



1 teachers under this section.

2 (b) A teacher who retired under AS 14.25.110(a) and is subsequently
3 reemployed under this section may, within 30 days after the date of reemployment,
4 elect to continue receiving retirement benefit payments under AS 14.25 during the
5 period of reemployment by filing a waiver of coverage as set out in AS 14.25.043(b).

6 (c) A school district or regional educational attendance area may not employ a
7 teacher, principal, or administrator who participated in a retirement incentive program
8 under ch. 26, SLA 1986; ch. 89, SLA 1989; ch. 65, SLA 1996; ch. 4, FSSLA 1996; or
9 ch. 92, SLA 1997, under this section.

10 (d) A retired teacher employed under this section is not eligible to acquire,
11 maintain, or reacquire tenure under AS 14.20.150

12 * Sec. 2. AS 14.25.040(a) is amended to read:

13 (a) Unless a teacher or member has elected to participate in the optional
14 university retirement program under AS 14.40.661 - 14.40.799 or has filed an
15 election under AS 14.25.043(b), a teacher or member contracting for service with a
16 participating employer is subject to this chapter.

17 * Sec. 3. AS 14.25.040(a) is amended to read:

18 (a) Unless a teacher or member has elected to participate in the optional
19 university retirement program under AS 14.40.661 - 14.40.799 [OR HAS FILED AN
20 ELECTION UNDER AS 14.25.043(b)], a teacher or member contracting for service
21 with a participating employer is subject to this chapter.

22 * Sec. 4. AS 14.25.043 is amended to read:

23 **Sec. 14.25.043. Reemployment of retired members.** (a) If a retired member
24 again becomes an active member, benefit payments may not be made during the
25 period of reemployment unless the teacher makes an election under (b) of this
26 section. The retirement benefit must be suspended for the entire school year if the
27 teacher is reemployed as an active teacher for a period equivalent to a year of service.
28 During the period of reemployment, the member is subject to AS 14.25.050 and
29 deductions from the member's salary will be made in accordance with AS 14.25.050.

30 (b) A school district or regional educational attendance area that has
31 adopted a policy that permits the employment of retired teachers in accordance

1 with AS 14.20.135 shall notify the administrator that it is hiring retired teachers
 2 under AS 14.20.135. A teacher who retired under AS 14.25.110(a) and
 3 subsequently becomes an active member under a policy adopted in accordance
 4 with AS 14.20.135 may, within 30 days of the date of reemployment, elect to
 5 continue receiving benefit payments during the period of reemployment by filing
 6 a waiver of coverage with the administrator on a form provided by the
 7 administrator. An election under this subsection waives coverage for the period
 8 of reemployment and is irrevocable during the period of reemployment.
 9 Deductions from the member's salary may not be made under AS 14.25.050
 10 during the period of reemployment, and the member may not receive credited
 11 service for the period of reemployment. A member who participated in a
 12 retirement incentive program under ch. 26, SLA 1986; ch. 89, SLA 1989; ch. 65,
 13 SLA 1996; ch. 4, FSSLA 1996; or ch. 92, SLA 1997, is not eligible to make an
 14 election under this subsection.

15 (c) Upon subsequent retirement, the retired member is entitled to receive an
 16 additional benefit based on the credited service and the average base salary during the
 17 period of reemployment in accordance with AS 14.25.110. If the initial benefit
 18 payments to which the retired member is eligible have been actuarially reduced
 19 because the member retired early under AS 14.25.110(b), the member shall also
 20 receive an incremental benefit based on the amount of the actuarial reduction imposed
 21 by AS 14.25.110(j) on the first benefit and the length of time that the employee was
 22 reemployed and not receiving retirement benefits. The amount of the incremental
 23 benefit is equal to the difference between the normal retirement benefit to which the
 24 member would have been entitled had the member taken a normal retirement and the
 25 early retirement benefit that the member has been receiving based on the member's
 26 initial period of employment multiplied by the total number of months that the
 27 member did not receive retirement benefits because of reemployment and that amount
 28 actuarially adjusted to be paid over the expected lifetime of the member.

29 * Sec. 5. AS 14.25.043(a) is amended to read:

30 (a) If a retired member again becomes an active member, benefit payments
 31 may not be made during the period of reemployment [UNLESS THE TEACHER

1 MAKES AN ELECTION UNDER (b) OF THIS SECTION]. The retirement benefit
 2 must be suspended for the entire school year if the teacher is reemployed as an active
 3 teacher for a period equivalent to a year of service. During the period of
 4 reemployment, [THE MEMBER IS SUBJECT TO AS 14.25.050 AND] deductions
 5 from the member's salary will be made in accordance with AS 14.25.050.

6 * Sec. 6. AS 14.25.168(d) is amended to read:

7 (d) A benefit recipient may elect major medical insurance coverage in
 8 accordance with regulations and under the following conditions:

9 (1) a person who has less than 25 years of membership service and
 10 who is younger than 60 years of age must pay an amount equal to the full monthly
 11 group premium for retiree major medical insurance coverage;

12 (2) [A PERSON WHO IS AT LEAST 60 YEARS OF AGE BUT IS
 13 YOUNGER THAN 65 YEARS OF AGE MUST PAY AN AMOUNT EQUAL TO
 14 ONE-HALF OF THE FULL MONTHLY GROUP PREMIUM FOR RETIREE
 15 MAJOR MEDICAL INSURANCE COVERAGE;

16 (3)] a disabled member, a disabled member who is appointed to
 17 normal retirement, [OR] a person 60 [65] years of age or older, or a person who has
 18 at least 25 years of membership service is not required to make premium payments.

19 * Sec. 7. AS 39.35.120(b) is amended to read:

20 (b) Inclusion in the system is a condition of employment for an employee
 21 except as otherwise provided for an

22 (1) elected official;

23 (2) employee making an election under AS 39.35.150(b); and

24 (3) [FOR AN] employee of the university who has elected to
 25 participate in the optional university retirement program under AS 14.40.661 -
 26 14.40.799.

27 * Sec. 8. AS 39.35.150 is amended to read:

28 Sec. 39.35.150. Re-employment* of retired employees. (a) If a retired
 29 employee subsequently becomes an active member, benefit payments may not be
 30 made during the period of re-employment unless the member makes an election
 31 under (b) of this section. During the period of re-employment, deductions from the

1 employee's salary shall be made in accordance with AS 39.35.160. Upon subsequent
2 retirement, the retired employee is entitled to receive an additional pension based on
3 the credited service and the average monthly compensation earned during the period
4 of re-employment in accordance with AS 39.35.370.

5 (b) A member who retired under AS 39.35.370(a) and subsequently
6 becomes an active member may, within 30 days of the date of reemployment,
7 elect to continue receiving benefit payments during the period of reemployment
8 by filing an election with the administrator on a form provided by the
9 administrator. An election under this subsection waives coverage for the period
10 of reemployment and is irrevocable during the period of reemployment. During
11 the period of reemployment, deductions from the member's salary may not be
12 made under AS 39.35.160 and the member may not receive credited service. A
13 member who participated in a retirement incentive program under ch. 26, SLA
14 1936; ch. 89, SLA 1989; ch. 65, SLA 1996; ch. 4, FSSLA 1996; or ch. 92, SLA
15 1997, is not eligible to make an election under this subsection.

16 (c) A member who has not made an election under (b) of this section is
17 subject to AS 39.35.120 and 39.35.160.

18 (d) If the initial benefit payments to which the retired member is eligible have
19 been reduced because the member retired early under AS 39.35.370(b) or increased
20 because the member elected to receive a level income option benefit under former
21 AS 39.35.460, the member shall also receive an incremental benefit based on the
22 amount of the reduction imposed by AS 39.35.370(b) or the increase under former
23 AS 39.35.460 on the first benefit and the length of time that the employee was
24 reemployed and not receiving retirement benefits. The amount of the incremental
25 benefit is equal to the difference between the normal retirement benefit to which the
26 member would have been entitled had the member taken a normal retirement and the
27 early retirement benefit or benefit under the level income option that the member has
28 been receiving based on the member's initial period of employment multiplied by the
29 total number of months that the member did not receive retirement benefits because of
30 reemployment and that amount actuarially adjusted to be paid over the expected
31 lifetime of the member. In the case of a member who selected benefits under the level

1 income option, the total number of months may not include any month in which the
2 member was 65 years of age or older.

3 * Sec. 9. AS 39.35.150(a) is amended to read:

4 (a) If a retired employee subsequently becomes an active member, benefit
5 payments may not be made during the period of re-employment [UNLESS THE
6 MEMBER MAKES AN ELECTION UNDER (b) OF THIS SECTION]. During the
7 period of re-employment, deductions from the employee's salary shall be made in
8 accordance with AS 39.35.160. Upon subsequent retirement, the retired employee is
9 entitled to receive an additional pension based on the credited service and the average
10 monthly compensation earned during the period of re-employment in accordance with
11 AS 39.35.370.

12 * Sec. 10. AS 39.35.535(c) is repealed and reenacted to read:

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

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

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

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

21 (ii) 30 years of credited service under AS 39.35.360 and
22 39.35.370 that is not service as a peace officer; or

23 (B) of any age and has less than 10 years of credited service;

24 (2) a person is not required to make premium payments for retiree
25 major medical coverage if the person

26 (A) is a disabled member;

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

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

31 (D) has at least

1 (i) 25 years of credited service as a peace officer under
2 AS 39.35.360 and 39.35.370; or

3 (ii) 30 years of credited service under AS 39.35.360 and
4 39.35.370 not as a peace officer.

5 * **Sec. 11.** AS 39.35.675(b) is amended to read:

6 (b) The amount of a cost-of-living differential may not be included in the
7 employee's compensation for purposes of calculating benefits paid under this chapter
8 unless the employee has received a cost-of-living differential [IN A COMPARABLE
9 AMOUNT OR OF AT LEAST THAT MANY STEPS] for at least 50 percent of the
10 employee's credited service.

11 * **Sec. 12.** AS 14.20.135; AS 14.25.043(b); AS 39.35.120(b)(2), 39.35.150(b), and
12 39.35.150(c) are repealed July 1, 2005.

13 * **Sec. 13.** The uncodified law of the State of Alaska is amended by adding a new section to
14 read:

15 REPORT TO LEGISLATURE. Annually, beginning in 2002 and ending in 2006, the
16 administrator of the teachers' retirement system shall report to the legislature by the 30th day
17 of the regular legislative session concerning the effect of this Act on the retirement system.

18 * **Sec. 14.** The uncodified law of the State of Alaska is amended by adding a new section to
19 read:

20 TRANSITION: REGULATIONS. (a) Notwithstanding sec. 17 of this Act, the
21 Alaska Teachers' Retirement Board may immediately proceed to adopt regulations necessary
22 to implement changes made by secs. 2, 4, and 6 of this Act. The regulations take effect under
23 AS 14.25.022, but not before July 1, 2001.

24 (b) Notwithstanding sec. 17 of this Act, the Public Employees' Retirement Board may
25 immediately proceed to adopt regulations necessary to implement changes made by secs. 7, 8,
26 10, and 11 of this Act. The regulations take effect under AS 39.35.042, but not before July 1,
27 2001.

28 * **Sec. 15.** Sections 3, 5, 9, and 12 of this Act take effect July 1, 2005.

29 * **Sec. 16.** Section 14 of this Act takes effect immediately under AS 01.10.070(c).

30 * **Sec. 17.** Except as provided in secs. 15 and 16 of this Act, this Act takes effect July 1,
31 2001.



State Worker Shortage Looms

State Governments Feel Impact of Aging Work Force Earlier Than Private Sector

By Leslie Scott

America's aging work force is proving problematic for state governments these days. In fact, all levels of government are facing the effects of an approaching "retirement implosion" that is following the aging baby boomers into their golden years. This "implosion" will hit government agencies sooner than the private sector, leaving government on the leading edge of strategic policy development in work force planning.

A state official's reaction to the exiting of employees might be "this is great news." After all, most states are still trying to downsize their payrolls in order to respond to revenue declines and increased expenses, primarily in health care. However, officials should be careful about what they wish for, because when this large cadre of experienced public service baby boomers starts exiting state work forces, there will be few replacements for them.

So, just how significant is the issue? According to a 2002 study by CSG and the National Association of State Personnel Executives, 30 percent of the states' work force will be retirement eligible by 2006. Another 2002 study, this time by the Center for Organizational Research, identifies multiple factors that have made government one of the first sectors to bear the brunt of an aging work force:

- past employment patterns (periods of growth and downsizing, hiring freezes, early retirement incentives or buy-outs);
- the declining appeal of public service;



- competition with the private sector for talent;
- lower retirement-eligibility criteria than most other sectors offer;
- regulations that hamper retention of older employees or rehiring retirees and
- cutbacks in training that have depleted the talent pipeline.

Moreover, states will continue to need the "best and brightest" to manage state governments when we consider what state governments will be facing. With fewer available resources due to rising costs and the additional skills required to support the greater reliance on the latest technology, most states can expect to come up short of critical personnel in the very near future.

Examples of this can already be found across state governments, most particularly in health care, corrections, transportation (engineers) and human services, according to the 2002 CSG/NASPE study. A 2002 study from the Nelson A. Rockefeller Institute of Government further confirms that nationally, 50 percent of government jobs are in occupations requiring specialized training, education or job skills; compared with just 29 percent in the private sector. The study concludes that jobs unique to government or that are highly competitive in the private sector, such as health care, are going to feel the greatest effects.

Another study, conducted by CSG, NASPE, and the Association of State and Territorial Health Officials in 2004, places the average age of public health employees at almost 47 years, mainly due to the predominance of baby boomers in the public health work force. This is higher than the average age for all state employees, which is 44 years.

There is no question hiring freezes and early retirement brought on by the recent fiscal crises in state government have compounded the problem, affecting states' ability to attract and retain a younger group of employees. Younger generations of employees, often referred to as Generations X and Y, are smaller and very different from the previous generations. Career and personal development, as well as a work-life balance, are what these generations are looking for from an employer in addition to competitive cash compensation. Offering these flexibilities, as well as publicizing them, is going to be critical to the success of state government in becoming an employer of choice instead of an employer of last resort.

The basic goal is developing a continuous planning process that develops the right number of people in the right jobs at the right time.

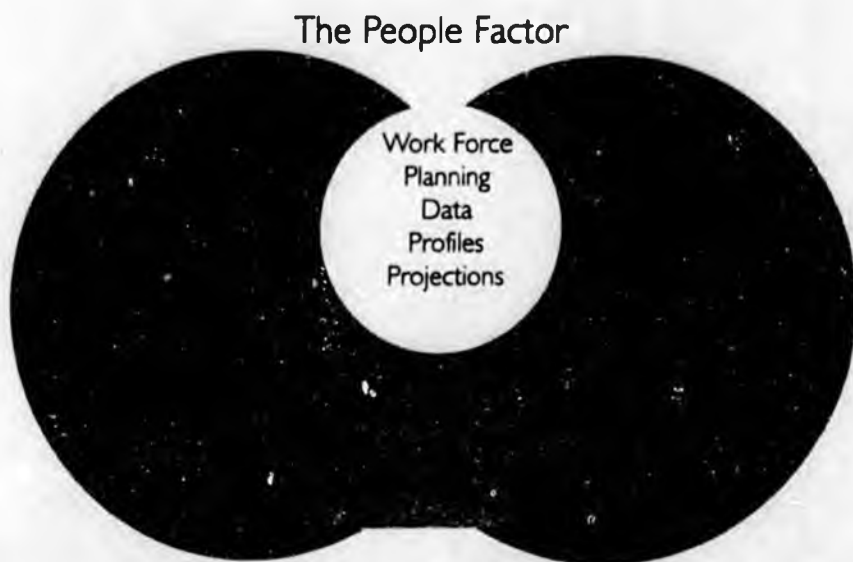
What Should States Be Doing Now?

