NO: SB 42

ZIP: 99752

*Reg*

SUBJECT: EXTEND EARLY RETIREMENT INCENTIVE PROGRAM  
MESSAGE: I BEGAN TEACHING CHILDREN IN KOTZEBUE FOR THE B.I.A. IN 1973. I'M STILL  
HERE TEACHING FOR THE N.W.A.B.S.D. WHICH WOULD BENEFIT FINANCIALLY FROM MY RETI  
REMENT. SEVEN NORTHERN ALASKAN TEACHERS, INCLUDING ME, WE UNFAIRLY DENIED OUR B  
I.A. EXPERIENCE UNDER THE EARLIER RETIREMENT BILL. PLEASE SUPPORT SB 42 NOW I  
YOU COMMITTEE.

POMID: 10112605  
DATE: 03/03/88  
TIME: 11:26:05  
LOCATION: KOTZEBUE INFORMATION OFFICE

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FISCHER  
HALFORD  
HENSLEY  
UEHLING  
ZHAROFF

*SB 42 #4*

PUBLIC OPINION MESSAGE

RECEIVED MAR 03 1988

DEAR: SENATOR DUNCAN

NAME: MARY MACDONALD  
TITLE:  
ADDRESS: P.O. BOX 272  
CITY: DOT LAKE  
PHONE: 882-2665  
BILL NO: SB 42

ZIP: 99737

*Reg*

SUBJECT: EXTEND EARLY RETIREMENT INCENTIVE PROGRAM  
MESSAGE: PLEASE SUPPORT THOSE TEACHERS WHO HAVE DEDICATED THEMSELVES TO THE  
EDUCATION OF RURAL ALASKA SCHOOLS WHILE UNDER BIA CONTROL. BENEFITS FOR EARLY  
RETIREMENT SHOULD BE EXTENDED TO INCLUDE THESE DEDICATED EDUCATORS OF ALASKA'S  
EARLY RURAL EDUCATION EFFORT. PLEASE VOTE YES FOR SB 42.

POMID: 02121051  
DATE: 03/02/88  
TIME: 12:10:51  
LOCATION: DELTA JUNCTION LIO

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HALFORD  
HENSLEY  
UEHLING  
ZHAROFF

RECEIVED MAR 04 1988

PUBLIC OPINION MESSAGE

*Answer*

DEAR: SENATOR DURICAN

NAME: TONI HASSETT  
TITLE:  
ADDRESS: 111 KNOWLES CIRCLE  
CITY: ANCHORAGE, ALASKA  
PHONE: 349-2190  
BILL NO: SB 42  
SUBJECT: EXTEND EARLY RETIREMENT INCENTIVE PROGRAM  
MESSAGE: I STRONGLY SUPPORT AMENDMENT TO SB 42 WHICH WOULD ALLOW B.I.A. SERVICE TO BE CREDITED UNDER THE RETIREMENT INCENTIVE PROGRAM.

*Reply*

POMID: 03130248  
DATE: 02/22/88  
TIME: 13:02:48  
LOCATION: ANCHORAGE LIO

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ADAMS	BARNES	ABOOD
BOUCHER	BOYER	BINKLEY
BROWN	CATO	COGHILL
COLLINS	COTTEN	ELIASON
DAVIDSON	DAVIS	FAHRENKAMP
DOHLEY	ELLIS	FAIKS
FRANK	FURNACE	FANNING
GOLL	GRUENBERG	FISCHER
GRUSSENDORF	HANLEY	HALFORD
HERRMANN	HOFFMAN	HELSLEY
HUDSON	KOPONEN	JONES
LARSON	MARTIN	JOSEPHSON
MENARD	MILLER	KELLY
NAVARRE	PEARCE	KERTTULA
PETTY JOHN	PHILLIPS	RODEY
POURCHOT	RIEGER	STURGULEWSKI
SHULTZ	SPRINGER	SZYMAWSKI
SUND	SWACKHAMMER	UEHLING
TAYLOR	ULMER	ZHAROFF
WALLIS	ZAWACKI	

