

HB

91

HFIN

FILE

FISCAL NOTE

STATE OF ALASKA
2004 LEGISLATIVE SESSION

Fiscal Note Number: _____
Bill Version: HB 91
() Publish Date: 2/12/2004

Revision Date/Time (Note if correction): 2/12/2004 Dept. Affected: Administration
Title An Act relating to medical benefits for retired peace officers RDU All
Component All
Sponsor Rep. Anderson, et. Al
Requester House Finance Component No. _____

Expenditures/Revenues (Thousands of Dollars)

Note: Amounts do not include inflation unless otherwise noted below.

OPERATING EXPENDITURES	FY 2005	FY 2006	FY 2007	FY 2008	FY 2009	FY 2010
Personal Services	856.9	882.6	909.1	936.4	964.4	993.4
Travel						
Contractual						
Supplies						
Equipment						
Land & Structures						
Grants & Claims						
Miscellaneous						
TOTAL OPERATING	856.9	882.6	909.1	936.4	964.4	993.4

CAPITAL EXPENDITURES						
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CHANGE IN REVENUES ()						
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FUND SOURCE (Thousands of Dollars)

1002 Federal Receipts						
1003 GF Match						
1004 GF				All Funding Sources		
1005 GF/Program Receipts						
1037 GF/Mental Health						
Other (Specify Type--Do not abbreviate)						
TOTAL	856.9	882.6	909.1	936.4	964.4	993.4

Estimate of any current year (FY2004) cost: 0.0
Mark this box (X) if funding for this bill is included in the Governor's FY 2005 budget proposal:

POSITIONS

Full-time	0	0	0	0	0	0
Part-time	0	0	0	0	0	0
Temporary	0	0	0	0	0	0

ANALYSIS: (Attach a separate page if necessary)

This bill would provide system paid medical coverage for all peace officers and firefighters who first entered the PERS after June 30, 1986 and who have at least 20 years of qualifying service at retirement.

Our actuarial consultant has computed this legislation to increase the PERS accrued liability by approximately \$8.0 million. The estimated increase in the average PERS calculated contribution rate would be .97% of peace officer/firefighter payroll. Based on a state PERS peace officer/firefighter payroll of approximately \$88.3 million, the annual cost increase to the State of Alaska would be \$856.9 thousand.

Prepared by: Melanie Millhorn Phone _____
Division: Retirement and Benefits Date/Time 2/12/04 1:25 p.m.
Approved by: Mike Miller, Commissioner Date _____
Agency: Administration

FISCAL NOTE

STATE OF ALASKA
2004 LEGISLATIVE SESSION

BILL NO. HB 91

ANALYSIS CONTINUATION

Examples of impact on the five major PERS employers based on peace officer/firefighter salaries are as follows:

PERS	P/F Salaries (in 000's)	Rate increase%	Annual cost (in 000's)
State of Alaska	88,343.3	0.97%	856.9
Juneau Borough	5,444.1	0.97%	52.8
Anchorage Municipality	25,359.1	0.97%	246.0
Fairbanks Borough	302.3	0.97%	2.9
North Slope Borough	4,875.0	0.97%	47.3

AS 24.08.036 FISCAL NOTES ON BILLS AFFECTING STATE RETIREMENT SYSTEMS, requires an additional analysis of the long term and short term costs to the state if a bill is adopted, as well as the impact of the bill on the actuarial soundness of the funds. This bill would increase the PERS contribution rate by .97% of PERS peace officer/firefighter payroll. For FY 05 this would be an added cost to the state of \$856.9 thousand. This change would also decrease the PERS funded ratio by .1%. The funding ratio of the PERS as of June 30, 2002 was 75.2%. Passage of this bill would decrease the funding ratio to 75.1%.

FISCAL NOTE

STATE OF ALASKA
2003 LEGISLATIVE SESSION

Fiscal Note Number: 1
 Bill Version: HB 91
 (H) Publish Date: 2/24/03

Revision Date/Time (Note if correction): _____ Dept. Affected: Administration
 Title: An Act relating to COLA and medical BRU: Centralized Admin Services
benefits for retired peace officers..... Component: Retirement & Benefits
 Sponsor: Rep Anderson
 Requester: House Labor and Commerce Component No. 64

Expenditures/Revenues (in thousands of Dollars)

Note: Amounts do not include inflation unless otherwise noted below.

OPERATING EXPENDITURES	FY 2004	FY 2005	FY 2006	FY 2007	FY 2008	FY 2009
Personal Services						
Travel						
Contractual						
Supplies						
Equipment						
Land & Structures						
Grants & Claims						
Miscellaneous						
TOTAL OPERATING	*	*	*	*	*	*

CAPITAL EXPENDITURES						
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CHANGE IN REVENUES ()						
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FUND SOURCE (Thousands of Dollars)

1002 Federal Receipts						
1003 GF Match						
1004 GF						
1005 GF/Program Receipts						
1037 GF/Mental Health						
Other (Specify Type--Do not abbreviate)						
TOTAL	*	*	*	*	*	*

Estimate of any current year (FY2003) cost: 0.0
 Mark this box (X) if funding for this bill is included in the Governor's FY 2004 budget proposal:

POSITIONS

Full-time						
Part-time						
Temporary						

ANALYSIS: (Attach a separate page if necessary)

This bill would improve the Alaska Cost of Living Allowance (COLA) retirement benefit and retirement system paid medical coverage for all peace officers who first entered the PERS after June 30, 1986, and who have at least 20 years of credited service at retirement.

Our actuarial consultant has computed this legislation to increase the PERS accrued liability by approximately \$13.45 million. The estimated increase in the average PERS calculated contribution rate would be 0.18% of payroll. Based on a state PERS payroll of approximately \$680 million, the annual cost increase to the State of Alaska would be \$1,224.0 and would be paid from all state agency personal services line items.

