

ALASKA STATE LEGISLATURE

REPRESENTATIVE BRUCE WEYHRAUCH

Chair



ALASKA
STATE CAPITOL
JUNEAU, ALASKA 99801-1182

(907) 465-6863
FAX (907) 465-2273

HOUSE SPECIAL COMMITTEE ON WAYS AND MEANS

Sponsor Statement HB 376

"An Act making appropriations to fund the teachers' retirement system liability account and the public employees' retirement system liability account; and providing for an effective date."

The State of Alaska, along with many other states and a growing number of private employers, is faced with massive funding shortfalls in their retirement systems. Poor investment returns over an extended period of time have resulted in an unfunded liability of about \$6 billion for the Public Employee's Retirement System (PERS) and the Teacher's Retirement System (TRS). Both of these retirement programs are administered by the Division of Retirement and Benefits.

This bill appropriates \$400 million from the General Fund to a Retirement Benefit Liability Account for the TRS funding shortfall, and another \$38 million to fund the PERS.