This is a critical issue facing state government, but it is one that can be solved. It takes consensus, commitment and capacity to make the difference. There are several basic steps that states can take now to address the potential key worker shortage:

- Analyze what work force needs will be in 2006 and beyond.
- Work with human resource directors to identify the number of people needed and what critical skills and experience will be needed.
- Begin developing retention and recruitment campaigns. Create timetables for implementation and survey projected retirees on what would keep them "on board."
- Target critical technical and managerial needs and devise training programs that develop younger work force members.
- Build executive and legislative consensus on how best to create a comprehensive state "sales pitch" to existing and new public service professionals.

In addition, there are several general tools and approaches that states can implement very quickly:

- Rehiring retirees. Some states are rehiring retirees, typically with restrictions such as a waiting period to return to work after official retirement, not returning to the same position, or simply returning part time. Often negatively referred to as "double dipping," there are many human resource managers who think the positives outweigh any possible negatives—such as not losing valuable institutional knowledge, being able to fill a hard-to-fill positions and not having to pay benefits, such as health insurance and retirement. Currently more than half the states responding to the NASPE work force planning survey have the ability to rehire retirees.



Source: Texas State Auditor's Office Guide to Work Force Planning

211
124 TRS

March 14, 2005

Dear Representative Neuman and members of the Education committee.

I'm writing in opposition of ~~HB 111~~, the retire and rehire bill. This is a bad piece of legislation for the people of this great state and state employees.

- **Significantly reduces upward mobility of employees**

By allowing employees, typically those in higher on the ladder, to retire from their jobs and be rehired 30 days later, stops all upward mobility of junior employees. As a result, junior employees are forced to look for work in the private sector or federal government. To maintain good services for the people of this state, we need to continue to train, promote and retain junior employees, not force them from their jobs. They are the future.

- **This law has a negative effect on the PERS system.**

Under the current retire and rehire law, rehired employees are double dipping and not contributing to PERS. That is, most receive their retirement check and a paycheck. Neither the employee nor the employer contribute to PERS. As we all know, PERS is in trouble. Every working employee must contribute to PERS. We cannot afford the luxury of having thousands of employees not contributing to PERS. If SB24 becomes law, it is a very likely that the ranks of "retire and rehire employees" will swell, putting further downward pressure on an already crippled PERS system. We cannot afford to stand by and allow this to happen.

- **Cronyism at it's worst.**

If you are in the "good old boys or girls club" you are guaranteed to get your job back after you retire for a minimum of 30 days. However, if you are not a favored son or daughter there is no guarantee that you will be hired back into the job you just vacated. Everyone knows when someone will be hired back into their job and therefore subordinates and others refuse to apply for the position knowing full well they will not be hired.

- **Widespread abused of the current law.**

Instead of applying the retire and rehire law to just a few isolated cases where recruitment may be difficult, it has been applied widely and has become **standard operating procedure** in state government. Even clerks have been hired back. There is absolutely no way to safeguard against this. There are just too many ways around it.

- **Double-dipping is very bad PR**

Support and Opposition

I've had the public stop me at the grocery store to ask how state employees are permitted to retire and be hired back into the position they just vacated. They were very upset and called the employees "double-dippers" among other terms.

Summary

In summary, I'm encouraging you to vote against this legislation. In case you are wondering; yes, I'm in a position to retire and be rehired, so if passed, this bill could potentially benefit me. However, I'm opposed to the bill because it leads us down a path of keeping older, more expensive employees, who are not contributing to PERS, while at the same time, precluding junior employees from becoming more experienced and advancing their careers.

Thank you,



Jeff Barnhart

11276 Bells Flat Road
Kodiak, AK 99615

Ryan Moore

From: Ryan Moore
Sent: Friday, February 18, 2005 9:56 AM
To: 'Dawn U. Webster'
Subject: RE: Return to work inquiry

Here is a website where you can follow the tracking of bills and committees:

<http://www.legis.state.ak.us/basis/start.asp>

All you have to do is but in the bill root and number and you're all set! Hope this helps and have a fantastic day Ms. Webster. :)

Ryan Moore
Legislative Staff
Senator Charlie Huggins

907-465-3878
300-862-3878
Alaska State Capitol, Room 417
Juneau Alaska 99801-1182

-----Original Message-----

From: Dawn U. Webster [mailto:Websta@mtaonline.net]
Sent: Friday, February 18, 2005 8:32 AM
To: Ryan Moore
Subject: Re: Return to work inquiry

Thanks for your prompt response to my questions. I would appreciate it if you would let me know the status of SB-24 and SB-31. Both bills deal with re-employment after June 30, 2005 which is the sunset date for the current re-employment under HB 242. The last I heard was that they were both in Health, Education, and Social Services, State Affairs. I am curious as to their current date for a hearing. I did not retire under a RIP program so I am eligible for full retirement.

Have a good holiday on Monday!

Thanks again for all your help.
Dawn Webster
Websta@mtaonline.net

----- Original Message -----

From: "Ryan Moore" <Ryan_Moore@legis.state.ak.us>
To: <Websta@mtaonline.net>
Sent: Thursday, February 17, 2005 2:25 PM
Subject: FW: Return to work inquiry

>
> I hope this answers your question about your retire/rehire issue. If
> you have any more questions please ask. Have a great day.

>
> Ryan Moore
> Legislative Staff
> Senator Charlie Huggins
>
> 907-465-3878
> 800-862-3878
> Alaska State Capitol, Room 417
> Juneau Alaska 99801-1182

>
> -----Original Message-----
> From: kathy_carson [mailto:kathy_carson@admin.state.ak.us]
> Sent: Thursday, February 17, 2005 2:26 PM
> To: Ryan Moore
> Subject: Return to work inquiry
>
> Mr. Ryan Moore, Legislative staff
> Office of Senator Charlie Huggins
> Alaska State Capitol, Room 417
> Juneau, AK 99801-1182
>
> February 17, 2005
>
> Mr. Moore:
>
> This is in response to your recent email dated February 14, 2005 to
> Laurie Helfenstine in the Division of Retirement and Benefits. Your
> email inquiry was requesting information regarding a retiree that
> elects to return to work in a PERS covered position and how this would
> affect her retirement benefit.. As I explained in our phone
> conversation this morning, without information regarding the specific
> retiree, I can not tell you if the retiree would be eligible for the waiver option.
>
> When a retiree returns to a PERS position, our office determines
> whether the retiree would be returning to work under the waiver
> program (HB 242) or the standard option (where their retirement benefit is suspended).
>
> Only retirees who have retired with a normal retirement are eligible
> for the waiver program. If the member retired under either the
> Retirement Incentive Program (RIP) or with an early reduced benefit,
> they are not eligible for the waiver option.
>
> Under the waiver option, a retiree can continue to receive their
> retirement benefit, any medical benefits they may be eligible for, and
> not have contributions taken from their paycheck. However, they will
> not be accruing any service credit. As of this date, the sunset date
> on this bill is June 30, 2005. As of July 1, 2005, the only option
> available will be the standard option.
>
> Retiree health insurance for a member that returns to active
> employment and is under the waiver option would become secondary to
> any active health insurance that the member has.
>
> Under the standard option, the retiree's benefits will end the day
> that they are rehired into a PERS eligible position. They will begin
> accruing service credit and will make contributions to the system
> beginning with the hire date. Medical benefits will end at the end of
> the month in which they are rehired. Once they have terminated
> employment, their 1st retirement will be reinstated under the tier
> that they originally retired under, and they will be eligible to apply for a 2nd
> retirement.
>
> I have attached a brochure that gives you detailed information
> regarding working after retirement that you may find helpful. If you
> have any other questions, please contact me at
> kathy_carson@admin.state.ak.us or
> (907) 465-5697.
>
> Sincerely,
>
> Kathy Carson
> Retirement Representative
>
> <http://www.state.ak.us/drb/pers/pers-working-after-retirement.shtml>
>
>

From: Sen. Charlie Huggins
Sent: Friday, February 11, 2005 2:53 PM
To: 'Websta@mtaonline.net'
Cc: Ryan Moore; Rep. Mark Neuman
Subject: RE: Status of SSB 24

Dear Dawn,

We received your e-mail via Rep. Gatto, and have given it to Senator Huggins for his review. In the meantime, Ryan Moore, one of our staff members, will be researching your questions and will get back to you ASAP. Senator Huggins appreciates hearing from people in his district. Thanks for writing!!

Karen Sawyer
Legislative Staff
Senator Charlie Huggins

From: Rep. Carl Gatto
Sent: Friday, February 11, 2005 2:20 PM
To: Dawn U. Webster
Cc: Rep. Mark Neuman; Sen. Charlie Huggins
Subject: RE: Status of SSB 24

Dear Dawn,

Thank you for contact me regarding SB 24

Legislative courtesy requires us to refer you to your legislators, Representative Mark Neuman at 465-2679 or Senator Charlie Huggins at 465-3878.

Rep. Carl Gatto

From: Dawn U. Webster [mailto:Websta@mtaonline.net]
Sent: Friday, February 11, 2005 9:12 AM
To: Sen. Lyda Green; Rep. Carl Gatto
Subject: Status of SSB 24

I would like to ask for some help/information from you. I am a resident of Wasilla who is a retired public employee. I have an opportunity to be rehired by one of our local governments and would like to know if SSB 24 would allow this to occur without jeopardizing my retirement benefits.

If you would answer the following questions for me, I'd greatly appreciate it:

- 1) Am I correct in assuming that should I be rehired, I would be required to pay into the PERS system again and that I would not receive a retirement check for the duration of my employment?
- 2) Am I correct in assuming that should I be rehired, I would be covered by the current health insurance offered by the city and would pay any monthly premiums required for that coverage, and that when I re-retire I would be allowed to be covered again under the Tier I status that I currently have?

What is the status of the bill and when is it scheduled for its hearing? Is there anything that needs to be done to

2/11/2005

help this bill along?

Thank you both your time. I would appreciate any information you can provide.

Dawn Webster
Websta@mtaonline.net

DISTRICT OFFICE
BERING STRAIT SCHOOL DISTRICT

P.O. BOX 225
UNALAKLEET, ALASKA 996 4-0225
(907) 824-3811
(907) 824-3099 FAX
<http://www.bsasd.org>

11 February 2005

Honorable Governor Frank Murkowski
State Capitol Building
Juneau AK 99811

Re: HB 242 (AS14.20.135) Retired / Rehired

Dear Governor Murkowski:

HB 242 (retired/rehired) is scheduled to expire at the end of this fiscal year. This provision has allowed Alaskans who have retired the opportunity to continue working in their given profession as "employed retirees". For many years, Alaskans have retired early and sought employment out of state. School districts both large and small as well as other state agencies have used this option to fill needed vacancies. Alaska Association of School Administrators (AASA) firmly believes that Alaska is well served by keeping such experienced professionals in our state.

AASA has two primary concerns with the possible expiration of HB 242. The legislation has been successful in assisting school districts and state agencies in filling important vacancies. HB 242 has worked. Districts have been able to attract and keep capable educators. While the number of persons exercising this option has not been large, those individuals have been important to the organizations that have hired them.

The second issue of concern is that participating employees and districts were initially assured that the status of employees in the program would remain unchanged after HB 242 expired, provided they maintained continuous employment with the same district. Participating employees made life choices and retirement choices based on that information. School districts planned their staffing and budgets based on that information. Recently, the AG's office has written an opinion that states this will not be the case. Without affirmative action to extend HB 242, all current participants would either need to return to retirement or lose their retired/rehired status.

The AASA supports the reauthorization of HB 242 as currently written. HB 242 is one additional tool that schools have to attract talented and experienced Alaskans who have much to contribute. Our hope is that your office will support extending HB 242 indefinitely.

Sincerely,



John A. Davis, Ed.D.
President
Alaska Association of School Administrators

BREVIG MISSION

DIOMEDE

ELIM

GAMBELL

GOLOVIN

KOYUK

SAINT MICHAEL

SAVOONGA

SHAKTOCLIK

SHISHMAREF

STEBBINS

TELLER

UNALAKLEET

WALES

WHITE MOUNTAIN

AS14.20.135 THE REHIRED ANNUITANT LAW – A COST SAVINGS MEASURE FOR ALASKA SCHOOLS

AS14.20.135, the rehiired annuitant law, has some real promise as a cost cutting measure for schools. In districts suffering from heavy turnover, lack of qualified applicants, or occasional shortages in hard to fill positions, employees may retire and be hired back by the school system. The hiring only takes place if the school board has passed a resolution declaring a shortage of applicants in that field. The benefit to the school district is the elimination of TRS and perhaps medical insurance. The cost to the district and the employee is FICA or social security. When an employee opts out of the TRS, they must be enrolled in social security. Most PERS employees are already on social security.

At first look it appears that dropping out of the retirement system would be detrimental to the TRS. However, according to Deputy Commissioner Brooks of the Dept of Administration, the bill causes only minor costs to the retirement program.

An average teacher exercising this option could save a school district up to \$15,000 in the first year. With retirement rates rising, the savings would grow each year. Bering Strait School District has over twenty employees eligible next year. If all eligible opted for this provision, the savings would be roughly \$300,000 the first year. With TRS and PERS rates rising, this is an opportunity to mitigate those increased costs.

Bering Strait is only one of many employers who find the statute an excellent way to retain highly experienced employees whose talents would otherwise be lost to the state. Over half of the school districts are currently participating in the program.

SSSB24 was introduced in support of the program. We feel that it is an excellent cost reduction measure. It is not a drain on the state or the retirement system, and it provides a strong incentive for experienced employees to stay with schools a few extra years. We strongly encourage your support for SSSB24.

Prepared by the Bering Strait School District
P.O. Box 225
Unalakleet, AK 99684
Dr. John A. Davis, Superintendent

From: Rep. Peggy Wilson
Sent: Thursday, April 14, 2005 10:50 AM
To: Kathy Hope Erickson
Subject: FW: HB161

From: Dan Young [mailto:dyoung@ci.kenai.ak.us]
Sent: Wednesday, April 13, 2005 1:36 PM
To: Rep. Peggy Wilson
Subject: HB161

Representative Peggy Wilson

My name is Dan Young I live in Kenai. I am a life long Alaskan. My thoughts on the rehire bill.

The rehire bill has merit, I see where it can be a useful tool to keep well trained people around to fill the jobs when there are no others. The program in effect at this time needs to close, a new version of the bill needs to continue with better working guidelines. The people that are in the program at this time need to be grandfathered in, simply because that is how the program was given to us. Many decisions were made by many people that could be catastrophic to them if the program sunsets. If there is a misunderstanding of how the program was to work, it is clearly a blunder on the law makers side. Some people say the program was abused. I say it was used just like it was given to us, if there was what they call abuse, again it was because of the lawmakers blunder of not making it right in the first place. On the pers side there are many jobs that require any one of or combinations of "licenses, certifications, on the job time, endorsements, continuing education etc." All pers jobs are not "no-brainer jobs" like a couple of Senators would like to think. I believe there would be a large liability to the State of Alaska if the inplace program was to sunset and the retirement checks stopped to the people that are in the program now. The argument of people not being able to move up because someone hired back on after retiring is a point, but you must know that there was no guarantee that they would have been moved into that job. Pers, in trouble financially, maybe in the past they should not have given an extra three years for early retirement. That is a few hundred dollars per month per person that was not paid into the system. There are so many pros and cons to this situation, that make it a hard one to figure out. Good luck. There is one question I would like to get an answer and that is, will the people in the system now be grandfathered in. An answer to this question would be appreciated.