Prepared by: Guy Bell Phone: _____
 Division: Retirement & Benefits Date/Time: February 20, 2003
 Approved by: Mike Miller Date: February 20, 2003
 Agency: Department of Administration

23-LS0426U

Craver

1/14/04

Adopted 2/17/04

CS FOR HOUSE BILL NO. 91()

IN THE LEGISLATURE OF THE STATE OF ALASKA

TWENTY-THIRD LEGISLATURE - SECOND SESSION

BY

Offered:

Referred:

Sponsor(s): REPRESENTATIVES ANDERSON, Gara, Crawford, Guttentberg, Gruenberg, Dahlstrom, Lynn, Heinze, Holm, McGuire

A BILL

FOR AN ACT ENTITLED

1 **"An Act relating to medical benefits for retired peace officers after 20 years of credited**
2 **service."**

3 **BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF ALASKA:**

4 *** Section 1. AS 39.35.535(c) is amended to read:**

5 (c) A benefit recipient may elect major medical insurance coverage in
6 accordance with regulations and under the following conditions:

7 (1) a person, other than a disabled member or a disabled member who
8 is appointed to normal retirement, must pay an amount equal to the full monthly group
9 premium for retiree major medical insurance coverage if the person is

10 (A) younger than 60 years of age and has less than

11 (i) 20 [25] years of credited service as a peace officer
12 under AS 39.35.360 and 39.35.370; or

13 (ii) 30 years of credited service under AS 39.35.360 and
14 39.35.370 that is not service as a peace officer; or

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(B) of any age and has less than 10 years of credited service;
(2) a person is not required to make premium payments for retiree major medical coverage if the person

(A) is a disabled member;

(B) is a disabled member who is appointed to normal retirement;

(C) is 60 years of age or older and has at least 10 years of credited service; or

(D) has at least

(i) 20 [25] years of credited service as a peace officer under AS 39.35.360 and 39.35.370; or

(ii) 30 years of credited service under AS 39.35.360 and 39.35.370 not as a peace officer.

For HB 91 From Mike Fox

Fiscal Note Discussion - Questions for DRB

Ref: the original note The Director of DRB, M. Millhorn, advised: "the actuaries looked at the value of the current benefits and then calculated the value of the proposed benefits. The difference is the cost to the retirement system for the enhancement. They then looked at the current members who would be impacted by the change and determined the past service amount to pay the benefits for those members

The only members impacted by this bill are Peace Officers who will retire with between 20 and 25 years of service - and - are less than 60 years of age.

Neither DPS, DOC, or DRB have provided an estimate of the number of the current members who will qualify for the benefit. Seniority lists indicate a Trooper has less than a 50% chance of completing 20 years of service. For Correctional Officers DOC estimates approximately 16% annual turnover. At 16%, presuming equal distribution, only 2.4% would work 20 years.

#1 QUESTION

When analyzing the cost of this change: How many of the 700+ Correctional Officers and 300+ Troopers did DRB estimate will actually receive the benefit?

Without knowing how many make it to 20, how accurate is the note? What's the range?

There are significant savings associated with members impacted. If a Peace Officer completes 20 years of service and takes normal retirement the State enjoys significant operational savings. If 20 years is not completed, there is no benefit and the State incurs no new costs.

#2 QUESTION

How were savings in Department budgets represented in the fiscal note?

The fiscal note does not describe the change to the State's PERS employer contribution rate. During the last 15 years that rate has ranged between 17.22% and 7.1%. The average annual change is 1.61%. Using last years' State payroll estimate of \$680 million the change for this bill would be 0.12%.

#3 QUESTION

The employer contribution rate changes every year. Over the last 15 years the average change is 1.61% - What is the margin of error?

Are those errors balanced out in future annual adjustments?

Is it correct that this fiscal note represents a 0.12% change in the employer contribution rate?

If the contribution change described in this note is higher than needed, would future annual adjustments simply be that much less?

The contribution change is 0.12%.

#4 QUESTION

Is it correct that for a PERS member earning \$60,000/year the employer contribution change would be \$72/year?

PERS is managed on the basis of equality among members. Because Peace Officers qualify for retirement after 20 years of service they are required to pay a higher contribution into PERS than "All Others" who qualify after 30 years do. That higher contribution maintains equality. When the previous administration decided to withhold the medical benefit from Peace Officers at normal retirement, to influence them to defer retirement, no reduction was applied to their contribution. They have been paying for the same benefits as all other PERS members since day one, yet they are denied the benefit.

#5 QUESTION -

Why is a benefit that is available to "All Others" at normal retirement withheld from Peace Officers, for 5 years beyond normal retirement?

Were Peace Officers', or their employers', contribution rate lowered as a consequence of the unequal distribution of the benefits? - OR - Were "All Other" members, or their employers contribution, raised as a consequence of the unequal distribution of benefits?

In regards to the medical benefit - Are Peace Officers being treated equally with "All Other" PERS members?

Alaska State Legislature

House of Representatives



Official Business

State Capitol
Juneau, AK 99801

SPONSOR STATEMENT FOR HB 91 BY: Representative Tom Anderson

TITLE: An Act relating to the cost-of-living allowance and medical benefits for retired peace officers after 20 years of credited service.

The state troopers, firemen, correctional officers, and others known as "peace officers," employed by the State of Alaska, are an invaluable resource. These employees risk their health and safety in their service to the citizens of Alaska.

Until 1986, all PERS benefit recipients were eligible to receive major medical insurance benefits after becoming vested in the retirement system. In addition, peace officers were eligible to receive an Alaska Cost-of-Living-Allowance (COLA) upon retirement. In 1986, the requirements for medical benefits and COLA were modified to reduce the number of benefit recipients eligible to receive these benefits.

Currently, PERS participants may receive major medical insurance benefits upon their normal retirement after 30 years of service. Normal retirement for peace officers is after 20 years of service, however, current law requires peace officers to have 25 years of service before they are eligible to receive medical benefits. This undermines the intent of the peace officer normal retirement by withholding their medical insurance benefit until an additional 5 years of service are given.

HB 91 corrects the existing benefit delay by allowing peace officers to receive major medical insurance at their normal retirement.

Alaska COLA is currently payable to non-disabled PERS benefit recipients, age 65 or older, who remain in Alaska after retirement. HB 91 will provide the COLA benefit to peace officers upon normal retirement after 20 years of service, offering an incentive to these honorable citizens to remain in Alaska where they may continue contributing to the public good.

This legislation will end the requirement that peace officers work beyond their normal retirement in order to obtain their medical benefits. By offering the COLA benefit upon retirement, this legislation also encourages retired peace officers to remain in Alaska.

I urge your support.