*Lyle*

Box 246  
Barrow, Alaska 99723  
March 25, 1988

Representative Fran Ulmer, Chairman  
House Committee on State Affairs  
P. O. Box V  
Juneau, AK 99811

Dear Representative Ulmer,

In January, I wrote you to express our appreciation for your efforts as sponsor of HB 17 to correct the inequity in the RIP statute which prevented the participation of long-time Alaskan teachers with Alaskan BIA teaching service. Since that time it has been encouraging to learn of passage by the Senate of SB 42 in a revised form that we understand has had input from the TRS, the House Research Agency - possibly including your office, and other interested parties as well.

My husband and I urge you and Representative Menard, as co-sponsors of HB 17, and members of the House State Affairs Committee to work for rapid movement of CSSB 42 in your committee, and to facilitate its movement through HESS and Finance in a timely fashion. It appears that possibilities may be good, with two sponsors in State Affairs which reviews the bill first, and the assistance of Representative Adams. Though not an avid supporter of the "RIP" concept Representative Adams has written us of his support for this Bill because of the equity issues involved.

A brief summary of our difficulties and the reasons we are so interested in obtaining legislative relief may be of help to you in this effort.

Although the RIP window is closed, there are a few persons around the state who were deprived of the opportunity to participate in that program because part of their teaching was under the BIA. They met TRS "20 and out" retirement regulations, and desired to participate.

My husband and I have taught in Barrow for the past 18 years, all in the same school. The first 5 years were under the BIA, before the North Slope Borough was formed. We saw fellow employees from the BIA years (BIA Maintenance, Public Works, Roads, Utilities) employees from round the

state) receive credit for their BIA service and qualify for RIP under PERS. This was also true of former Public Health nurses and employees who had transferred into PERS with North Slope Borough service. Not BIA teachers.

When we first heard of RIP nearly 2 years ago, we assumed we were included, as TRS has already included our category in the "20 and out" retirement option. It was with shock and disappointment that we found ourselves eliminated due to the Kerttula amendment's use of the definition of "employer." As we did not have access to the "Definitions" of the sections related to education, it was several months before we found we were not included. To us, it seems that we are not accorded "equal protection" under the Constitution. . . however inadvertently that may have been. Our hopes rose last year as remediation under HB 17 or SB 42 seemed possible. These were delayed past the window deadline by the budget shuffle.

We now find that the inequitable statute has been inequitably applied, and that 2 persons in Anchorage have actually retired using BIA teaching service both to complete required years, and also for credit. Our investigations indicate that their retirement cannot be nullified (for which we are glad), however for us to achieve the benefit they enjoy, it will be necessary for us to have help.

Just before Christmas, I contacted all other known teachers around the state with Alaskan BIA teaching experience. Of those who responded to previous questionnaires, there are 7 who could not retire last year because of the Kerttula Amendment that still are interested in retiring.

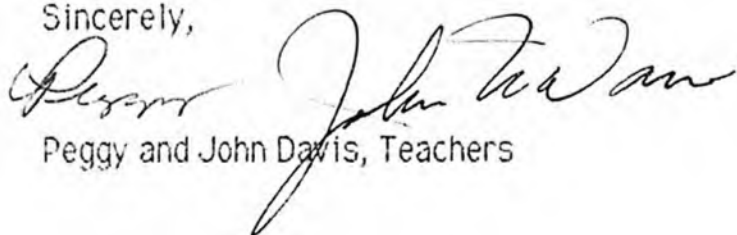
The CSSB 42 which passed the Senate last week corrects this inequity by opening an enrollment period for teachers unfairly prevented from participating last year, and does so economically - the estimated cost being but about \$6000 to \$9000, I believe. Yet passage of the Bill would still have some economic benefits to school districts.