Thanx
Dan Young
dyoung@ci.kenai.ak.us
northcountry@alaska.com

April 13, 2005

Representative Peggy Wilson, Chair
House Committee on Health, Education and Social Services
State Capitol (Mail Stop 3100)
Juneau, AK 99801

Dear Representative Wilson:

Regarding "Retire Rehire," ADF&G needs this to keep experienced biologists in the field and keep the management of our fish and game resources intact until the state can afford to pay competitively for these employees.

As you know, there has been a huge drain of State biologists to federal, private, academic and other states agencies, without retire rehire it would be far worse. For biologists, field experience matters for preserving Alaska's fish and wild life and the affected commercial, sport and tour jobs related to these precious resources.

Thank you for your consideration in this matter.



Sincerely, Scott McAllister.

President, Southeast Alaska Herring Seiners Marketing Association.
316 Distin Ave.
Juneau, Alaska, 99801

HB 161

fax 465-3175

4/12/05

Hi,

My name is Leo John Kerin. I have lived in Alaska since statehood. I received my B.S. and M.S. degrees in Geology as well as my Type A Teaching Certificate from the University of Alaska. I have lived in Anchorage and Fairbanks and spent numerous summers living in remote mineral exploration camps near different rural communities mostly in Central and Northern Alaska.

I taught in a rural community the last two years before School District One of the Old State Operated School (SOS) system was disbanded and the Regional School Districts created. I also worked as an exploration geologist for a number of companies including WGM during the time it discovered the Red Dog and Greens Creek deposits. I have worked for the State Department of Natural Resources since 1977. I am Tier I in PERS and have a couple of years in TRS. I could have retired under PERS three years ago. My comments reflect my own views not those of my employer.

I strongly support excellence in education in rural Alaska but I believe there are alternatives to extending the rehiring bill. From my own experience, I believe it is more important to use some of the old benefits of SOS in attracting qualified teachers. When SOS broke up I was about to receive tenure and would have had transfer rights to any school in what is now the 12 Regional School Districts. I was also working in the summers as an exploration geologist throughout Alaska and was looking forward to a lifetime working in these two careers. When transfer right disappeared and tenure was restricted to one Regional School District I chose to work full time as a geologist. I did not feel I could commit to or survive a lifetime career in one small school district. Even the most beautiful individuals, of which I am not one, may not fit in for the long term in a particular small Alaskan community. The need for pensions and benefits that transfer with job changes during one's career is now being discussed as something that's needed with the new global economy. This was the situation 30 yrs ago with SOS. You had the security of a large system having many job locations and contract rights to move around within the system as openings became available. A similar program of transfer rights between the Regional Districts may help to attract and retain young qualified teachers.

I am strongly opposed to the extension of the rehiring bill for PERS employees for the following reasons:

- 1) While there may be a shortage of qualified teachers willing to work in rural Alaska there is no shortage of qualified applicants willing to work "in town" with the State Government, Bureaucracy, Court System, University System, or Municipal Governments. If there was a problem finding qualified applicants as was recently the case for DOT&PF technical engineers, the Dept. of Administration would adjust their "internal alignment" of salary for the Job Class to attract more applicants. If there is a real short term shortage of experience for a specific job there is and always has been a contracting procedure to gain the needed expertise. It is better to have comparable salaries with equivalent private sector jobs rather than the skewed top heavy

management structure that has resulted from the constant "internal alignment" engaged in by upper management. Rather than a 1 to 5 supervisory management pyramid structure we have a maypole of supervisors.

- 2) There has been significant abuse of the rehire program as admitted by the Administration in bringing forth a corrective administrative order. The order is like the proverbial closing of the barn door after the horses are out. There is no provision to make the the flood of recently retired and retired employees (many of whom never bothered to clean out their desks during the 30 day waiting period) subject to the order's analysis of need. If there is such a "Brain drain" from retiring baby boomer's, why was the program only offered to a select few higher level administrators instead of all retirement age employees? It was only a short time ago that we had early retirement legislation. Now a provision is being made to let Commissioners come back from early retirement without having to make restitution to the PERS system as required in the Retirement Incentive Program (RI) bills. There has been much discussion of the potential for lawsuits from the people who believed the information they were given by the Division of Retirements that they would be grandfathered in for life. I would worry more about all the people who could have or did retire, or retired early, asserting they should have been given to same opportunity to double dip into their same job.
- 3) I do not believe a realistic evaluation has been made of the cost to PERS of inducing Tier I employees to retire on time earlier than they would have if the rehire bill hadn't been available, thereby affecting the retirement programs actuarials. I don't see why its such a hard concept to grasp. It's like when we students wanted to protest the food at the University Commons. The worst threat we could come up with was to have everyone show up for every meal even if you were hung over Sunday morning (they bid the contract on the assumption that 60 percent of the student body wouldn't show up for breakfast). If the rehire program was such a savings to the State why didn't the various Departments encourage everyone of retirement age to retire and come back. In reality the Departments must have know it was only a way of transferring costs from general fund monies onto the the retirement system and that if all were allowed to participate the system would scream tilt immediately. As it is the legislature is proposing changes to the PRS/TRS system as a whole rather than plugging gapping holes in the bucket such as the double dipping.
- 4) You don't have more rank and file employees testifying against this legislation since it's only their bosses who are being given this platinum parachute. There is real fear of retaliation. But I can assure you, the self serving hypocrisy of their supervisors disgusts most employees. It breeds contempt and destroys the esprit de corps of the overall workforce.

Please accept the fact that though well intentioned, this bill needs to sunset. If the need for rural teachers does override the above concerns please at least make the positions of those in the PERS system who have already been rehired subject to reexamination pursuant to the safeguards of the recent Administrative order. If it can not be shown that a true shortage exists for the job in question the person should be allowed to retain their job but only if restitution is made to the PERS system as would take place if the person had taken early retirement. Any other course of action results in all members of PERS shouldering the costs of their unwarranted 50% bonus. The legislature also needs to be

forthright about the transfer of general fund operating cost that have already been transferred to PRS/TRS as a result of the existing retire legislature when addressing the projected future shortfall of the TRS/PRS system.

Thank you for the opportunity to comment.

Jacklan

232 Henderson Pk

FBIK, AK 99701

479-6272

LJ KEVIN @ ACS Alaska.net



Alaska State Legislature

Please enter into the record my testimony to the _____

HES

committee name

Committee on _____, dated _____

HB 161

bill n / subject

04/4/05

public hearing date

April 14, 2005
HB 161

Dear Honorable House of Representative Members:

My name is Karen Dorcas and I have worked for the University of Alaska Anchorage, Kenai Peninsula College, for 26 years since December, 1979, and have been an Alaska resident for over 34 years.

I highly support HB 161 to extend the "sunset" date for HB242 and SB94 to July 1, 2009. In my opinion incorrect information was given to me on the termination date of HB242.

Less than a year ago (last May) I chose to take the PERS waiver option offered by the State under HB242. Based on all information given to me which included the fact that I would be able to continue that option for a few years AND told that even if I were to go part-time with the same employer be able to continue with that option, I made three life-changing decisions. I clarified the above information with PERS official before signing the papers because I wanted to make sure of the changes I was making. Those decisions were: (1) I retired; (2) I applied and interviewed for the position that I was totally qualified for and took reduced leave accrual since I was basically starting over again as a "new" employee; and, (3) I sold my home and I purchased a condominium in preparation for the time I would be able to discontinue working.

Truthfully, I would not have made these changes for less than one year IF I had been told that the whole program would discontinue on June 30, 2005. It was my belief that the option was available to apply for through that date.

In many ways this was and remains a "win-win" situation for me as a single person preparing for my future and for the University in savings to retain a highly qualified individual; the learning curve for hiring someone new (and probably more than one person) would be well over a year.

Thank you for your time in listening to my personal input.

Karen

Karen R. Dorcas
Assistant to the Director/AAEO
University of Alaska Anchorage/KPC
907-262-0317
inkrd@uaa.alaska.edu

Signed: _____

Karen R. Dorcas

Karen R. Dorcas, Box 1164, Kenai, AK 99611 (907-252-4950; 907-262-4950)

Gig Decker
P.O. Box 2138
Wrangell, AK 99929
Ph: 907-874-3110
Fax: 907-874-4270
gigdecker@gci.net

House Health, Education and Social Services Committee
Representative Peggy Wilson, Chair

April 13, 2005

RE: Support for HB 161 / SB 24 – Retire/Rehire

Dear Representative Wilson,

I am writing to express my support as a fisherman for HB 161 / SB 24 – the retire/rehire bill for State employees.

This is an important bill for the fishing industry. If all the ADF&G employees rehired under this program were to be let go in June, we will be sorely hurting for the next few years and the fisheries and fishermen are always the ones to suffer when there is a void of information.

I would like to suggest an extension of four years for ADF&G employees working under the retire/rehire program.

Thanks for your consideration.

Sincerely,



Gig Decker

-----Original Message-----

From: D K [mailto:ata@gci.net]

Sent: Wednesday, April 13, 2005 6:43 PM

To: Rep. Lesil McGuire

Subject: HB161

Hello Representative McGuire:

Attached you should find our association's letter on the retire/rehire program. While we are not well-versed in the public retirement program, and would not think to suggest solutions for the many issues that have been raised, we do want you to know of our concern for ADFG employees who are working under the retire/rehire provisions. ATA hopes you will help to craft a solution that allows ADFG to retain those employees presently working under the program, regardless whether the legislature continues with retire/rehire.

It's unfortunate to read stories in the press that suggest that state employees did something wrong when they rehired. It is our belief that personnel participating in this program are doing so in good faith. The state offered a package and the employees are paid according to its terms. Through the program, many of us around the state are receiving the benefit of those employees' expertise and institutional memory.

ADFG management decisions affect the health of the resources and the livelihoods of our members, it is important to ATA that the rehired employees be allowed to keep their current jobs. In most cases, there really isn't anyone to replace them anyway. To lose them now bears the risk of potential chaos - fishing season is upon us!

If the legislature extends the retire/rehire program, you could develop sideboards that require such things as a mandatory application period prior to rehiring a newly retired employee, to ensure that each person fairly competes with other qualified candidates. Note that this might not work as well as grandfathering for existing rehires at ADFG, especially if they had to leave the job for any period of time prior to being allowed to rehire. This is why we support grandfathering and separating the issue of current participation from future participation.

Obviously, if you don't believe it will benefit the state over time you could choose to eliminate the program altogether. But if you fail to provide for its existing participants, you could lose many fine ADFG staffers who might be impossible to replace with the appropriate caliber people. Given the dynamic nature of our fisheries management program, and the close working relationship between ADFG and the fishing public, this situation would be a hardship for fishermen and their communities, in addition to many ADFG staff members and their families.

If I can answer specific questions or be of help in other ways, please give me a call.

Best regards,

Dale Kelley

Executive Director

Alaska Trollers Association

Juneau

723-8765 / 586-9400

Robert L. McHattie Testimony, Against HB 161, April 12, 2005

Testimony Against HB 161PAGE 1 OF 1
R. McHattie

April 12, 2005

Robert McHattie
907-456-7485
rmchattie@alaska.net
P.O. Box 71130
Fairbanks, Alaska 99707-1130

HB 242 originally addressed hard-to-hire teaching slots, especially in the bush. Teacher rehiring have generally been more justified and carefully handled as compared to the mostly supervisory and other "important person" rehires in PERS. An assistant principal has told me about her school where retired teachers who have been rehired are given pink slips at the end of each school year. If a replacement can't be found between school years, then the rehired teacher is taken back again for an additional year — and so on... The following comments therefore address only PERS rehires.

Most of those who have testified for HB 161 are either rehires, going to rehire, or those who represent agencies that do the rehiring. Of course those who represent rehiring agencies want no constraints on their rehiring practices. And of course those already rehired or intending to be rehired are going to be pushing for unrestricted rehiring. Self interest? Yes! I know of lower level staff members who are against these rehiring practices but are afraid to give negative testimony. They fear of reprisals from management or senior workers who are rehires or intend to return as rehires. Obviously, it is the lower level staffer's paycheck that will be diminished when the legislature jacks up the PERS contributions and not the rehired person. Rehires collect two fat paychecks while paying nothing into PERS—and coworkers know it.

It has been argued that individuals are so knowledgeable and experienced that they or others on the staff cannot be replaced. While I'm sure that long-time employees all consider themselves to be irreplaceable, that argument just doesn't wash. Administrators have always had the responsibility for making sure that staff positions can be covered in case of illness, vacations, death, or someone quitting. Considering that vacations for long-term employees can extend most of a month, I assume that the various organizations don't fall apart during that time. Every employee is replaceable, by necessity, except in cases where poor management (or favoritism) exists.

Can't hire a replacement? Good grief! What about when the rehired person finally leaves? Again, it has always been the responsibility of various administrators to ensure that the rehiring effort is an effective one, an aggressive one, one where a competitive wage is being offered. Human resources personnel tend to be passive when it comes to finding a replacement for a high-level employee. Often, high level jobs are offered in Work Place Alaska and nowhere else with no aggressive attempt to fill the position. I believe the University of Alaska takes a different approach where it will literally look all over the world to fill a vacated professor's position.

Even the new administrative order (March 8) requires only 15 days of searching for replacement personnel. Even fifteen days is not much when you consider the "trick" of starting the time period on Saturday and extending it through three weekends. In other words five days are effectively lost during five weekend days when most people are not actively searching for a job. I think you can shorten this even further if the hiring period extends over one or more holidays, such the Christmas/New Year period. Similarly, other "side boards" contained in the March 8 administrative order are circumventable window dressing to help legitimize questionable rehiring.

I'm beginning to realize that one must view same-job double dipping from outside the government system to realize the insidious and ludicrous nature of the beast — or at least to say anything about it.

Suggestions:

1. Consider the retirement check to be payment for retirement and not a pay increase.
2. Find a replacement— one will be necessary sooner or later anyway.
3. If the person must be rehired, take them on as a temporary and continue looking for a replacement. Allow 1 year for this process.
4. Increase mentoring/training so that the workplace can move on when someone leaves. Inability to find a replacement = poor or lazy management/hiring practices.

Thank You

April 11, 2005

Dear Chairman Wilson, Vice Chair Seaton and members of the Health, Education, and Social Services Committee

Thank you for the opportunity to comment on this bill. I'm writing in opposition of HB 161, the retire and rehire bill. This is a negative piece of legislation for the people of Alaska and state employees.

- **Significantly reduces upward mobility of employees**

By allowing employees, typically those in higher on the ladder, to retire from their jobs and be rehired 30 days later, stops all upward mobility of junior employees. As a result, junior employees are forced to look for work in the private sector or federal government. To maintain good services for the people of this state, we need to continue to train, promote and keep junior employees, not force them from their jobs. They are the future of our state. There are plenty of qualified individuals already working for the state to fill most all vacancies. Inherently, there is something wrong with a law that allows an individual to retire, wait 30 days and then be rehired back into the position they just vacated; and then give them two checks!! Wow!