Alaska Division of Retirement & Benefits

Public Employees' Retirement System Plan Comparison Chart

Rev. 10/30/2002

Tier I 1/1/61 - 6/30/86	Tier II Entered on or after 7/1/86	Tier III Entered on or after 7/1/96
After tax employee contribution: 4.25% for all others 5% for police and fire 4.25% for school district employees Contributions changed to Tier II level as noted under Tier II.	Pre-tax employee contribution: 6.75% beginning 1/1/87—All others 7.5% beginning 1/1/87—police and fire 9.6% beginning 7/1/99—school district	No change from Tier II.
Members vest with 5 years of service.	No change.	No change.
Normal retirement age is 55, with early retirement at age 50; police/fire members can retire at any age after 20 years of police/fire service; all other members can retire at any age after 30 years of membership service. 7/1/96—Early retirement reduction changed to Tier III.	Normal retirement age is 60, with early retirement at age 55; police/fire members can retire at any age after 20 years of police/fire service; all other members can retire at any age after 30 years of membership service. 7/1/96—Early retirement reduction changed to Tier III.	No change from Tier II. However, early retirement reduction will be 1/2% per month or 6% per year for every year less than the required normal retirement age.
Benefit formula was 2% X "years of service" X "average salary" based on the high three consecutive years salaries. Benefit formula changed to Tier II in 1986 applied to all service earned after that effective date.	Benefit formula is 2% for first 10 years, 2.25% for the next 10 years, and 2.5% per year thereafter. Benefit calculation is determined on the average of the high three consecutive years salary.	Benefit formulas did not change; however, the benefit calculation for "A" occupation is determined on the average of the high five consecutive years salary and the Benefit calculation for "P" occupational code is high three consecutive years regardless of tier.
An Alaska Cost-of-Living Allowance is payable to benefit recipients who remain domiciled in Alaska after retirement. The allowance is \$50 or 10% of the base benefit, whichever is greater.	An Alaska Cost-of-Living Allowance is payable to benefit recipients 65 or older or disability benefit recipients regardless of age who remain domiciled in Alaska after retirement. The allowance is \$50 or 10% of the base benefit, whichever is greater.	No change from Tier II.
PRPA increases granted on an ad hoc basis. The automatic PRPA legislated in 1986 applied to all members regardless of hire date.	Automatic PRPA adjustments to disabled members, retirees 60 and over, and those who have received benefits for 5 years.	No change from Tier II.
Major medical insurance is provided to all benefit recipients and their eligible dependents at no cost.	Major medical insurance is provided at no cost to disabled members, regardless of age and benefit recipients over age 60 or <ul style="list-style-type: none"> • police/fire members with 25 years of police/fire • all other members with 30 years of membership service and their eligible dependents at no cost. Benefit recipients under age 60 must pay the full premium cost.	Same as Tier II. However, employees must accrue a minimum of 10 years of credited service , to have system-paid coverage at age 60. Employees with less than 10 years must pay the full premiums as long as they wish to continue medical coverage.
Disability benefits for members: Nonoccupational disability benefits are calculated as a normal retirement. Occupational disability provides 40% of the gross monthly compensation.	No change.	No change.

Sectional Analysis HB 91

Section 1: Amends the statute requiring Alaska COLA recipients be age 65 or older, or be receiving a disability benefit, to allow peace officers with at least 20 years of credited service to receive the COLA benefit upon retirement.

Section 2: Amends the statute requiring peace officers to work 25 years in order to receive medial benefits upon retirement to allow peace officers with at least 20 years of credited service to receive medical benefits upon normal retirement.

HB 91 only affects "peace officers" as defined by the Public Employees Retirement System (PERS).

Sec. 39.35.680 Definitions

In this chapter, unless context otherwise requires,

(28) "peace officer" or "fire fighter" means an employee occupying a position as a peace officer, chief of police, regional public safety officer, correctional officer, correctional superintendent, fire fighter, fire chief, or probation officer, but does not include a village public safety officer employed by a village public safety officer program established under AS 18.65.670;

Regulation 2 AAC 35.850

(a) Except as may be expressly authorized by AS 39.35, a "peace officer" means only a person who is a regular employee of a police agency or organization which is part of the state or a political subdivision of the state, and who has primary responsibility for the prevention and detection of crime and the enforcement of the fish and game, penal, traffic or highway laws of the state or employing political subdivision. A "fireman" or "fire chief" means only a person who is a regular employee of a fire agency or organization of the state or a political subdivision of the state and who is authorized to act under AS 18.70.

Note:

The 2002 Validation report for PERS lists 2,683 active occupation code "P" (peace officer) members. Of those, 2,021 were hired after July 1, 1986 and would be affected by HB 91.

Public Employees Retirement System "Mission" (in part):

On January 1, 1961, the Alaska Legislature established the Public Employees Retirement System (PERS) to attract and retain qualified people into public service employment.

HB 91 will assist in this mission. It provides incentives for peace officers to work to normal retirement by recovering, in part, two of the benefits lost in 1986.

#1 Alaska COLA for peace officers at normal retirement: 20 years of credited service.

#2 Major medical insurance for peace officers at normal retirement: 20 years of credited service.

It is not PERS' mission or intention to provide participants with enough income to meet all their financial needs at normal retirement.

For peace officers, the base benefit at normal retirement is only 45% of their average monthly salary. It is understandable that peace officers usually need to continue to work in new careers after retiring with a 55% loss of income.

History:

PERS participants hired prior to June 30, 1986, are referred to as Tier I. Tier I participants qualify to receive major medical insurance and the Alaska COLA when they are eligible to receive a monthly retirement benefit.

In 1986, SCSCSHB 252 (FIN) Miller and Duncan: by Finance, made significant cuts to PERS benefits. The medical benefit was eliminated until the participant reached age 60 and the Alaska COLA was revoked until age 65.

In 2001, HB 242, KOTT, Stevens, Dyson, Cissna, Crawford and Guess, made significant, positive changes to retirement law, including partially restoring the medical insurance benefit cut in 1986. This change now allowed PERS participants to receive the medical insurance benefit at their normal retirement (30 years), however, peace officers must work 5 additional years beyond *their* normal retirement in order to receive the medical benefit.

The eligibility requirements for the Alaska COLA benefit remain unchanged since 1986.

