

Alaska State Legislature



State Capitol
Juneau, AK
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Official Business

Sponsor Statement **Rep. Bill Hudson**

House Bill No. 223

Relating to the voluntary deduction of the amount of certain annual dues from retirement benefits

This bill creates a fairly simple change to two sections of Alaska's statutes that deal specifically with retired public employees. Retirees vested under the TRS or PERS system, may direct the Division of Retirement and Benefits to deduct their chapter membership dues directly from their pension benefits. Under current law, deductions or assignments, are prohibited. This bill proposes changes that would allow a very narrow exception - one requested by the retirees affected - to instruct the administrator of their annuity accounts to make these dues deductions directly from their benefit amount.

Membership in these retiree organizations is strictly voluntary. Membership dues are generally \$2.00 per month or \$24.00 per year. A dues check-off option created by passage of this legislation would allow a narrow exception to the "no-assignment" rule to streamline the membership dues process. The option would remain in effect until revoked by the retiree.

The bill allows the administrator to assess a reasonable administrative fee from the retiree to compensate for any actual costs, perhaps as a small percentage of the dues amount.