- **This law has a negative effect on the PERS system.**

Under the current retire and rehire law, rehired employees are double dipping and not contributing to PERS. That is, most receive their retirement check and a paycheck. Neither the employee nor the employer contribute to PERS. As we all know, PERS is in trouble. Every working employee must contribute to PERS. We cannot afford the luxury of having thousands of employees not contributing to PERS. If HB161 becomes law, it is a very likely that the ranks of "retire and rehire employees" will swell, putting further downward pressure on an already crippled PERS system. We cannot afford to stand by and allow this to happen.

- **Illegally rehiring employees at same pay range and step**

Under the current retire and rehire law, employees were supposed to be hired back at the entry-level step. This may have been followed for the teachers, but it was largely ignored for PERS members. Many PERS employees were hired back at the same pay range and step as they were at when they retired! For example, if an employee was at range 20, step K when they retired, legally they could only be hired back as a range 20 step A. Another abuse! This needs to be corrected. Across the board, all those that were hired back under the current law, need to have an adjustment made so their salary reflects Step A. Secondly, they need to repay the money they illegally took from the state. Somebody has to be accountable! HB161 needs to clearly reflect that rehires will start at step A. Grandfathering this illegal action is not the right thing to do.

- **Cronyism at it's worst.**

The way it works under the current law, if you are in the "good old boys or girls club" you are guaranteed to get your job back after you retire for a minimum of 30 days. However, if you are not a favored son or daughter there is no guarantee that you will be hired back into the job you just vacated. Almost everyone in any given division knows when someone will be hired back into their job after the 30 day wait, and therefore subordinates and others refuse to apply for the position knowing full well they will not be hired.

One way to even the playing field would be to increase the minimum 30-day wait to 360 days. So, if someone retired they would have to wait a year before reapplying for a state job. That would allow junior employees a fair opportunity to apply for and possibly obtain, a promotion that they would not otherwise have a chance at getting.

- **Widespread abused of the current law.**

Instead of applying the retire and rehire law to just a few isolated cases where recruitment may be difficult, it has been applied widely and has become **standard operating procedure** in state government. Even clerks have been hired back! There is absolutely no way to safeguard against this. There are just too many ways around it. Currently HB161 is very vague in addressing this issue.

- **Double-dipping is very bad PR**

I've had people stop me at the grocery store to ask how state employees are permitted to retire and be hired back into the position they just vacated! They were very upset and called the employees "double-dippers" among other terms.

- **Grandfathering is a bad idea**

I'm encouraging you not to grant "grandfather" rights to those working under the current law. As described in the Memorandum of Advice from the state attorney general, it was made crystal clear to everyone who wanted to participate in the double-dipping program, that the law would sunset on July 1, 2005. They all knew it was short term. Any decisions they made were with their eyes wide open. It is discouraging to me, as a state employee, to think that this committee and the legislature would grandfather these people under the existing law. Grandfathering only serves to exacerbate an already bad situation caused by the initial law. We will all be facing a much worse situation 4 years from now if Grandfathering is allowed under this bill.

Summary

In summary, I'm encouraging you to vote against this legislation. In case you are wondering, yes, I'm in a position to retire and be rehired, so if passed, this bill could potentially benefit me. However, I'm opposed to the bill because it leads us down a path of keeping older, more expensive employees, who are not contributing to PERS, while at the same time, precluding junior employees from becoming more experienced and advancing their careers.

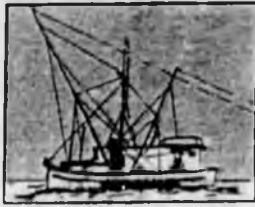
Under the current retire and rehire law, the state was given 3 more years to train employees to fill potential vacancies, the law sun-setting this year. Extending the sunset clause, via HB161, only serves to exacerbate an already bad situation caused by the initial law. We will all be facing a much worse situation 4 years from now if this bill passes into law. The current retire and rehire law has caused junior employees, who have been trained for many years, to depart from state service and many more have begun the process of looking for alternative employment. Our children will not stay in the state unless they can find jobs. If we continue to keep the "dead wood" at the top, those jobs will not be available to our children.

Under the current retire and rehire law, the sunset date was very clear as was the fact that these folks could no longer double-dip (collect 2 paychecks) as of the sunset date. Everyone was made aware of those facts by the state prior to making their decision. Let's not grandfather these select individuals into the program! If those who returned to work under the current retire and rehire law, want to continue to work after the sunset date, they should be allowed to do so. However, they would be treated as regular employees, contributing to PERS and accruing service time. They would not be allowed to collect a retirement check in addition to their paycheck. This seems like a fair compromise.

Thank you,



Jeff Barnhart
11276 Bells Flat Road
Kodiak, AK 99615



Alaska Trollers Association

130 Seward St., No. 211
Juneau, Alaska 99801
(907) 586-9400
(907) 586-4473 Fax

April 4, 2005

Representative Lesil McGuire
House Committee on Health, Education, and Social Services
Alaska State Legislature
Juneau, AK 99811

Dear Representative McGuire:

The Alaska Trollers Association (ATA) offers the following comment on one portion of HB 161, which seeks to extend to the employee retire/rehire program. ATA supports a grandfathering for those employees who are already participating in the program.

ATA represents hook and line salmon fishermen operating in Southeast Alaska. With over 2600 permit holders, the troll fleet is one of the largest salmon fleets in the state. The fleet is 85% resident and a large number of trollers live in rural communities.

While ATA is unfamiliar with all of the ramifications of extending the retire/rehire program, we are extremely concerned about whether or not the state will lose its current participants come July 1.

Of particular and direct concern to our members is the situation at ADFG. A number of seasoned fishery professionals are currently operating under this program. Our understanding is that these individuals were not informed that the program would sunset this year. This is an important detail to have been overlooked, and more than likely affected decisions made by employees and their families when deciding whether to retire or continue with state service.

As you know, this program arose five years ago out of concern for the loss of state employees anticipated as a result of Tier One retirement. Expanded hire by the federal fisheries service, which at the time offered lucrative wage and benefit packages, further exacerbated the problem for ADFG. To date, there has been no visible move by the legislature to provide ADFG with a sufficient budget to attract and retain the personnel required to fill many of the jobs in question.

Now we have a number of fine people, who made decisions to stay with the state as opposed to retiring or taking positions elsewhere, who have recently

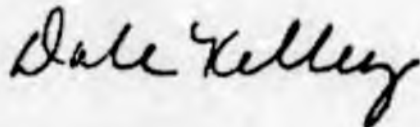
discovered that June 30 could mark the end of their career with the state. It seems only proper that the state should make provisions to allow them the option to continue their employment.

Just think of all the people you will have to replace on July 1, which is the busiest time of year for ADFG staff. Grandfathering the existing participants will give the state a bit more time to come up with a plan to both attract new people and allow existing staff to be groomed for new jobs.

Hopefully you will agree with ATA's point of view and consider grandfather provisions, or some other means, to secure the current retire/rehire participants.

Please contact me if I can provide additional information or help in any way.

Sincerely,

A handwritten signature in cursive script that reads "Dale Kelley". The signature is written in dark ink and is positioned below the word "Sincerely,".

Dale Kelley
Executive Director

March 2005

**Anchorage School District
POSITION STATEMENT: HB 161**W) 907-742-4322 (F) 907-742-4417
Wiget_Larry@asd.k12.ak.us

TO: REPRESENTATIVE NEUMAN
CHAIR, HOUSE SPECIAL COMMITTEE ON EDUCATION

CC: REPRESENTATIVE ELKINS

FROM: *LARRY* LARRY WIGET, DIRECTOR, GOVERNMENT RELATIONS

SUBJECT: SHB 161 - AN ACT RELATING TO REEMPLOYMENT OF AND
BENEFITS FOR RETIRED TEACHERS AND PUBLIC EMPLOYEES

Received
APR 05 2005
Office of Rep. Elkins

The Anchorage School District supports the legislative intent of HB 161 to rehire retired employees when there is an actual shortage of applicants for the vacant position and urges the legislature to extend the sunset date for legislation that gives state retirees who return to work the option of continuing to receive both retirement pay and a salary with the caveat that similar restrictions currently placed on the rehire of TRS employees, AS 14.20.135*, be adopted for PERS employees as well.

We are concerned, as are others we have spoken with, that pre-selection and hiring of retirees to fill the job they are vacating, without regard as to whether or not there is a qualified applicant pool to draw from, eliminates the career ladder in state employment for other employees who are qualified and may apply for a vacant position and who, unlike the rehire, would be contributing to the state retirement system.

Again, we support the legislative intent of HB 161 to extend the sunset date for school district to rehire employees for vacant positions when there is an actual shortage of applicants for the position and feel that there should be the same types of restrictions on rehiring PERS employees as there on TRS employees.

***AS 14.20.135, Employment of retired teachers because of shortages, states:**

- (a) A school district or regional educational attendance area that has or anticipates having a shortage of teachers qualified to teach in a particular discipline or specialty may, by resolution, adopt a policy that permits the employment of retired teachers who are qualified to teach in the discipline or specialty in accordance with this section. The policy must describe the circumstances that constitute the shortage. If a shortage of teachers exists as described in the policy, the district or attendance area shall notify the administrator of the teachers' retirement system (AS 14.25) that it is hiring retired teachers under this section.

(See also Administrative Order No. 225 attached.)

March 23, 2005

Representative Jim Elkins
State Capitol
Juneau, AK 9981-1182

Dear Representative Elkins:

On March 31, 2004 I retired from the Ketchikan Gateway Borough School District. On May 1, 2004 I was rehired into my position as personnel coordinator under HB 242. I have been with the district for 31 years. I am 63 years old and a widow who supports two families. My decision was a financial one and has been beneficial to both the district and myself.

I first approached Superintendent Harry Martin with my proposal in November of 2003. We had some concerns and wanted to make sure that this was a good choice to make and beneficial to both the district and myself. He suggested a conference call with a representative from PERS. The representative told me if I wanted to participate I would need to apply before June 30, 2005. Obviously their interpretation was the same as ours. The window was to give employees a chance to participate and after it closed the legislature could review whether or not the program was successful. No mention was ever made that I would only be able to participate for 14 months. In a recent conversation with a PERS representative I was told that Kathy Lea, Section Supervisor, had in fact interpreted HB 242 the same as I.

Looking at the current interpretation an employee could elect to participate two months before the June 30, 2005 date, draw a month of retirement and then go back to their previous status of employment but why would they want to and how would this short period of time allow the legislature to review the program?

If the current legislation does not pass I will be forced to quit my job with the district and seek employment elsewhere. I will continue to draw my retirement but I cannot live on by retirement alone. I am not one of the people mentioned in the Fairbanks article "Double Dipping" who did this to pay off their house. Also, I took a cut in pay with no chance for advancement. This enabled the district to hire another employee who is paying into PERS.

I hope that, if this bill to extend is defeated, consideration will be given to grant grandfather rights to the existing participating employees. If not I fear the adverse effect this will have on my life as well as others. Thank you for your consideration.

Sincerely,



Ms. Sydney Olsen
Personnel Coordinator
Ketchikan Gateway Borough School District

Dear Representative Neuman:

1-27-2005

As you know, PERS/TRS funding problems are hot legislative issues. Help save PERS/TRS and also stop an unethical hiring practice by allowing HB242 (2001) clauses to sunset in 2005. The following explanation addresses the unfairness of the hiring practice and how stopping the practice will save PERS/TRS dollars.

HB242 of 2001 made it possible for some State, Borough and City employees to retire and then rehire with full pay, plus full retirement benefits. The original intent of the bill was to keep a few irreplaceable bus/school teachers from retiring. However, since adoption of HB242, a number of "irreplaceable" Borough, City and State employees have also taken advantage of the program to retire and rehire, often into their same jobs—often literally to the same desk. HB242 clauses that allow this practice will sunset July 1, 2005 unless re-authorized. Aside from considering the publicly reprehensible issue of same-job double dipping, please consider the sunset of HB242 in light of the following 4 points. I believe each of these points to be an unintended consequence of HB242.

1. First a very basic question: Were most of the rehired folks truly irreplaceable? Re-authorization of HB242 retire/rehire clauses should be examined for conformance with original intentions of the bill. I challenge legislators to determine if a significant percentage of HB242 rehires were actually "irreplaceable" by the common definition of the word. From my research, especially as it applies to State employees, a high percentage of the rehires were mid to upper level supervisors. Do supervisors as a group tend to form an irreplaceable class? I have not been able to identify non-exempt or non-supervisory union people who have been allowed to take part in this program. Identifiable classes of individuals not offered HB242 rehiring can consider legal actions against various Alaska government entities based on discrimination and favoritism. Besides, isn't it healthy for the government systems to encourage "new blood" to step into the supervisory class, with their new ideas, enthusiasm, etc.? I believe so.

2. Employees nearing 30 years of service (most State jobs for example) are being lured into retiring and rehiring with the perception of a giant raise. Why would anyone continue to work an additional 2, 3, or 5 years after retirement eligibility if they can begin collecting the "big bucks" at 30 years almost automatically? Through HB242 rehiring, department heads can remain good (but not necessarily irreplaceable) supervisory employees by offering them a huge "raise." The department head thinks this is wonderful because the raise does not come from their protected departmental funds—no—the raise comes from PERS/TRS. Also, enticement to retire and rehire must negatively impact the PERS/TRS actuarial calculations since employees, especially upper level employees, often remained on the job several years after full retirement eligibility.

3. Non-public employee citizens of Alaska do not want to see any one individual receiving an excessively large total amount of money from State, Borough, or City coffers. How large? For example, take a range 24, Tier I supervisor at say \$80,000/year retiring from DOT&P after 30 years. That retiree will collect about 72 percent of his/her salary from PERS (includes the 10% COLA). Therefore, after rehiring, that individual receives from combined State coffers about \$57,000 in PERS retirement + \$80,000 in job pay + health coverage + Alaska's continued payment into an SBS account for the individual. In total, the State of Alaska shells out somewhere around \$150,000/year to this individual until the individual decides to re-retire. The employee has now returned to the job with no incentive to E V E R retire permanently. In terms of total expenditure, State/Borough/City governments might find it much less expensive to offer the retirement-eligible employee an extravagant pay increase NOT to retire. In this example, a huge pay increase (say 20% = \$16,000/year) would pale compared to the \$57,000 per year that this individual drains from PERS/TRS after their HB242 rehiring. Would such a raise seem silly? You bet!

4. Those rehired through HB242 return to high-paying positions, but they make no further contributions to the PERS/TRS! How does this look to the public? How does this look to most fellow employees who must continue to pay into PERS/TRS while a boss or co-worker doesn't have to pay? This is a sweet deal for the rehired individual. It is obviously a bad thing for retirement systems that must depend on continuing and perhaps much increased PERS/TRS contributions from all active employees.

Remember that the PERS/TRS were intended as true retirement systems, not as a supervisor's income supplement or "raise." Departments that need to keep long-term employees should seek legitimate funding for raises and not raid PERS/TRS. Try to find private businesses that rehire their own retirees with retirement pay. SB24 and SB31 of 2005 attempt to prevent the sunset of 2001's HB242. Please help defeat SB24 and SB31.

Sincerely,
Robert L. McHattie

456-7485

P.O. Box 71130
Fairbanks, AK 99707-1130

PHONE CALL

For Lecky Date 4/11 Time 2:30 AM
M Lindy Weagitt Of
Phone Anchorage School Dist.
Remarks They want to say they
support HB 161
Signed _____

- Telephoned
- Returned Your Call
- Please Call
- Will Call Again
- Came to See You
- Wants to See You



SPR02301

April 19, 2005

Dear Chairman Seaton, Vice-Chair Gatto and members of the House State Affairs Committee,

Thank you for the opportunity to comment on this bill. I'm writing in opposition of HB 161, the retire and rehire bill. This is a negative piece of legislation for the people of Alaska and state employees.