Note:

See following PERS Plan Comparison Chart

Explanation of Graphs

Current law requires peace officers to work 5 years beyond their normal retirement to receive their medical benefit. This inhibits recruitment and retention of peace officers and generates associated costs.

Requiring an extra 5 years creates a significant disincentive for younger peace officers to continue in public service. After their youthful exuberance wears off, the reality of being a peace officer begins to weigh heavily on their shoulders.

The thought of working 25 years in order to qualify for their retirement medical benefit, too often, becomes unrealistic.

Anecdotal and statistical data indicate significant turnover in peace officer employment.

The first graph shows turnover by using the percentage of Troopers, by year class, who are still working compared to those who separated.

See graph: Troopers Retained v. Separated.

The next graph shows turnover by using the number of Troopers by groups of year class. Please note that there are 237 Troopers out of 315 who have ten or less years of service.

See graph: Troopers, by number and years of service.

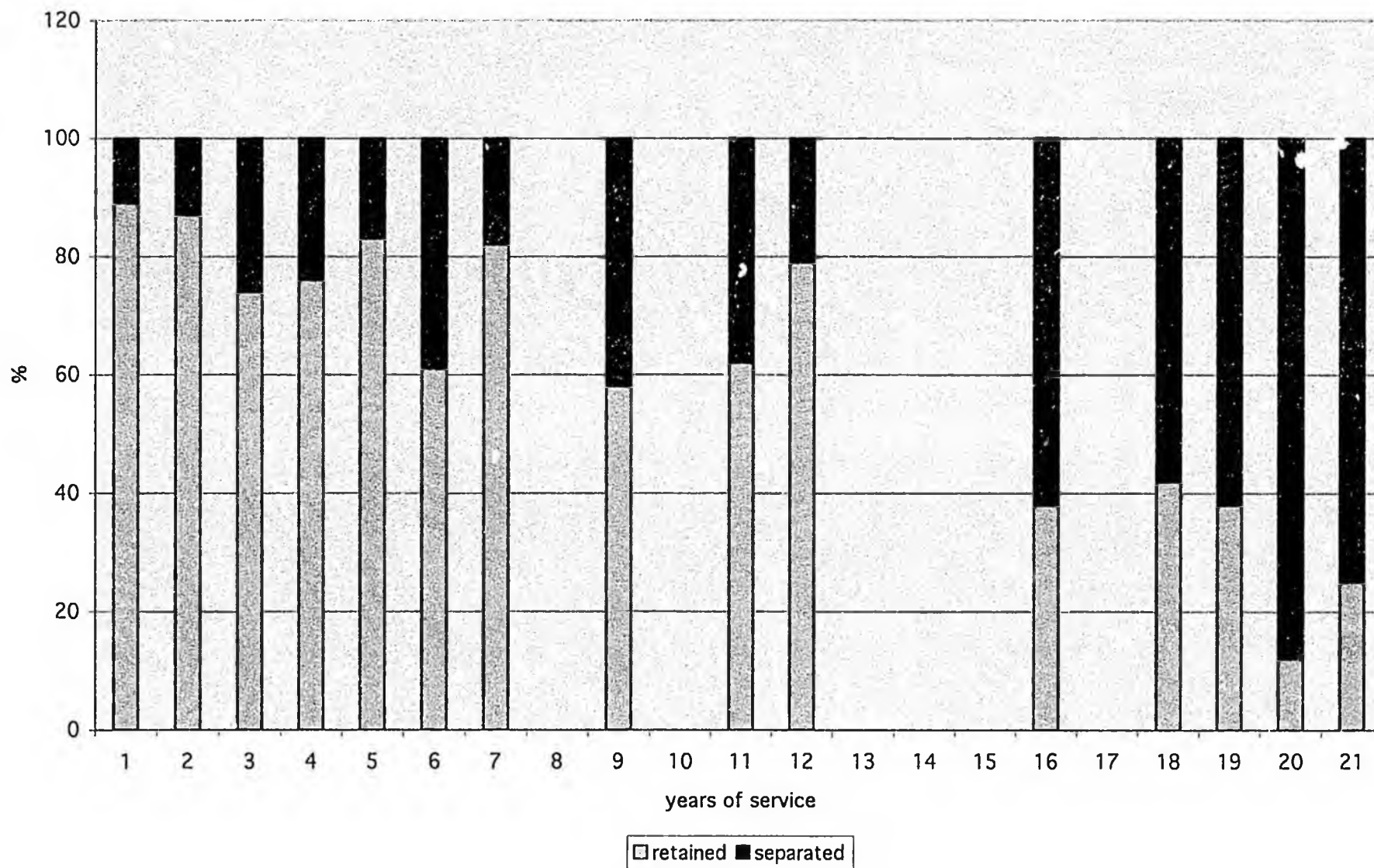
The next graph shows turnover by using the number of Correctional Officers by years of service.

See graph: Number of COs by years of service.

There is very limited opportunity for peace officers to promote into administrative positions. The next illustration compares the number of patrol-level officers to the number of administrative-level positions.

