

Alaska State Legislature



House of Representatives

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House Would Welcome Retirees' Return **HB 242 Turns to State's Retired Ranks to Fill Vacant Jobs**

(JUNEAU) – Retired public employees and teachers would be eligible to return to government service while continuing to receive retirement benefits under House Bill 242, which passed the House today as an effort to help alleviate a state labor shortage.

“With this legislation we are, in effect, mining one of Alaska’s hidden resources: those experienced, knowledgeable retired employees who have already proved their commitment and capabilities through a career of service to the people,” said Rep. Pete Kott (R-Eagle River), the bill’s sponsor.

The state is having difficulty attracting and retaining employees in such fields as education, wildlife biology, public safety, health care and information technology, Kott said, shortages that are expected to worsen as the state’s population ages.

HB 242 would help ease this shortage through several adjustments to provisions in the Public Employees Retirement System (PERS) and the Teachers Retirement System (TRS):

- Instead of halting retirement benefits to retirees who return to work, the bill would let them continue receiving full benefits, plus whatever salary they could negotiate upon their return.
- The bill would make retirees who returned to government service eligible for full state payment of medical insurance premiums after five additional years of service.
- It would eliminate confusion as to how the state’s geographical differential would affect the retirement benefits of those who had worked in remote locations.

While HB 242’s immediate benefit would be an injection of experienced workers to the state workforce, it would have the long-term effect of reducing the training and retirement costs associated with new hires. The bill allows returning retirees to either continue receiving their original benefits, or to forgo them in favor of accruing benefits in their new jobs, but they could not do both, Kott said.

HB 242 moves next to the Senate for consideration.

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