ASEA, the largest state employee union with over 7,500 members, opposes this retire and rehire legislation and extending Grandfather rights to those working under the current retire and rehire law.

- **Negatively affects recruitment of new employees and retaining junior employees**

By allowing employees, typically those in higher on the ladder, to retire from their jobs and be rehired 30 days later, stops all upward mobility of junior employees and affects recruitment of new employees. As a result, junior employees are locked into their jobs, unable to advance and we cannot hire new talent into state service. The current retire and rehire law has already resulted in junior employees departing from state service to take jobs with the federal government because their advancement was blocked by a supervisor retiring and rehiring. For that same reason, others are currently looking to the private sector or federal government for employment. To maintain good services for the people of this state, we need to continue to train, promote and keep junior employees, not force them from their jobs! They are the future of our state, not the deadwood at the top! There are plenty of qualified individuals currently working in state service that would like to advance their careers but cannot due to the current retire and rehire law. Let's not make the situation worse by passing another retire and rehire law.

- **Grandfathering is a bad idea**

I'm encouraging you not to grant "grandfather" rights to those working under the current law. As described in the Memorandum of Advice from the state attorney general, it was made crystal clear to everyone who wanted to participate in the double-dipping program, that the law would sunset on July 1, 2005. They all knew it was short-term employment. Any decisions they made were with their "eyes wide open". It is discouraging to me, as a state employee, to think legislators would even consider grandfather these people under the existing law, considering all the problems and abuses that have occurred under the current law. Grandfathering only serves to exacerbate an already bad situation. We will all be facing a much worse situation 4 years from now, if Grandfathering is allowed under this bill.

- **Widespread abused of the current law.**

Instead of applying the retire and rehire law to just a few isolated cases where recruitment may be difficult, it has been applied widely and has become **standard operating procedure** in state government. Even clerks have been hired back! There is absolutely no way to safeguard against this. There are just too many ways around it. Currently language is very vague.

- **Double-dipping is very bad PR**

I've had people stop me at the grocery store to ask how state employees are permitted to retire and be hired back into the position they just vacated! They were very upset and called the employees "double-dippers" among other terms.

- **Cronyism at it's worst.**

The way it works under the current law, if you are in the "good old boys or girls club" you are guaranteed to get your job back after you retire for a minimum of 30 days. However, if you are not a favored son or daughter there is no guarantee that you will be hired back into the job you just vacated. Almost everyone in any given division knows when someone will be hired back into their job after the 30 day wait, and therefore subordinates and others refuse to apply for the position knowing full well they will not be hired. Let's not extend Grandfather rights to these people (all retirees and rehires) who abused the system!

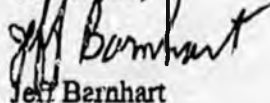
One way to even the playing field would have been to have a 360-day waiting period between retiring and rehiring. So, if someone retired they would have to wait a year before reapplying for a state job. That would have allowed junior employees a fair opportunity to apply for and possibly obtain, a promotion that they would not otherwise have a chance at getting.

Summary

In summary, I'm encouraging you to vote against this legislation. In case you are wondering, yes, I'm in a position to retire and be rehired, so if passed, this bill could potentially benefit me. However, I'm opposed to the bill because it leads us down a path of keeping older, more expensive employees, who are not contributing to PERS, while at the same time, precluding junior employees from becoming more experienced and advancing their careers. There is plenty of talent out there to fill most all state jobs!!

Under the current retire and rehire law, the state was given 3 more years to train employees to fill potential vacancies, the law sun-setting this year. Extending the sunset clause, via this legislation, only serves to exacerbate an already bad situation.

Thank you,



Jeff Bernhart

11276 Bells Flat Road
Kodiak, AK 99615



UNITED FISHERMEN OF ALASKA

211 Fourth Street, Suite 110
Juneau, Alaska 99801-1172
(907) 586-2820
(907) 463-2545 Fax
E-Mail: ufa@ufa-fish.org
www.ufa-fish.org

April 4, 2005

Representative Mark Neuman, Chair
House Special Committee on Education
Alaska State Legislature
State Capitol (Mail Stop 3100)
Juneau AK 99801-1182

Dear Representative Neuman,

This letter is in support of House Bill 161 regarding the rehire of retired personnel. In the spring of 2001 UFA was a supporter of HB242, which enables the rehire after retire of state and municipal employees in the state of Alaska. The main area of concern for UFA in 2001 emanated from the significant loss of key, highly technical and geographically specialized personnel at the Alaska Department of Fish and Game. The coastal communities that UFA predominantly directly represent were given a new lease on life, the "braindrain" was halted temporarily from the ADFG and we have stabilized our outflow of specialized talent from the department.

Since 2000, nearly 2 dozen states have adopted nearly identical statutes to Alaska's HB 242. In Washington state, the only material difference was that there was no 5 year sunset provision in that state's legislation. In Alaska, this program hatched by HB 242 has worked well for the ADFG. One of the major unfulfilled components leftover from the discussion of HB242 was that the sport and commercial fishermen who helped to pass HB242 were to work to improve recruitment and new mentoring programs for future fishery managers and biologists. We are behind on this task and lacking.

But that does not mean that we should throw caution to the wind and allow our best and brightest scientific minds be cast out this May. HB161, which embodies the continuation with much more rigid sideboards than HB242, needs to accommodate the current employees under HB242. It also needs to recognize the success of the program begun by HB242.

This program has enabled many departments and state agencies to deal with retention

MEMBER ORGANIZATIONS

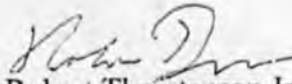
Alaska Crab Coalition • Alaska Druggers Association • Alaska Longline Fishermen's Association • Armstrong Keta • At-sea Processors Association
Bristol Bay Reserve • Concerned Area "M" Fishermen • Cordova District Fishermen United • Douglas Island Pink and Chum
Fishing Vessel Owners Association • Groundfish Forum • Kenai Peninsula Fishermen's Association • Kodiak Regional Aquaculture Association
North Pacific Fisheries Association • North Pacific Scallop Cooperative • Northern Southeast Regional Aquaculture Association
Old Harbor Fishermen's Association • Petersburg Vessel Owners Association • Prince William Sound Aquaculture Corporation
Purse Seine Vessel Owner Association • Seafood Producers Cooperative • Southeast Alaska Herring Seiners Marketing Association
Southeast Alaska Fisherman's Alliance • Southeast Alaska Regional Dive Fisheries Association • Southeast Alaska Seiners Association
Southern Southeast Regional Aquaculture Association • United Catcher Boats • United Salmon Association • United Southeast Alaska Gillnetters
Valdez Fisheries Development Association • Western Gulf of Alaska Fishermen

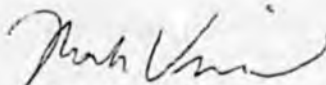
issues in the face of competition from federal and private employers for the trained fisheries and scientific personnel that are critical to Alaska. This program needs to continue so that Alaska's fishery resources will continue to be the best managed in the world.

Approximately 300 state jobs are now filled by the "retire-rehire" employees, so the state has seen an average of approximately 60 state employees per year opt for this system. But although this is not a big program it is an important one. And it has been cost effective thus far.

UFA appreciated the strong bipartisan effort that took place in both bodies of the legislature in 2001. We need to extend this spirit of cooperation and move to establish an immediate continuation of the main tenets of HB242. Thank you for your support of House Bill 161.

Sincerely,


Robert Thorstenson Jr.
President


Mark Vinsel
Executive Director

CC: Representative Jim Elkins

April 27, 2005
HB 161

Dear Honorable House State Affairs Committee Members:

My name is Karen Dorcas and I have worked for the University of Alaska Anchorage, Kenai Peninsula College, for 26 years since December, 1979, and have been an Alaska resident for over 34 years.

I highly support HB 161 to extend the "sunset" date for HB242 to July 1, 2009. In my opinion incorrect information was given to me on the termination/"sunset" date of HB242.

Less than a year ago (last May) I chose to take the PERS waiver option offered by the State under HB242. Based on all information given to me which included the fact that I would be able to continue that option for a few years AND told that even if I were to go part-time with the same employer be able to continue with that option, I made three life-changing decisions. I clarified the above information with PERS officials before signing the papers because I wanted to make sure of the changes I was making. Those decisions were: (1) I retired; (2) I applied and interviewed for the position that I was totally qualified for and took reduced leave accrual since I was basically starting over again as a "new" employee; and, (3) I sold my home and I purchased a condominium in preparation for the time I would be able to discontinue working.

Truthfully, I would not have made these changes for less than one year IF I had been told that the whole program would discontinue on June 30, 2005. It was my belief that the option was available to apply for through that date.

In many ways this was and remains a "win-win" situation for me as a single person preparing for my future and for the University in savings to retain a highly qualified individual; the learning curve for hiring someone new (and probably more than one person) would be well over a year.

Thank you for your time in listening to my personal input.



Karen R. Dorcas
Assistant to the Director/AAEO
University of Alaska Anchorage/KPC
907-262-0317
inkrd@uaa.alaska.edu



SOUTHEAST ISLAND SCHOOL DISTRICT

P.O. Box 19569, 1218 A Shoreline Drive Thome Bay, Alaska 99919
(907) 828-8254 Fax: (907) 828-8257 E-mail: sisd@sisd.org

TO: Legislative Representative Jim Elkins
RE: HB 161
DATE: February 24, 2005
FROM: Jim Nygaard

Received
FEB 24 2005
Office of Rep. Elkins

It is with great interest that I write in support of HB 161, allowing retired teachers the privilege of returning to the classroom during a time when teacher shortages are prevalent across Alaska. I encourage your support of this bill.

Please let me share a brief story and the frustration that follows...

As superintendent of schools for Southeast Island School District, teacher availability is very limited. Currently I have a need for a long-term substitute (for the remaining portion of the school year). I have advertised locally, as well as on the internet for applicants. None have applied. Under certain conditions I can fill substitute jobs with temporary personnel (short term). Under Alaska Statute, I am required to fill a long-term position with a certified (highly qualified) teacher within 20 school days. If not I am in violation. See 4 AAC 18.021

Let common sense prevail. If such a certified sub were available I would certainly jump at the chance to hire one. However, the law as referenced is set out to make me a liar as it is quite difficult to hire a "highly qualified" certified sub when there are none available.

What is best for kids is to maintain the opportunity for retired teachers to be available via 14.20.135.

As you review Section 4 AAC 18.021 please feel free to contact me for additional information.

March 23, 2005

Representative Jim Elkins
State Capitol
Juneau, AK 9981-1182

Dear Representative Elkins:

On March 31, 2004 I retired from the Ketchikan Gateway Borough School District. On May 1, 2004 I was rehired into my position as personnel coordinator under HB 242. I have been with the district for 31 years. I am 65 years old and a widow who supports two families. My decision was a financial one and has been beneficial to both the district and myself.

I first approached Superintendent Harry Martin with my proposal in November of 2003. We had some concerns and wanted to make sure that this was a good choice to make and beneficial to both the district and myself. He suggested a conference call with a representative from PERS. The representative told me if I wanted to participate I would need to apply before June 30, 2005. Obviously their interpretation was the same as ours. The window was to give employees a chance to participate and after it closed the legislature could review whether or not the program was successful. No mention was ever made that I would only be able to participate for 14 months. In a recent conversation with a PERS representative I was told that Kathy Lea, Section Supervisor, had in fact interpreted HB 242 the same as I.

Looking at the current interpretation an employee could elect to participate two months before the June 30, 2005 date, draw a month of retirement and then go back to their previous status of employment but why would they want to and how would this short period of time allow the legislature to review the program?

If the current legislation does not pass I will be forced to quit my job with the district and seek employment elsewhere. I will continue to draw my retirement but I cannot live on by retirement alone. I am not one of the people mentioned in the Fairbanks article "Double Dipping" who did this to pay off their house. Also, I took a cut in pay with no chance for advancement. This enabled the district to hire another employee who is paying into PERS.

I hope that, if this bill to extend is defeated, consideration will be given to grant grandfather rights to the existing participating employees. If not I fear the adverse effect this will have on my life as well as others. Thank you for your consideration.

Sincerely,



Ms. Sydney Olsen
Personnel Coordinator
Ketchikan Gateway Borough School District

March 2005

**Anchorage School District
POSITION STATEMENT HB 161**W) 907-742-4322 (F) 907-742-4417
Wiget_Larry@asdk12.org

TO: REPRESENTATIVE NEUMAN
CHAIR, HOUSE SPECIAL COMMITTEE ON EDUCATION

CC: REPRESENTATIVE ELKINS

FROM: *Larry Wiget* LARRY WIGET, DIRECTOR, GOVERNMENT RELATIONS

SUBJECT: SHB 161 - AN ACT RELATING TO REEMPLOYMENT OF AND
BENEFITS FOR RETIRED TEACHERS AND PUBLIC EMPLOYEES

Received
APR 05 2005
Office of Rep. Elkins

The Anchorage School District supports the legislative intent of HB 161 to rehire retired employees when there is an actual shortage of applicants for the vacant position and urges the legislature to extend the sunset date for legislation that gives state retirees who return to work the option of continuing to receive both retirement pay and a salary with the caveat that similar restrictions currently placed on the rehire of TRS employees, AS 14.20.135*, be adopted for PERS employees as well.

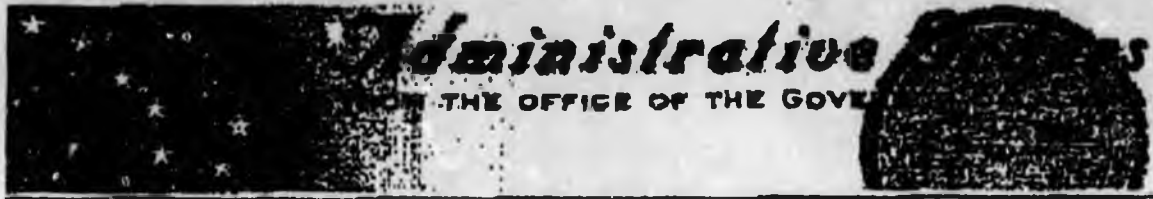
We are concerned, as are others we have spoken with, that pre-selection and hiring of retirees to fill the job they are vacating, without regard as to whether or not there is a qualified applicant pool to draw from, eliminates the career ladder in state employment for other employees who are qualified and may apply for a vacant position and who, unlike the rehire, would be contributing to the state retirement system.

Again, we support the legislative intent of HB 161 to extend the sunset date for school district to rehire employees for vacant positions when there is an actual shortage of applicants for the position and feel that there should be the same types of restrictions on rehiring PERS employees as there on TRS employees.

*AS 14.20.135, Employment of retired teachers because of shortages, states:

- (a) A school district or regional educational attendance area that has or anticipates having a shortage of teachers qualified to teach in a particular discipline or specialty may, by resolution, adopt a policy that permits the employment of retired teachers who are qualified to teach in the discipline or specialty in accordance with this section. The policy must describe the circumstances that constitute the shortage. If a shortage of teachers exists as described in the policy, the district or attendance area shall notify the administrator of the teachers' retirement system (AS 14.25) that it is hiring retired teachers under this section.

(See also Administrative Order No. 225 attached.)