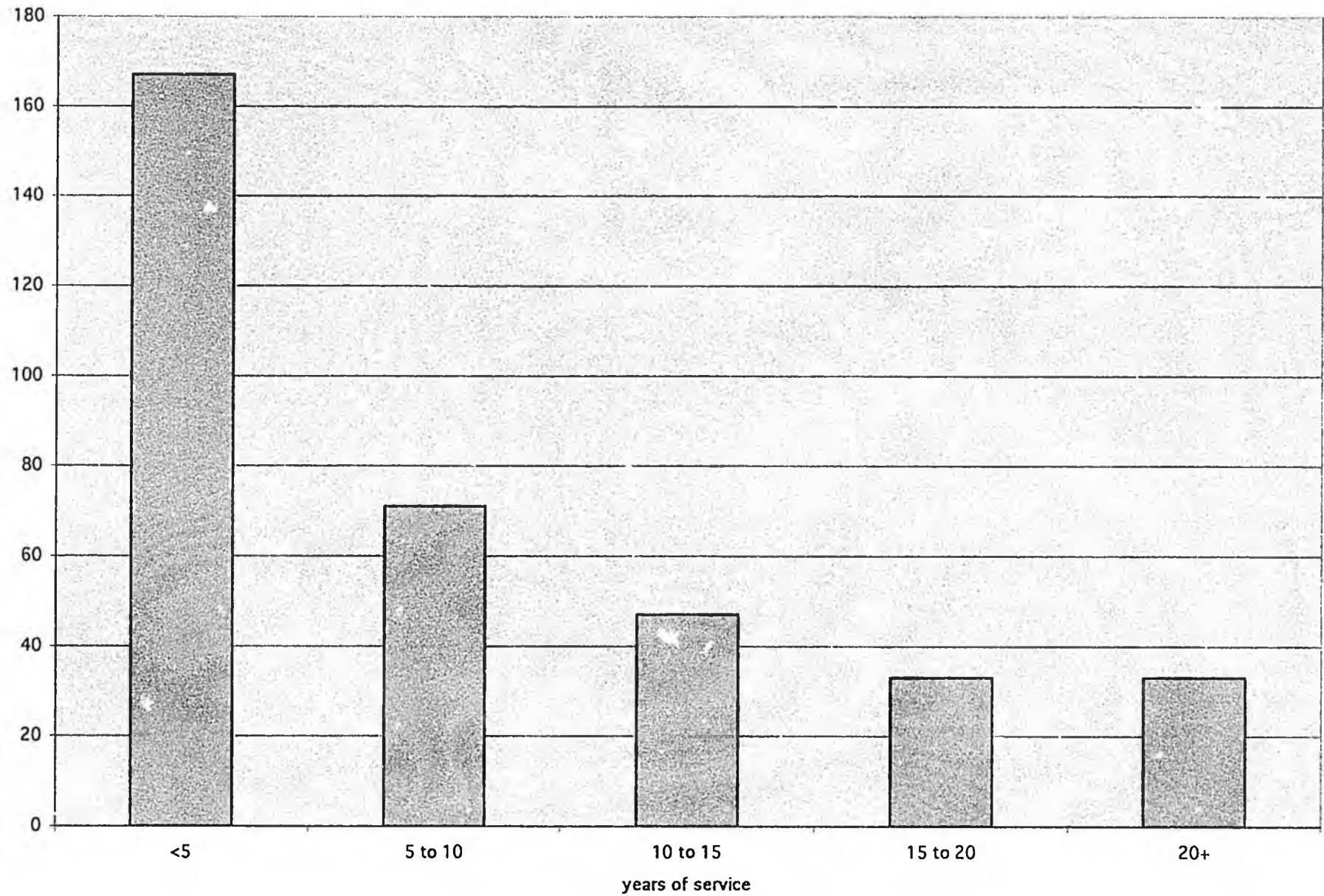
See graph: DOC/AST/FWP-Administration vs. Officer Positions.

Troopers - Retained / Separated



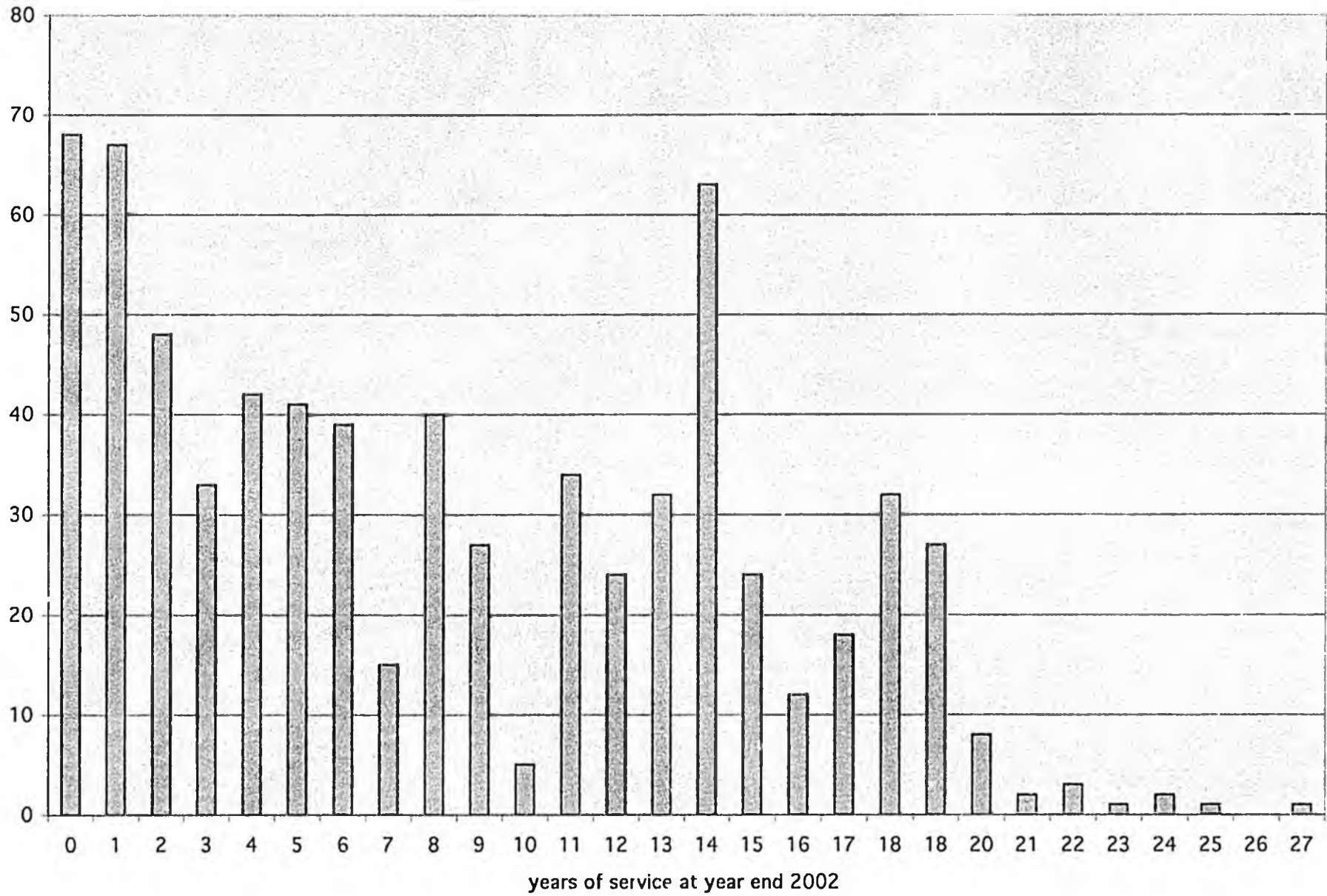
Information from DPS records of Troopers commissioned, dates of hire, and 09/02 seniority list.