We now earnestly request your support and assistance, both moral and actual in seeing that this handful of hardworking professionals are not penalized for making years of contribution to the native people of our state during the years when neither state nor local governments took responsibility for the education of children in remote villages of the north.

Bob Manners, our NEA-Alaska Legislative liason man has been aware of the constitutional equity problems of the original RIP as they relate to former BIA teachers, and is our contact person there in Juneau for attempting to resolve this problem. His phone number is 586-3090. A letter from Jan Faiks, received last spring is attached including a relevant summary of the problem.

Thank you very much for your interest in "helping to make it fair." Anything you can do to help bring about an equitable solution, will be appreciated.

Sincerely,

A handwritten signature in cursive script, appearing to read "Peggy and John Davis". The signature is written in dark ink and is positioned above the typed names.

Peggy and John Davis, Teachers

FISCAL NOTE

REQUEST:

Revision Date: \_\_\_\_\_ Agency Affected: Department of Administration  
 Title: An act relating to the Retirement Incentive Program BRU: Retirement and Benefits  
 Sponsor: Duncan Components: Retirement and Benefits  
 Requestor: Duncan

EXPENDITURES/REVENUES: (Thousands of Dollars)

OPERATING	FY 88	FY 89	FY 90	FY 91	FY 92	FY 93
PERSONAL SERVICES	3.0	6.0	0	0	0	0
TRAVEL	0	0	0	0	0	0
CONTRACTUAL	0	0	0	0	0	0
SUPPLIES	0	0	0	0	0	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	3.0	6.0	0	0	0	0

CAPITAL	0	0	0	0	0	0
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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	3.0	6.0	0	0	0	0
TOTAL	3.0	6.0	0	0	0	0

POSITIONS:

FULL-TIME	0	0	0	0	0	0
PART-TIME	0	0	0	0	0	0
TEMPORARY	1	1	0	0	0	0

ANALYSIS: (Attach a separate page if necessary)

See attached

Prepared By: Robert F. Stalnaker, Acting Director Phone: 465-4460  
 Division: Retirement and Benefits Date: 3-16-88

Approved by Commissioner: John M. Andrews Date: \_\_\_\_\_  
 Agency: Department of Administration

Distribution (by preparer):  
 Legislative Finance  
 Legislative Sponsor  
 Requestor  
 Office of Management and Budget  
 Impacted Agency(ies)

Committee Substitute Senate Bill 42 (FIN)  
Fiscal Note Analysis  
Prepared by Division of Retirement & Benefits  
Department of Administration  
March 16, 1988

IV Analysis: This bill would expand the eligible service categories for qualifying for the Retirement Incentive Program to include Alaska Bureau of Indian Affairs (BIA) teaching service in the Teachers' Retirement System (TRS). Members could use this service to satisfy minimum service requirements under the TRS. Those who had not previously been eligible to retire would now have until June 30, 1988 to apply for retirement and August 1, 1988 to be appointed to retirement.

The administrative cost to the division associated with this effort would be funded through an increase in administrative fees to the employers.

We anticipate that: as many as 50 previously ineligible members would now become eligible; many members who were eligible and retired under one provision, the 20 year provision, would now become eligible under another more favorable provision and would have to have their benefits recalculated.

We anticipate the need for one Retirement Technician I/II to perform the necessary effort. If this bill passed by May 1988, we would need support for June 1988 for FY 88 and for the first two months of FY 89.

Fran:

Background on RIP program, HB 17 and SB 42 as requested.

The Retirement Incentive Program (RIP) was established by law (Ch. 26, 1986) effective May 16, 1986. An incentive credit of three years was made available to employees in the PERS and TRS who were either eligible for retirement or within three years of being eligible if they were in a unit designated by their employer. The law further provides that an eligible employee who elects to retire under the RIP must contribute three years worth of employee contributions and that the employer pay the remainder of the costs of the incentive for that employee. Employees were not required to pay cash, they could elect to satisfy their indebtedness through reductions in their benefits. Employers were required to pay the administrative costs of the program and to pay their share of the costs over a period of three years or less.