Frank H. Murkowski
GOVERNOR

STATE OF ALASKA
OFFICE OF THE GOVERNOR
JUNEAU

March 08, 2005

ADMINISTRATIVE ORDER NO. 225

FINDINGS

I, Frank H. Murkowski, Governor of the State of Alaska, make the following findings:

1. Provisions of ch. 57, SLA 2001, commonly known as the retiree rehire provisions of HB 242, permit certain retirees who return to work in positions normally covered by the public employees' and teachers' retirement systems to waive active coverage under the retirement systems and continue to receive state retirement benefits while working.

2. The purpose of the retiree rehire provisions of HB 242 is to provide a management tool to help address existing and anticipated recruitment problems faced by public employers who participate in the retirement systems. The executive branch of state government is currently facing demonstrated recruitment difficulties in a variety of job classes, particularly those job classes that require specific education or that require a strong professional work history that is usually gained over a period of time working in a professional field.

3. Consistent application of the retiree rehire program of HB 242 is especially important for recruitment for positions in the classified service to ensure that the principles of collective bargaining are consistently met. Furthermore, it is essential that managers in all state agencies anticipate and plan for the eventuality of retirement of the state's seasoned workforce in the classified service in a manner that does not undermine the state's workforce or create morale problems among less experienced staff who are preparing for promotional opportunities created by retirement of their coworkers.

4. The retiree rehire provisions of HB 242 sunset on July 1, 2005, and legislation extending the use of this valuable management tool and addressing participation by current rehired retirees is unlikely to pass and be enacted into law unless the retiree rehire program is properly managed to meet the Legislature's original intent.

ORDER

Under the authority of art. III, secs. 1 and 24, of the Alaska Constitution, I, Frank H. Murkowski, Governor of the State of Alaska, order the following regarding appointment of rehired retirees to positions in the classified service of the executive branch of state government:

1. The hiring authority shall use the following competitive process for recruitment:

- A. an applicant must be recruited through a competitive process before an appointment is made;
 - B. the recruitment must have been posted on Workplace Alaska for at least 15 days before an appointment is made;
 - C. the hiring authority must consider all applicants before making the appointment; and
 - D. if the selected applicant would be appointed using the retiree rehire provisions of HB 242, the applicant must have been separated from state service for at least 30 days.
2. Before a position is offered to an applicant using the retiree rehire provisions of HB 242:
- A. the recruitment described in (1) of this Order must have resulted in an applicant pool of fewer than five qualified, eligible, and available applicants;
 - B. the hiring authority must demonstrate why no other applicant will have the knowledge, skills, or ability to perform the duties of the positions after the full probationary period; and
 - C. the approval for the hire must have been secured in writing from the director of personnel in the Department of Administration.
3. Within 60 days after receipt of the director of personnel's approval under (2)(C) of this Order and the acceptance of the position by the person under the retiree rehire provisions of HB 242, the hiring authority shall work with the division of personnel in the Department of Administration to develop a plan that addresses:
- A. the critical components of the position;
 - B. the knowledge, skills, and abilities that need to be developed in the workplace to assure that the work can be accomplished when the retired retiree leaves state service; and
 - C. a development plan for accomplishing the transfer of knowledge.
4. Step placement for the salary of an appointee under the retiree rehire program of HB 242 shall be determined by the hiring authority in accordance with applicable statutes, personnel rules, collective bargaining agreements, and enforceable policies and procedures.
5. State agencies are encouraged to develop a strategic view of human resource needs, including the development of a workforce plan, with the assistance of the division of personnel, to address the future needs of the state agency.

DEFINITION

In this Order, "state agency" means a department, office, or other organizational unit of the executive branch of state government; "state agency" includes a state board, commission, authority, or independent state agency assigned to a department for administrative purposes.

APPLICABILITY

This Order applies to all appointments made to the classified service of the executive branch of state government on or after the effective date of this Order.

This Order takes effect immediately.

DATED at Juneau, Alaska, this 8th day of March, 2005.

/s/Frank H. Murkowski
Governor

WWW.GOV.STATE.AK.US

Administrative Orders 201-present | Contact the Governor | Webmaster | State of Alaska



UNITED FISHERMEN OF ALASKA

211 Fourth Street, Suite 110
Juneau, Alaska 99801-1172
(907) 588-2820
(907) 463-2545 Fax
E-Mail: ufa@ufa-fish.org
www.ufa-fish.org

April 4, 2005

Representative Mark Neuman, Chair
House Special Committee on Education
Alaska State Legislature
State Capitol (Mail Stop 3100)
Juneau AK 99801-1182

Received

APR 04 2005

Office of Rep. Elkins

Dear Representative Neuman,

This letter is in support of House Bill 161 regarding the rehire of retired personnel. In the spring of 2001 UFA was a supporter of HB242, which enables the rehire after retire of state and municipal employees in the state of Alaska. The main area of concern for UFA in 2001 emanated from the significant loss of key, highly technical and geographically specialized personnel at the Alaska Department of Fish and Game. The coastal communities that UFA predominantly directly represent were given a new lease on life, the "braindrain" was halted temporarily from the ADFG and we have stabilized our outflow of specialized talent from the department.

Since 2000, nearly 2 dozen states have adopted nearly identical statutes to Alaska's HB 242. In Washington state, the only material difference was that there was no 5 year sunset provision in that state's legislation. In Alaska, this program hatched by HB 242 has worked well for the ADFG. One of the major unfulfilled components leftover from the discussion of HB242 was that the sport and commercial fishermen who helped to pass HB242 were to work to improve recruitment and new mentoring programs for future fishery managers and biologists. We are behind on this task and lacking.

But that does not mean that we should throw caution to the wind and allow our best and brightest scientific minds be cast out this May. HB161, which embodies the continuation with much more rigid sideboards than HB242, needs to accommodate the current employees under HB242. It also needs to recognize the success of the program begun by HB242.

This program has enabled many departments and state agencies to deal with retention

MEMBER ORGANIZATIONS

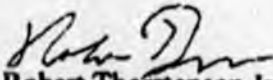
Alaska Crab Coalition • Alaska Druggers Association • Alaska Longline Fishermen's Association • Armstrong Kats • At-sea Processors Association
Bristol Bay Reserve • Concerned Area "M" Fishermen • Cordova District Fishermen Union • Douglas Island Pink and Chum
Fishing Vessel Owners Association • Groundfish Forum • Kani Peninsula Fishermen's Association • Kodiak Regional Aquaculture Association
North Pacific Fisheries Association • North Pacific Scallop Cooperative • Northern Southeast Regional Aquaculture Association
Old Harbor Fishermen's Association • Petersburg Vessel Owners Association • Prince William Sound Aquaculture Corporation
Purse Seine Vessel Owner Association • Seafood Producers Cooperative • Southeast Alaska Herring Seiners Marketing Association
Southeast Alaska Fisherman's Alliance • Southeast Alaska Regional Dive Fisheries Association • Southeast Alaska Seiners Association
Northern Southeast Regional Aquaculture Association • United Catcher Boats • United Salmon Association • United Southeast Alaska Gillnetters
Valdez Fisheries Development Association • Western Gulf of Alaska Fishermen

issues in the face of competition from federal and private employers for the trained fisheries and scientific personnel that are critical to Alaska. This program needs to continue so that Alaska's fishery resources will continue to be the best managed in the world.

Approximately 300 state jobs are now filled by the "retire-rehire" employees, so the state has seen an average of approximately 60 state employees per year opt for this system. But although this is not a big program it is an important one. And it has been cost effective thus far.

UFA appreciated the strong bipartisan effort that took place in both bodies of the legislature in 2001. We need to extend this spirit of cooperation and move to establish an immediate continuation of the main tenets of HB242. Thank you for your support of House Bill 161.

Sincerely,


Robert Thorstenson Jr.
President


Mark Vinsel
Executive Director

CC: Representative Jim Elkins

Alaska Breeze Maiden

William "Bill" and Linda Auger
Post Office Box 9335
Ketchikan, Alaska 99901

April 18, 2005

Received
APR 20 2005
Office of Rep. Elkins

VIA FACSIMILE

State of Alaska
Legislative Representatives
Juneau, Alaska

Re: Senate Bill 24/House Bill 161 - Reemployment of Retirees

Honorable Members of the Alaska State Legislature:

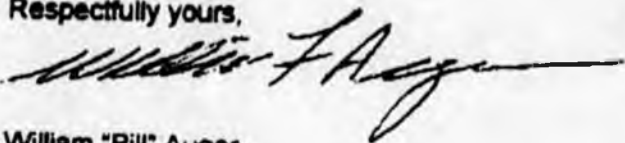
I am writing to urge your support of SB 24 and House Bill 161 regarding the reemployment of retirees. At the present time the Alaska Department of Fish & Game (ADFG) is negatively impacted in its ability to attract and retain the high caliber of expertise required in fisheries management. ADFG is no longer competitive in salary and benefits with other states' or federal resource management agencies. Currently positions advertised by ADFG receive few, if any, qualified applicants. Further, ADFG has experienced a very high rate of retirement by fishery and game managers in recent years, many of whom have moved directly into positions with federal agencies in Alaska. Many vacated positions remain unfilled. With a looming shortage of individuals pursuing math and science fields in the United States, it stands to reason that the State will continue to encounter issues in filling vacated positions. There is now no back up for those who remain. Alaska needs to restore a program that will attract top talent into ADFG. The retire/rehire program does not do that, but it performs a very necessary function in stabilizing the professional staff until a successful recruiting and retention program can be put in place.

The ramifications of ADFG staffing issues will seriously impact on the States' commercial and recreational fisheries. These industries are of vital importance to the financial well being of the State and its coastal communities.

In closing, I urge you to keep the current retire/rehire program in place. To terminate it now without a plan to cover for the expertise that will be lost will cause great damage to ADFG's capabilities and its professional reputation.

Thank you for your consideration and support of this important legislation.

Respectfully yours,



William "Bill" Auger

(907) 225-2737 Telephone/Facsimile

blauger@kpunet.net

Northern and Transboundary Panels
Pacific Salmon Commission
James E. Bacon, Northern Panel Chair
2030 Second Avenue
Ketchikan, Alaska 99801

April 16, 2005

State of Alaska
Legislative Representatives
Juneau, Alaska

Re: Senate Bill 24/House Bill 161 -- Reemployment of Retirees

Honorable Members of Alaska State Legislature:

As members of the Northern and Transboundary Panels of the Pacific Salmon Commission (PSC) we strongly urge your support of Senate Bill 24 and House Bill 161 regarding the reemployment of retirees. The PSC was established by treaty between Canada and the United States for the conservation, rational management and optimum production of Pacific Salmon. In the Treaty process the United States North relies heavily on employees of the Alaska Department of Fish & Game (ADFG). Alaska's success in the Treaty forum has always depended on its ability to bring the best scientific expertise to the negotiating table. Several of the ADFG staff that are currently involved with PSC issues are in the existing retire/rehire program. A number of these individuals hold key positions in ADFG and in Alaska's Treaty team: including a panel chair and several members of key technical committees. These individuals are critical to Alaska's interests in the PSC. The depth of Alaska's talent has already been diluted. Losing these staff members would greatly increase Alaska's risk in Treaty negotiations and in its implementation.

Further, ADFG has experienced a very high rate of retirement by fishery and game managers in recent years, many of whom have moved directly into positions with federal agencies in Alaska. Several former ADFG staff that worked with PSC issues retired as early as possible and are among those who took federal resource agency positions. Others have retired and are working for ADFG part-time on contract but in non-PSC areas. Some of the vacated positions have not yet been filled. With a looming shortage of individuals pursuing math and science fields in the United States, it stands to reason that the State will continue to encounter issues in filling positions vacated by retirement. Positions advertised by ADFG receive few, if any, qualified applicants. There is now no back up for those who remain. Alaska needs to restore a program that will attract top talent into ADFG. The retire/rehire program does not do that, but it performs a very necessary function in stabilizing the professional staff until a successful recruiting and retention program can be put in place.

In closing, we urge you to keep the current retire/rehire program in place. To terminate it

State of Alaska
Legislative Representatives
April 16, 2005

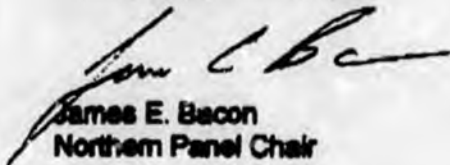
Page Two

now without a plan to cover for the expertise that will be lost will cause great damage to ADFG's capabilities and its professional reputation.

Thank you for your consideration and support of this important legislation.

Respectfully yours,

Northern and Transboundary Panels
Pacific Salmon Commission



James E. Bacon
Northern Panel Chair

On behalf of panel members:

William Auger, Fish Industry-Gilnetter
Ketchikan, Alaska

James Becker, Salmon Industry
Douglas, Alaska

Rodney Brown, Salmon Fishery
Wrangell, Alaska

Richard (Rich) Davis, Salmon Industry
Juneau, Alaska

Arnold Enge, Salmon Fishery
Petersburg, Alaska

Dennis Longstreth, Fish Trolling Alternata
Port Alexander, Alaska

Howard Pendall, Fish Trolling Representative
Sitka, Alaska

Jev Shelton, PSC Commissioner
Juneau, Alaska

Russell Thomas, Fish-Recreational Fisherman
Ketchikan, Alaska

Robert Thorstenson, Jr., Fish/Seiner Representative
Juneau, Alaska

HB

166

Alaska State Legislature

Chair

Military and Veterans Affairs Committee

Member

Labor and Commerce Committee
State Affairs Committee
Econ Dev, Int'l Trade & Tourism
Education Committee
Joint Armed Services Committee

Finance Subcommittees

Labor and Workforce Development
Community and Economic Development
Military and Veterans' Affairs



A Communication From

REPRESENTATIVE BOB LYNN

Chairman

House Military and Veterans' Affairs Committee

Session:

Alaska State Capitol
Juneau, AK 99801-1182

Phone: (907) 465-4931

Fax: (907) 465-4316

Toll Free: (800) 870-4391

Interim:

716 W. 4th Ave., #350
Anchorage, AK 99501-2133

Phone: (907) 269-0205

Fax: (907) 269-0207

Representative_Bob_Lynn@legis.state.ak.us

MEMORANDUM

Date: April 6, 2005

To: Representative Paul Seaton, Chair
House State Affairs Committee

From: Representative Bob Lynn, Chair
House Military and Veterans' Affairs Committee

Re: House Bill 166, Veterans' Memorial Certificates

The House Military and Veterans' Affairs Committee respectfully requests that House Bill 166 be scheduled in the House State Affairs Committee at your earliest convenience. Included in this packet is the following information.

- Sponsor Statement
- Sectional Analysis
- Backup material

Alaska State Legislature

Chair
Military and Veterans Affairs Committee

Member
Labor and Commerce Committee
State Affairs Committee
Econ Dev, Int'l Trade & Tourism
Education Committee
Joint Armed Services Committee

Finance Subcommittees
Labor and Workforce Development
Community and Economic Development
Military and Veterans' Affairs



A Communication From
REPRESENTATIVE BOB LYNN
Chairman
House Military and Veterans' Affairs Committee

Session:
Alaska State Capitol
Juneau, AK 99801-1182

Phone: (907) 465-4931
Fax: (907) 465-4316
Toll Free: (800) 870-4391

Interim:
716 W. 4th Ave., #350
Anchorage, AK 99501-2133

Phone: (907) 269-0205
Fax: (907) 269-0207

Representative_Bob_Lynn@legis.state.ak.us

CS HB 166 (MLV) **Veterans' Memorial Certificates**

Sponsor Statement

HB 166 creates the Governor's Memorial Certificate Program to allow the Adjutant General to honor deceased veterans who are residents of Alaska, by issuing to their family memorial certificates. The certificate program is modeled after the Presidential Memorial Certificate Program. It is the intent that the Governor's Memorial Certificate Program will simply be a certificate given to surviving family members or other eligible recipients as defined, acknowledging the State's appreciation for the service of the deceased veteran.