Troopers by number and years of service.



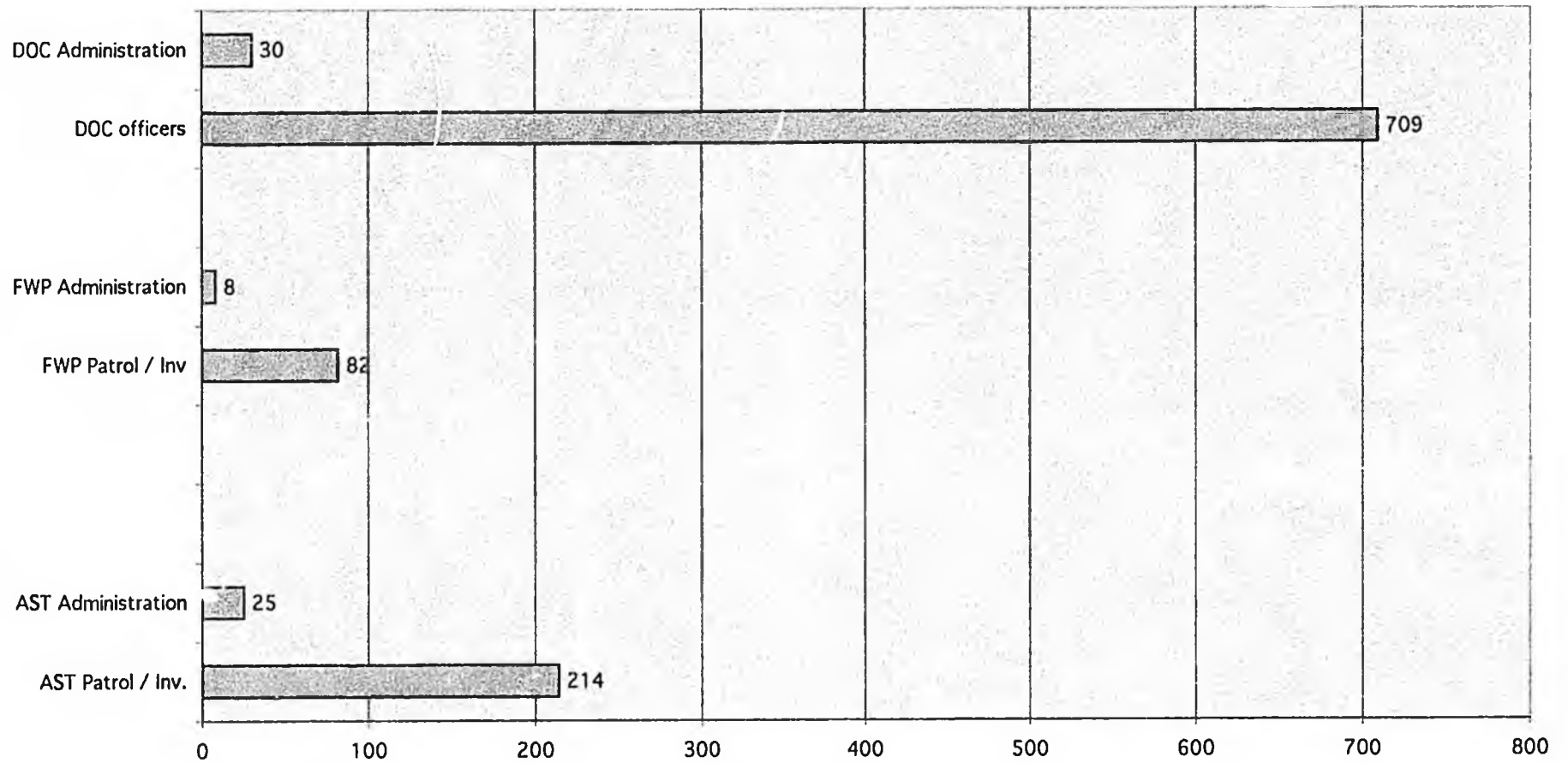
Information from 09/02 AST + FWP seniority lists and DPS date of hire records.