The law provided "windows of opportunity" or periods during which eligible employees could apply for retirement and retire under RIP. These window periods were staggered to spread the applications over a period of time.

#### Success of RIP and HB 17

It was not clear whether this program was successful or not. Essentially, HB 17 would have extended the "windows of opportunity" another year; however, the subcommittee in House State Affairs recommended that HB 17 not be acted upon until DOA had the opportunity to assess how effective the initial RIP program had been; i.e. cost savings and number of people applying.

As far as the success of the RIP program goes, the program did increase voluntary employee turnover. One thousand seventy-six State employees have retired since the inception of RIP compared to less than 500 state retirement during a similar period before the RIP. The total state cost for the incentives for these retirees will be about \$30 million. They cannot say what the cost savings will be or what the overall impact will be on personal services costs.

DOA found that a high percentage of those retiring under a RIP waited until near the end of the window period to retire. They suggested that shorter window periods would improve precision since feedback was available much more quickly.

SB 42

In the original legislation (Ch. 26) passed in the waning hours of the legislature, Kerttula offered an amendment which excluded certain classes from using retirement benefits from federal sources - he was concerned about "double dipping". SB 42 opens a "window" for a three month period to allow individuals with BIA teaching experience in Alaska to retire early/receive credit for this service.

Under the buy-in program, a BIA teacher still receives the retirement benefits to which they are entitled under the Civil Service Retirement System, and is also eligible for any TRS benefits in excess of those received from the federal program.

The DOA supports this legislation, thinks it is good public policy.

DENNIS

# Alaska State Legislature



PRESIDENT  
907-465-3755

JAN FAIKS  
POST OFFICE BOX V  
JUNEAU, ALASKA 99811

Senate

April 8, 1987

John and Peggy Davis  
Post Office Box 246  
Barrow, Alaska 99723

Dear Mr. and Mrs. Davis:

Thank you for sharing your thoughts regarding the RIP early retirement system and BIA teachers.

I am supportive of the changes that you suggested. The present system which discriminates against BIA teachers, is not only unfair, but may possibly be unconstitutional.

The so-called Kerttula Amendment recognizes that BIA teachers already receive retirement benefits from a federal source, and thus precludes them from "double-dipping" into the state retirement system.

However, this ignores the fact that these teachers have provided many years of service in Alaska and have already bought-in to the TRS program, and are not even receiving full TRS benefits.

As I understand the buy-in system, a BIA teacher still receives the retirement benefits to which she/he is entitled under the federal Civil Service Retirement System, and is also eligible for any TRS benefits in excess of those received from the federal program.

I see no reason for BIA teachers to be excluded from participation in the RIP early retirement program. I am concerned about constitutional questions this practice raises regarding the state's equal protection clause. That clause requires that a classification that creates different treatment for persons be reasonable, not arbitrary, and be based on a difference that bears a fair and substantial relation to the object of the legislation, so that all persons similarly circumstanced are treated alike.

OUT OF SESSION  
6060 YUKON DRIVE ANCHORAGE, ALASKA 99516 907-271-6691


22 7010

Unless the state can show a reasonable justification for not crediting years of teaching service under the BIA, this policy would most likely fail a constitutional challenge. I cannot imagine what justification there might be for not recognizing the valuable work of teachers in the Alaska BIA program.

As you indicate, it appears that allowing BIA teachers to participate in the early retirement program would have great benefits for the state, in terms of money saved.

Again, thank you for bringing this matter to my attention. Although no legislation has been introduced, I would like to further consider it during the interim.

Sincerely,



Jan Faiks  
Senator

JF:ag

P.S. I enjoy working with Senator Willie Hensley. He is a hard-working advocate for your district.