Sectional Analysis

section 1 adds the Governor's Memorial Certificate Program to AS 26.10. It outlines the procedure for the program

(b) (1) This section defines who is an "eligible recipient" of a deceased veteran, to receive the certificate.

(b) (2) This section defines "veteran" as the meaning given in AS 26.10.080

LI

legal information institute

[collection home](#)

US CODE COLLECTION

[search](#)[TITLE 38](#) > [PART I](#) > [CHAPTER 1](#) > **Sec. 112.**[Prev](#) | [Next](#)

Sec. 112. - Presidential memorial certificate program

(a)

At the request of the President the Secretary may conduct a program for honoring the memory of deceased veterans, discharged under honorable conditions, by preparing and sending to eligible recipients a certificate bearing the signature of the President and expressing the country's grateful recognition of the veteran's service in the Armed Forces. The award of a certificate to one eligible recipient will not preclude authorization of another certificate if a request is received from some other eligible recipient.

(b)

For the purpose of this section an "eligible recipient" means the next of kin, a relative or friend upon request, or an authorized service representative acting on behalf of such relative or friend

Search this title:

[Search Title 38](#)[Notes](#)[Updates](#)[Parallel authorities
\(CFR\)](#)[Topical references](#)[Prev](#) | [Next](#)[© copyright](#)[about us](#)[send email](#)

Burial & Memorial Benefits

Veterans Benefits & Services

Presidential Memorial Certificates



A Presidential Memorial Certificate (PMC) is an engraved paper certificate, signed by the current President, to honor the memory of honorably discharged deceased veterans.

History

This program was initiated in March 1962 by President John F. Kennedy and has been continued by all subsequent Presidents. Statutory authority for the program is Section 112, Title 38, of the United States Code.

Administration

The Department of Veterans Affairs (VA) administers the PMC program by preparing the certificates which bear the President's signature expressing the country's grateful recognition of the veteran's service in the United States Armed Forces.

Eligibility

Eligible recipients include the deceased veteran's next of kin and loved ones. More than one certificate may be provided.

Application

Eligible recipients, or someone acting on their behalf, may apply for a PMC in person at any VA regional office or by U.S. mail only. Requests cannot be sent via email. There is no form to use when requesting a PMC. Please be sure to enclose a copy of the veteran's discharge and death certificate. Please submit copies only, as we cannot return original documents. We are presently receiving mail at our Washington, D.C. address, however mail delivery is considerably slower than normal.

If you would like to request a Presidential Memorial Certificate, or if you requested one more than eight (8) weeks ago and have not received it yet, we ask that you either:

1. Fax your request and all supporting documents (copy of discharge and death certificate) to: (202) 565-8054, or
2. Mail your request and all supporting documents using either the U.S. Postal Service or a commercial mail service, such as one of the overnight or express mail delivery services, to:

**Presidential Memorial Certificates (402E12)
Department of Veterans Affairs
810 Vermont Avenue, NW
Washington, DC 20420-0001**

If you have any questions about a certificate you have received, a request you have already sent in, or about the program in general, you may call (202) 565-4964. Or you may email us at:

PMC@mail.va.gov

PLEASE NOTE: The above telephone number and email address are for questions about the Presidential Memorial Certificate Program only. We do not accept e-mail requests. All requests must be in writing.

Veteran Service Officers and Funeral Homes - Please contact us at (202) 565-4259 or (202) 501-2004 for information about submitting requests.

We do not administer other VA programs or have access to other VA records. For assistance with other VA benefits or records please use the "Contact the VA" link below. Or call your Regional office at:

1-800-827-1000

FISCAL NOTE

**STATE OF ALASKA
2005 LEGISLATIVE SESSION**

Fiscal Note Number: _____
 Bill Version: HB 166
 () Publish Date: _____

Revision Date/Time (Note if correction): _____ Dept. Affected: Military and Veterans Affairs
 Title An Act relating to a program to honor a RDU Military and Veterans Affairs
deceased veteran's military service. Component Veterans Services
 Sponsor Military and Veterans Affairs
 Requester (H) Military and Veterans Affairs Component No. 421

Expenditures/Revenues (Thousands of Dollars)

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

OPERATING EXPENDITURES	FY 2006	FY 2007	FY 2008	FY 2009	FY 2010	FY 2011
Personal Services						
Travel						
Contractual						
Supplies
Equipment						
Land & Structures						
Grants & Claims						
Miscellaneous						
TOTAL OPERATING

CAPITAL EXPENDITURES						
-----------------------------	--	--	--	--	--	--

CHANGE IN REVENUES ()						
-------------------------------	--	--	--	--	--	--

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 (FY2005) cost: 0.0

Mark this box (X) if funding for this bill is included in the Governor's FY 2006 budget proposal:

POSITIONS

Full-time						
Part-time						
Temporary						

ANALYSIS: (Attach a separate page if necessary)

It is anticipated that a memorial certificate program will cost less than \$1000.00 annually to conduct. The number of deaths each year can not be estimated and therefore the fiscal note is indeterminate.

Prepared by: John Cramer Phone (907) 465-4602
 Division Division of Administrative Services Date/Time 3/8/05 1:33 PM
 Approved by: Commissioner Craig E. Campbell Date 3/8/2005
 Agency Department of Military and Veterans Affairs

HB

167

24-LS0605\Y

Bullock

4/11/05

CS FOR HOUSE BILL NO. 167() *as amended.*

IN THE LEGISLATURE OF THE STATE OF ALASKA
TWENTY-FOURTH LEGISLATURE - FIRST SESSION

BY

Offered:

Referred:

Sponsor(s): HOUSE SPECIAL COMMITTEE ON MILITARY AND VETERANS' AFFAIRS

A BILL

FOR AN ACT ENTITLED

1 "An Act relating to providing a death certificate for a deceased veteran without cost;
2 and relating to a program to honor the memory of a deceased veteran."

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

4 * Section 1. AS 18.50.320 is amended to read:

5 Sec. 18.50.320. Copies of data from vital records. Except as otherwise
6 provided and in accordance with the regulations adopted under AS 18.50.310,

7 (1) the bureau and the custodian of permanent local records shall, upon
8 request, issue a certified copy of a certificate or record in their custody, or a part of it;
9 each copy issued must show the date of registration or recording, and copies issued
10 from records marked "delayed," "amended," or "court order" shall be similarly marked
11 and must show the effective date;

12 (2) a certified copy of a certificate or a part of it issued in accordance
13 with (1) of this section is considered the original for all purposes and is prima facie
14 evidence of the facts stated; however, [PROVIDED THAT] the evidentiary value of a

1 certificate or record filed more than one year after the event, or a record that has been
2 amended, or a presumptive death certificate, shall be determined by the judicial or
3 administrat body or official before whom the certificate is offered as evidence;

4 (3) the National Office of Vital Statistics may be furnished the copies
5 or data it requires for national statistics if the bureau is reimbursed for the cost of
6 furnishing the data; the National Office of Vital Statistics may not use the data for
7 purposes other than statistical purposes unless authorized by the state registrar;

8 (4) federal, state, local, and other public or private agencies, upon
9 request, may be furnished copies or data for statistical purposes on the terms or
10 conditions prescribed by the bureau;

11 (5) a person or agency may not prepare or issue a certificate or part of
12 a certificate that purports to be an original, certified copy, or copy of a certificate of
13 birth, death, fetal death, or marriage, except as authorized in this chapter or the
14 regulations adopted under it;

15 (6) upon request, the bureau shall furnish a copy of a certificate or
16 record registered by the bureau to the child support services agency created in
17 AS 25.27.010, or the child support enforcement agency of another state, for child
18 support purposes authorized under law; such a certificate or record that is prepared or
19 maintained in an electronic data base may be supplied by providing the requesting
20 agency with a copy of the electronic certificate or record and a statement certifying its
21 contents;

22 (7) upon request and without cost to the individual making the
23 request, the bureau shall issue ^{one} a certified copy of the death certificate of a veteran
24 to the surviving spouse, next of kin, or other relative of the deceased veteran for
25 ~~the purpose of obtaining veterans' benefits, social security benefits, and other~~
26 ~~government benefits;~~ in this paragraph, "veteran" has the meaning given in
27 AS 26.10.080. *Not listed as to how it is used*

28 * Sec. 2. AS 26.10 is amended by adding a new section to read:

29 Sec. 26.10.085. Governor's memorial certificate program. (a) Upon
30 request of the governor, the adjutant general of the Department of Military and
31 Veterans' Affairs may conduct a program for honoring the memory of a deceased

Am#1
Report
Gated
filed
Note
1071
186

1 veteran, who was a resident of the state and was discharged under honorable
2 conditions, by preparing and sending to an eligible recipient a certificate bearing the
3 signature of the governor and expressing the state's grateful recognition of the
4 veteran's service in the armed forces, the Alaska National Guard, the Alaska Scouts,
5 the Alaska State Defense Force, or the Alaska Naval Militia. The award of a
6 certificate to one eligible recipient does not preclude authorization of another
7 certificate if a request is received from another eligible recipient.

8 (b) The Department of Military and Veterans' Affairs shall determine the form
9 and content of the certificate and may adopt regulations necessary to administer the
10 program.

11 (c) In this section,

12 (1) "eligible recipient" means the surviving spouse, next of kin, or
13 relative of the deceased veteran;

14 (2) "veteran" has the meaning given in AS 26.10.080.

FISCAL NOTE

STATE OF ALASKA
2005 LEGISLATIVE SESSION

Fiscal Note Number: _____
 Bill Version: HB167CS(MLV)-DHSS-DPH-04-04-05
 () Publish Date: _____

Revision Date/Time (Note if correction): 04/04/2005

Dept. Affected: Health & Social Services

Title DEATH CERTIFICATES FOR DECEASED
VETERANS WITHOUT COST

RDU Public Health

Component Bureau of Vital Statistics

Sponsor HOUSE (MLV)

Requester HOUSE (STA)

Component No. 961

Expenditures/Revenues (Thousands of Dollars)

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

OPERATING EXPENDITURES	FY 2006	FY 2007	FY 2008	FY 2009	FY 2010	FY 2011
Personal Services						
Travel						
Contractual						
Supplies						
Equipment						
Land & Structures						
Grants & Claims						
Miscellaneous						
TOTAL OPERATING	0.0	0.0	0.0	0.0	0.0	0.0

CAPITAL EXPENDITURES						
-----------------------------	--	--	--	--	--	--

CHANGE IN REVENUES (0)						
-------------------------------	--	--	--	--	--	--

FUND SOURCE (Thousands of Dollars)

1002 Federal Receipts						
1003 GF Match						
1004 GF	30.0	30.0	45.0	50.0	50.0	50.0
1037 GF/Mental Health						
1156 Rcpt Svcs	(30.0)	(30.0)	(45.0)	(50.0)	(50.0)	(50.0)
Other(Specify Type-do not abbreviate)						
TOTAL	0.0	0.0	0.0	0.0	0.0	0.0

Estimate of any current year (FY2005) cost: _____

Mark this box (X) if funding for this bill is included in the Governor's FY 2006 budget proposal:

POSITIONS

Full-time						
Part-time						
Temporary						

ANALYSIS: (Attach a separate page if necessary)

The above estimates are based on the \$20 fee for a certified copy of a death certificate and the approximately 1,000 deaths per year where the decedent was a veteran. Under the amended bill, the use of the free copies is limited to: applying for veteran's benefits, social security benefits, or other governmental benefits. It is estimated each veterans' family may request, on average, two to three free copies. It is anticipated that the fiscal impact will be approximately \$30.0 for the first year (\$20 x 1,500 certified copies) the legislation is in effect and then increase to \$50.0 (\$20 x 2,500 certified copies) as more people become aware of the new law. The Bureau currently has no GF funding.

The projected loss of revenue to the Bureau appears in the Receipt Support Services line and will have to be replaced with GF to maintain existing services.

Prepared by: Richard Mandsager, M.D.

Division: Public Health

Phone: 465-8613

Approved by: Joel S

Agency: Depar

Date/Time: 04/05/2005

16/2005

FISCAL NOTE

STATE OF ALASKA
2005 LEGISLATIVE SESSION

Fiscal Note Number: _____
 Bill Version: HB 166
 () Publish Date: _____

Revision Date/Time (Note if correction): _____ Dept. Affected: Military and Veterans Affairs
 Title An Act relating to a program to honor a RDU Military and Veterans Affairs
deceased veteran's military service. Component Veterans Services
 Sponsor Military and Veterans Affairs
 Requester (H) Military and Veterans Affairs Component No. 421

Expenditures/Revenues (Thousands of Dollars)

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

OPERATING EXPENDITURES	FY 2006	FY 2007	FY 2008	FY 2009	FY 2010	FY 2011
Personal Services						
Travel						
Contractual						
Supplies	*	*	*	*	*	*
Equipment						
Land & Structures						
Grants & Claims						
Miscellaneous						
TOTAL OPERATING	*	*	*	*	*	*

CAPITAL EXPENDITURES						
-----------------------------	--	--	--	--	--	--

CHANGE IN REVENUES ()						
-------------------------------	--	--	--	--	--	--

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 (FY2005) cost: 0.0

Mark this box (X) if funding for this bill is included in the Governor's FY 2006 budget proposal:

POSITIONS

Full-time						
Part-time						
Temporary						

ANALYSIS: (Attach a separate page if necessary)

It is anticipated that a memorial certificate program will cost less than \$1000.00 annually to conduct. The number of deaths each year can not be estimated and therefore the fiscal note is indeterminate.

Prepared by: John Cramer
 Division: Division of Administrative Services
 Approved by: Commissioner Craig E. Campbell
 Agency: Department of Military and Veterans Affairs

Phone: (907) 465-4602
 Date/Time: 3/8/05 1:33 PM
 Date: 3/8/2005

Alaska State Legislature

Chair

Military and Veterans Affairs Committee

Member

Labor and Commerce Committee

State Affairs Committee

Econ Dev, Int'l Trade & Tourism

Education Committee

Joint Armed Services Committee

Finance Subcommittees

Labor and Workforce Development

Community and Economic Development

Military and Veterans' Affairs



A Communication From

REPRESENTATIVE BOB LYNN

Chairman

House Military and Veterans' Affairs Committee

Session:

Alaska State Capitol
Juneau, AK 99801-1182

Phone: (907) 465-4931

Fax: (907) 465-4316

Toll Free: (800) 870-4391

Interim:

716 W. 4th Ave., #350

Anchorage, AK 99501-2133

Phone: (907) 269-0205

Fax: (907) 269-0207

Representative_Bob_Lynn@legis.state.ak.us

CS HB 167 (MLV)

Death Certificates for Deceased Veteran

Sponsor Statement

HB 167 provides a death certificate without cost to a surviving spouse, next of kin, or other relative of a deceased veteran. The bill is modeled after Arizona statute, which provides the death certificate for purpose of obtaining veteran or social security benefits.

Sectional Analysis

Section 7 outlines who is eligible to receive a free death certificate and indicates that the free death certificate is to be used for the purpose of obtaining veteran or social security benefits. It also defines veteran as the meaning given in AS 26.10.080.