Number of COs by years of service



Information from DOC seniority roster 02/03

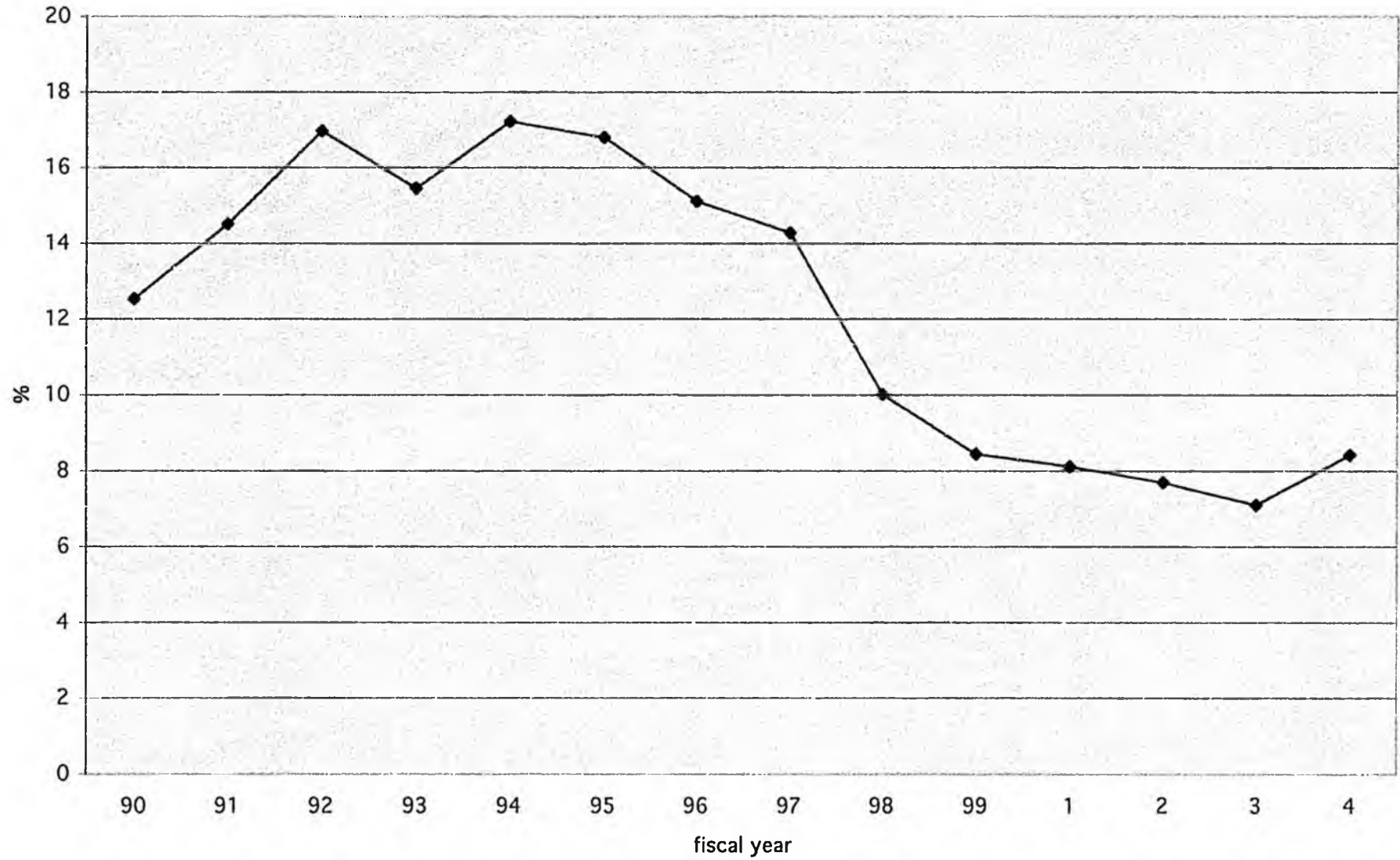
DOC/AST/FWP - Administration vs. Officer Positions



Information from DPS and DOC personnel directories, 10/02.

PERS Peace Officer/Fire Fighter Employer Contribution

Percentage of Salary



Information from the Department of Administration, Division of Retirement and Benefits, 02/03.

PERS Peace Officer/Firefighter Employer Contribution as a Percentage of Salary graph

Fiscal note attached:

Currently, the State's employer contribution to PERS is 8.42%.

HB 91 would increase that by 0.18%.

For a peace officer whose salary is \$50,000/year, the increase in contributions would be \$90/year.

Peace officers' contribution to PERS is 7.5%.

All others contribution to PERS is 6.75%.

Retention Data

With increased retention, employers would enjoy significant cost savings in recruitment and training. For example, the cost to recruit and train an Alaska State Trooper is \$104,871.

The argument that it saves money to retain peace officers beyond normal retirement is flawed. In basic pay alone, not including any overtime, leave, or other expenses, a Trooper with 20 years of service earns \$18,854 more per year than a Trooper with 1 year on the job. For Airport Police the difference is \$16,266 and for a Corrections Officer it is \$11,859.

Problems with health, physical fitness and morale all become more common as a peace officer ages. Requiring peace officers to work at the patrol level, beyond normal retirement, is simply not a good idea.

Where do peace officers go when leaving public service in PERS? In the absence of records, anecdotal information was used to determine that they pursue a wide variety of careers. Recent examples include:

- A Trooper who went to work for Agrium Chemicals in Nikiski
- A Trooper who went to a California police department
- A Trooper who went to the USFWS
- A Trooper who went to work for an oil company
- A Trooper who went into a construction career
- A Trooper who simply quit with the hope of finding a job that didn't take him away from his family so often

Peace officers' experience and training allows them to be positive influences in society. After retiring, peace officers continue to fill important roles in service to their neighbors, communities, and state. They often work in the field of security, protecting private and public interests. Many become involved in public service on boards, commissions, through political activities and by election to public office. It is also common for retired peace officers to become involved in public service through volunteer activities. An Alaska COLA benefit at normal retirement would help retired peace officers to be able to remain in Alaska.



State of Alaska

Public Employees' Retirement Board

PO Box 110203
Juneau, AK 99811-0203
Phone: (907) 465-4471
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Retirement Board

Pat Wellington, Chair
Charles Borg, Vice Chair
Frank Narusch
Don Hoover
Bette Reed

Board Attorney

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February 26, 2003

Joe D'Amico
Business Manager
Public Safety Employees' Association
4300 Boniface Parkway, Ste 116
Anchorage, AK 99504

RE: HB 91 (peace officer legislation)

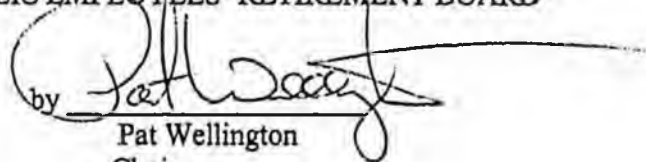
Dear Mr. D'Amico:

In its meeting on February 25, 2003, the Public Employees' Retirement Board considered, as I had previously told you it would, HB 91 legislation relating to benefits for retired police officers. I assume you have seen the fiscal note attached to the proposed legislation.

By a majority vote (Vice Chair Borg, member Hoover, and myself), the Board resolved to support the bill. In these troubled times, measures which encourage retention of senior peace officers are very desirable, particularly to undertake the ever-increasing responsibilities required for Homeland security. HB 91 is an excellent effort in this regard and the cost to the system over time is not excessive.

By copy of this letter to sponsoring Representative Anderson and the administration, the Board urges passage of this bill.