CERTIFICATION OF VITAL RECORD

STATE OF ARIZONA

STATE OF ARIZONA DEPARTMENT OF HEALTH SERVICES - OFFICE OF VITAL RECORDS CERTIFICATE OF DEATH

DEATH NO. D 102-

ORIGINAL STATE COPY

Form with fields for Name of Deceased (SEYMOUR EPSTEIN), Date of Death (JANUARY 31 2004), Race (WHITE), Age (83), Sex (MALE), Marital Status (WIDOWED), and other vital statistics.

FOR GOVERNMENT USE ONLY. Pursuant to A.R.S. 11-122, this copy has been prepared free of charge for Social Security Benefits and should not be used for any other purpose.

CERTIFIED COPY OF VITAL RECORDS

STATE OF ARIZONA COUNTY OF YAVAPAI

DATE ISSUED FEB 16 2004

This is a true file in the PHOENIX, AZ

ARIZONA DEATH CERTIFICATE

J. Jacobson COUNTY REGISTRAR HEALTH DEPARTMENT Agency.



152164

This copy is

39-122. Free searches for and copies of public records to be used in claims against United States: liability for noncompliance

A. No state, county or city, or any officer or board thereof shall demand or receive a fee or compensation for issuing certified copies of public records or for making search for them, when they are to be used in connection with a claim for a pension, allotment, allowance, compensation, insurance or other benefits which is to be presented to the United States or a bureau or department thereof.

B. Notaries public shall not charge for an acknowledgment to a document which is to be so filed or presented.

C. The services specified in subsections A and B shall be rendered on request of an official of the United States, a claimant, his guardian or attorney. For each failure or refusal so to do, the officer so failing shall be liable on his official bond.

Arizona Revised Statutes

FISCAL NOTE

**STATE OF ALASKA
2005 LEGISLATIVE SESSION**

Fiscal Note Number: _____
 Bill Version: HB167CS(MLV)-DHSS-DPH-04-04-05
 () Publish Date: _____

Revision Date/Time (Note if correction): 04/04/2005
 Title: DEATH CERTIFICATES FOR DECEASED
VETERANS WITHOUT COST

Dept. Affected: Health & Social Services
 RDU: Public Health
 Component: Bureau of Vital Statistics

Sponsor: HOUSE (MLV)
 Requester: HOUSE (STA)

Component No. 961

Expenditures/Revenues (Thousands of Dollars)

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

OPERATING EXPENDITURES	FY 2006	FY 2007	FY 2008	FY 2009	FY 2010	FY 2011
Personal Services						
Travel						
Contractual						
Supplies						
Equipment						
Land & Structures						
Grants & Claims						
Miscellaneous						
TOTAL OPERATING	0.0	0.0	0.0	0.0	0.0	0.0

CAPITAL EXPENDITURES						
-----------------------------	--	--	--	--	--	--

CHANGE IN REVENUES (0)						
-------------------------------	--	--	--	--	--	--

FUND SOURCE (Thousands of Dollars)

1002 Federal Receipts						
1003 GF Match						
1004 GF	30.0	30.0	45.0	50.0	50.0	50.0
1037 GF/Mental Health						
1156 Rcpt Svcs	(30.0)	(30.0)	(45.0)	(50.0)	(50.0)	(50.0)
Other(Specify Type-do not abbreviate)						
TOTAL	0.0	0.0	0.0	0.0	0.0	0.0

Estimate of any current year (FY2005) cost: _____
 Mark this box (X) if funding for this bill is included in the Governor's FY 2006 budget proposal:

POSITIONS

Full-time						
Part-time						
Temporary						

ANALYSIS: (Attach a separate page if necessary)

The above estimates are based on the \$20 fee for a certified copy of a death certificate and the approximately 1,000 deaths per year where the decedent was a veteran. Under the amended bill, the use of the free copies is limited to: applying for veteran's benefits, social security benefits, or other governmental benefits. It is estimated each veterans' family may request, on average, two to three free copies. It is anticipated that the fiscal impact will be approximately \$30.0 for the first year (\$20 x 1,500 certified copies) the legislation is in effect and then increase to \$50.0 (\$20 x 2,500 certified copies) as more people become aware of the new law. The Bureau currently has no GF funding.

The projected loss of revenue to the Bureau appears in the Receipt Support Services line and will have to be replaced with GF to maintain existing services.

Prepared by: Richard Mandsager, M.D. Phone 465-8613
 Division: Public Health Date/Time: 04/05/2005
 Approved by: Joel S 16/2005
 Agency: Deapar

FISCAL NOTE

STATE OF ALASKA
2005 LEGISLATIVE SESSION

Fiscal Note Number: _____
 Bill Version: HB 167
 () Publish Date: _____

Revision Date/Time (Note if correction): _____ Dept. Affected: Military and Veterans Affairs
 Title An Act relating to providing a death certificate RDU Military and Veterans Affairs
for a deceased veterans without cost. Component Veterans Services
 Sponsor Military and Veterans Affairs
 Requester (H) Military and Veterans Affairs Component No. 421

Expenditures/Revenues (Thousands of Dollars)

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

OPERATING EXPENDITURES	FY 2006	FY 2007	FY 2008	FY 2009	FY 2010	FY 2011
Personal Services						
Travel						
Contractual						
Supplies						
Equipment						
Land & Structures						
Grants & Claims						
Miscellaneous						
TOTAL OPERATING	0.0	0.0	0.0	0.0	0.0	0.0

CAPITAL EXPENDITURES						
-----------------------------	--	--	--	--	--	--

CHANGE IN REVENUES ()						
-------------------------------	--	--	--	--	--	--

FUND SOURCE (Thousands of Dollars)

1000 Federal Receipts						
1003 GF Match						
1004 GF						
1005 GF/Program Receipts						
1037 GF/Mental Health						
Other (Specify Type--Do not abbreviate)						
TOTAL	0.0	0.0	0.0	0.0	0.0	0.0

Estimate of any current year (FY2005) cost: 0.0

Mark this box (X) if funding for this bill is included in the Governor's FY 2006 budget proposal:

POSITIONS

Full-time						
Part-time						
Temporary						

ANALYSIS: (Attach a separate page if necessary)

There is no fiscal impact.

Prepared by: John Cramer Phone (907) 465-4602
 Division: Division of Administrative Services Date/Time 3/8/05 1:39 PM
 Approved by: Commissioner Craig E. Campbell Date 3/8/2005
 Agency: Department

HB

170

Alaska State Legislature

Juneau

State Capitol Bldg., Rm. 434
Juneau, AK 99801-1182
Phone (907) 465-4976
Fax (907) 465-3883
Toll Free 866-465-4976



Fairbanks

119 N Cushman, Ste 213
Fairbanks, AK 99701
Phone (907) 452-6084
Fax (907) 452-6096

Representative Mike Kelly

House District 7

SPONSOR STATEMENT

HB 170

(24-LS04431A)

"An Act relating to the qualifications of public members of the Public Employees' Retirement Board and the Alaska Teachers' Retirement Board."

HB 170 is one of several components required to address the PERS/TRS unfunded liability crisis. Although this bill does not provide supplemental funding for the systems, and does not make structural changes in the retirement systems themselves, it does make changes to the respective retirement system boards.

When reviewing the past performance of the retirement systems, focusing attention on the decisions that have increased liabilities, it is clear that board decisions generally and the actions of any one board specifically have not been the primary cause of our sizeable unfunded liability. Even so, the size of the unfunded liability suggests that we adopt changes to the membership and qualifications of members of these boards in order to inject non-beneficiary perspectives in management and appeal decisions.

In order to minimize the organizational disruption resulting from changes to the boards, the essential structures and appointment processes have been virtually untouched. It is the goal of HB 170 to create boards with a majority of members having no immediate personal interest in the outcome of decisions made by the boards. This change will provide greater objectivity in the appeal and general policy decisions of each board. Further, the additional requirement that two of the members possess "significant private sector experience in administration, financing, accounting, or economic development" is included to provide the boards with additional expertise when making managerial decisions that have the potential to significantly impact the soundness of the respective funds.

The Governor's authority to appoint members to both boards, the employee's ability to elect members to the PERS board, and the statewide teacher organization's ability to make recommendations to the TRS board are intentionally unchanged. The sponsor of this bill believes these processes protect the interests of the various constituencies served by these boards.

These changes are timely, necessary, and reasonable and will provide one component of an overhaul of our existing retirement systems to protect their long-term health and help provide Alaska's public employee's and teacher's benefits. Please support HB ~~170~~.

170

5

~~Go down~~
Hypocrite
G...
24-LS0448A

HOUSE BILL NO. 170

IN THE LEGISLATURE OF THE STATE OF ALASKA
TWENTY-FOURTH LEGISLATURE - FIRST SESSION

BY REPRESENTATIVE KELLY

Introduced: 2/23/05
Referred: State Affairs, Finance

A BILL

FOR AN ACT ENTITLED

1 "An Act relating to the qualifications of public members of the Public Employees'
2 Retirement Board and the Alaska Teachers' Retirement Board."

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

4 * Section 1. AS 14.25.035(a) is amended to read:

5 (a) There is established the Alaska Teachers' Retirement Board as follows:

6 (1) the governor shall appoint five members for overlapping three-year
7 terms; [ONE MEMBER MUST BE A RESIDENT WHO IS RECEIVING
8 RETIREMENT BENEFITS UNDER THIS CHAPTER;] statewide teacher
9 organizations may submit to the governor a list of recommended nominees to serve on
10 the board; of the five members appointed by the governor under this paragraph,

11 (A) three of the five shall be persons who are not and have
12 never been employed by an employer participating in a retirement
13 program under this chapter. AS 14.40, AS 22.25, AS 26.65, AS 39.35, or
14 former AS 39.37; and

which
(a) or (1)

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28
29
30
31

2 does
2 CPAs
3 names
participate

(B) at least two of the five shall have significant private sector experience in administration, financing, accounting, or economic development;

(2) the governor shall appoint two physicians authorized to practice medicine in the state to serve as members of the board and two physicians authorized to practice medicine in the state to serve as alternate members to the physician members of the board; the physicians are members of the board only for the purpose of hearing appeals to determine medical eligibility for disability benefits under AS 14.25.130; the Public Employees' Retirement Board and the Teachers' Retirement Board may submit to the governor a list of recommended physicians to serve on the board; if the administrator, after making a reasonable effort to secure the participation of two physicians to serve on a disability appeal, is unable to do so, the board may hear the appeal with the participation of only one physician or alternate, in which case, for purposes of a quorum, the board shall be considered to have only one physician as a member; physician members and alternates serve at the pleasure of the governor.

* Sec. 2. AS 39.35.030(b) is amended to read: **PERS**

(b) Three public members are appointed by the governor to serve at the pleasure of the governor for six-year staggered terms. [ONE OF THE PUBLIC MEMBERS MUST BE OR HAVE BEEN EMPLOYED BY AN EMPLOYER OTHER THAN THE STATE OF ALASKA.] The governor shall fill a vacancy in an unexpired appointive term by appointment for the remainder of the term. **The three public members appointed by the governor under this subsection shall be persons who are not and have never been employed by an employer participating in a retirement program under AS 14.25, AS 14.40, AS 22.25, AS 26.05, this chapter, or former AS 39.37. At least two of the three public members shall have significant private sector experience in administration, financing, accounting, or economic development.**

all 3 never participated

* Sec. 3. The uncodified law of the State of Alaska is amended by adding a new section to read:

TRANSITIONAL PROVISION. The term of a public member of the Alaska Teachers' Retirement Board or the Public Employees' Retirement Board who has been

1 appointed by the governor before the effective date of this Act is not affected by this Act.

5 — 3 never members
~~doctors~~
2 CPA types

2 — doctors (Medical appeals only)

3 public all never members

Why would most serve on this board if?
never had a never will be involved.
What decisions would have been different than
the other board made.?

Pat Wellington
elected member of PERS board.
not in current mgmt.

disability appeals 90% of job

Set Employer contrib rate w/ input from
actuarial

health insurance -- Com. of Admin.
can make whatever changes necessary
no board or legislative approval

4 days

yes to employees.

Kevin

about 63% Univ - Munic - School dist
not structurally involved.

Son
Trivette

RPA - opposes exclusion of participating plan
?? elected 2 PERS - potential to reduce current benefits.

Attorney for Board and ASPIB

PUBLIC EMPLOYEES' RETIREMENT BOARD

(as of June 30, 2004)



George Sullivan, Chair

Term Expires: June 30, 2006

George Sullivan grew up in Alaska. After graduation from Valdez High School, he joined the Army during WWII and served in the Aleutians. George represented the Anchorage area in the legislature in the mid 50's and was mayor of Anchorage from 1967 to 1982. He has always been active in the community and continues to give leadership to a number of organizations in Alaska, including The Anchorage Senior Center, Boys and Girls Club, Enstar Gas Board, Pioneers of Alaska, and the Veterans of Foreign Wars. George lives in Anchorage with his wife, Margaret. They divide their retirement days between a very appreciative community and the families of their 9 children, which include 15 grandchildren and 1 great-grandchild.



Alyce Hanley, Vice Chair

Term Expires: June 20, 2008

Alyce Hanley has lived in Anchorage since 1971. She graduated from high school in Pawtucket, Rhode Island and completed her nurse's training at the New England Deaconess Hospital School of Nursing in Boston, Mass. She was elected to the Anchorage School Board in 1981 and to the Alaska House of Representatives in 1984. After serving three terms, she chose not to run for re-election. In 1993, Mrs. Hanley was appointed to serve as a Commissioner with the Alaska Public Utilities Commission. She retired from that position in April 1999.

Alyce enjoys family activities with her five sons, their wives and seven grandchildren, all of whom live in the Anchorage area.



Bronk Jorgensen

Term Expires: June 20, 2010

Bronk Jorgensen was born in Jackson Hole, Wyoming. He became an Alaskan resident in 1978, before he was one year old. Bronk attended Tok School, the University of Alaska Fairbanks and attended the University of Pittsburgh, Semester at Sea program, graduating with a degree in Business Administration.

Bronk lives in Tok and is the owner/manager of All Alaska Gifts and Crafts and Jorgensen Realty. He is also a member of the Tok and State of Alaska Chambers of Commerce and was the 2002 recipient of the Chuck West New Pioneer Award from the Alaska Travel Industry Association.

Bronk enjoys Alaska's hunting, fishing and outdoor activities.



Frank Narusch

Term Expires: April 24, 2006

Frank Narusch has been an Alaskan resident since 1952. Raised in the coal mining camp of Suntrana on the Healy River, he boarded away to attend high school at Monroe High School in Fairbanks and Copper Valley School in Glennallen. While attending Seattle University, he worked summers commercial fishing in Cordova, coal mining in Suntrana, and surveying and inspecting projects around Fairbanks and Valdez for the Department of Highways (now DOT&PF). After receiving a degree in civil engineering in 1966, he began his professional career with the Department of Highways. During his 31 years of State employment, he held positions as Construction Project Manager, Regional Materials Engineer, Contract Claims Engineer, and Professional Services Chief. While with the State, he was active with the Alaska Public Employees Association.

He enjoys weekly breakfast get-togethers with retired friends as well as summer travel, camping, and exploring back roads around the State.



James "Pat" Wellington, Chair

Term Expires: April 5, 2008

Pat Wellington was born in Ketchikan, Alaska and graduated from Douglas High School. He served two years in the U.S. Army and started his law enforcement career with the Seward Police Department in late 1955. He served as Deputy U.S. Marshal, Alaska State Troopers; Chief of Police of Juneau; Deputy Commissioner and Commissioner of the Department of Public Safety; and retired in 1977 as Director of the Alaska State Troopers. Mr. Wellington is also a trustee of the Alaska State Pension Investment Board.