PUBLIC EMPLOYEES' RETIREMENT BOARD

by 
Pat Wellington
Chair

cc: Mike Miller, Commissioner
Department of Administration

Guy Bell, Director
Division of Retirement and Benefits

✓ Representative Tom Anderson
Alaska State Legislature

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Public Safety Employees Association, Inc.
"Representing Alaska's Finest"

February 14, 2003

Representative Tom Anderson
House District 19
State Capitol, Rm. 432
Juneau, AK 99801

Ref: House Bill 91

Dear Representative Anderson,

I wanted to take this opportunity to personally thank you for introducing House Bill 91, regarding the Peace Officer's Retirement System. The Public Safety Employees Association is a statewide organization representing over 1,300 Police Officers, Court Service Officers, Correctional Officers, State Troopers, Fish and Wildlife troopers, Fire Marshals, and other law enforcement professionals. This bill is especially important to our members as it would affect the vast majority of them.

If enacted into law, this legislation would assist state and municipal agencies with recruitment and retention of qualified personnel for peace officer positions. Staffing these agencies with top quality professionals is a "must do" for state and local Governments. In addition, by having a medical insurance benefit available at "normal" retirement age, those who may otherwise choose to pursue a new career will be more likely to remain in public service as "Peace Officers". This will help reduce turnover and hold recruitment and training costs down.

Thank you again for your support of our State's peace officers. Please feel free to contact me with any questions.

Sincerely,


Joe D'Amico
Business Manager

ANCHORAGE FIRE FIGHTERS UNION



LOCAL 1264
INTERNATIONAL ASSOCIATION OF FIRE FIGHTERS
AFL-CIO

1200 E. 76TH #1227
ANCHORAGE, ALASKA 99518



February 18, 2003

The Anchorage Firefighters Union, IAFF Local 1264, would like to endorse House Bill 91 that was introduced on February 12, 2003, by Representatives Anderson and Gara.

Our Local Union represents the nearly 400 Firefighters, Dispatchers, and Support staff that make up the body of the Anchorage Fire Department. Our Department provides Fire Protection, Emergency Medical Care, and multiple types of Technical Rescue to the entire Municipality of Anchorage. The members of our Union not only work to protect our city, we raise our families and establish foundations here for years to come. Our members are able to retire after 20 years of service in this challenging line of work that requires a tremendous amount of dedication both physically and mentally. Many members retire with chronic medical problems that plague them for the rest of their lives. Nonetheless, the Firefighters who perform these jobs choose to do the work for the benefit of others. To require these public servants to wait until they are 60 years of age to collect PER'S medical benefits is not right. The Police and Fire service is facing a serious employee retention problem. We need medical benefits to be available to the members at the time of retirement.

Please give your full support of House Bill 91 and show the men and women protecting your communities how much they are valued and represented in Juneau. Thank you for your continued support and consideration and we look forward to returning to Juneau soon to meet with the Legislature on this matter.

Sincerely,

Brian Reed, President



**Kodiak Police Department
Office of the Chief of Police
217 Lower Mill Bay Road
Kodiak, Alaska 99615
(907) 486-8000
(907) 486-8026 Fax**

February 20, 2003

The Honorable Tom Anderson, Chairman
House Labor & Commerce Committee
State Capitol, Room 432
Juneau, Alaska 99801-1182

Dear Representative Anderson:

I am writing to you in support of House Bill No. 91, an act relating to a cost-of-living allowance and medical benefits for retired peace officers after 20 years of credited service.

The passage of this Bill will provide an incentive that I and many other Chiefs might be able to use to attract qualified applicants to fill the overwhelming number of vacancies in law enforcement agencies throughout our great State. If passed, this legislation will also aid our efforts to retain those officers who are considering leaving our departments to pursue employment elsewhere.

Your strong support and passing of HB No. 91 will serve as an affirmation to the men and women of the Alaskan Law Enforcement Community that you recognize our service and commitment to protect our great State.

Respectfully,


Charles T. Kamai,
Chief of Police



Alaska State Legislature

Please enter into the record my testimony to the House Finance
 committee on House Bill 91, dated 3-18-03
 bill/subject committee name

This Bill is very important to the State of Alaska. The Alaska State Troopers have slipped lower than several Law Enforcement Agencies in Alaska and many in the lower 48, as far as wages and benefits. This Bill will help in Recruiting and Retaining professional people.
 Your support would be highly appreciated.

Signed: Rick Swanson
 Testifier
Self (State Trooper)
 Representing (Optional)
P.O. Box 1556 Delta Jct AK
 Address
907 895 -2224
 Phone No.



Alaska State Legislature

Please enter into the record my testimony to the House Finance
 committee on HB 91, dated 3-17-03
 bill/subject committee name

I would like to express my support and appreciation for all Legislators who drafted and support H.B. 91. These changes would help to begin narrowing the gap between benefits that we receive and benefits received by other Peace officers across the country.

This bill will also help encourage current Alaska Peace officers to continue serving here instead of moving to other agencies that offer better benefits.

This bill will also help to attract a larger number of qualified applicants to a career as a Peace officer in Alaska.

Thank you

Signed: Nasruk Nay

Testifier

Self (Alaska State Trooper)

Representing (Optional)

P.O. Box 1578 Delta Jct, AK 99737

Address

(907) 895-2241

Phone No.

February 9, 2004

RE: House Bill No. 91

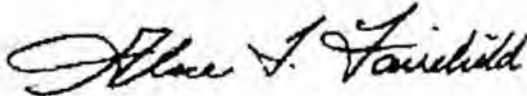
In the above bill I fully agree that peace officers are entitled to receive a monthly cost of living allowance in additions to their basic benefits. And that they should also receive medical coverage after 20 years of service.

My husband is a Correctional Officer and I have seen the job that he has had to do over his last 17 years. His knees are gone and will need replacement on both of them from walking the concrete floors. He is sleep deprived because of the day to night shifts and it is not an easy job to put up with the inmates or the administration. At times he comes home so beat he can't eat and just goes to bed where sometimes he lucky if he can get four hours of continual sleep. And this man is only 54.

The job is difficult and unappreciated by most people. He's not a cop driving around in a pretty car in a beautiful uniform armed and ready to go. He is sometimes on his floor at Wildwood with over 100 inmates and he is the only guard on the floor. And what would you and the State do without people like him to protect you from the people you are so gung ho to put away in prison and then forget about the Correctional Officers who have to watch them.

I would say that such dedication is well worth a cost of living and medical coverage after 20 years, wouldn't you? If you agree with me than please pass this bill.

Thank you for your attention,



Alice I. Fairchild
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262-3758