

A large yellow map of Alaska is centered on the page. It has a slight 3D effect with a grey shadow underneath. The text is overlaid on the map.

**Retirement Security
Act**

SB 141

Discussion Topic

Board Restructuring

March 30th, 2005



Alaska State Legislature
Senate Finance Committee

Updated as of: March 30, 2005



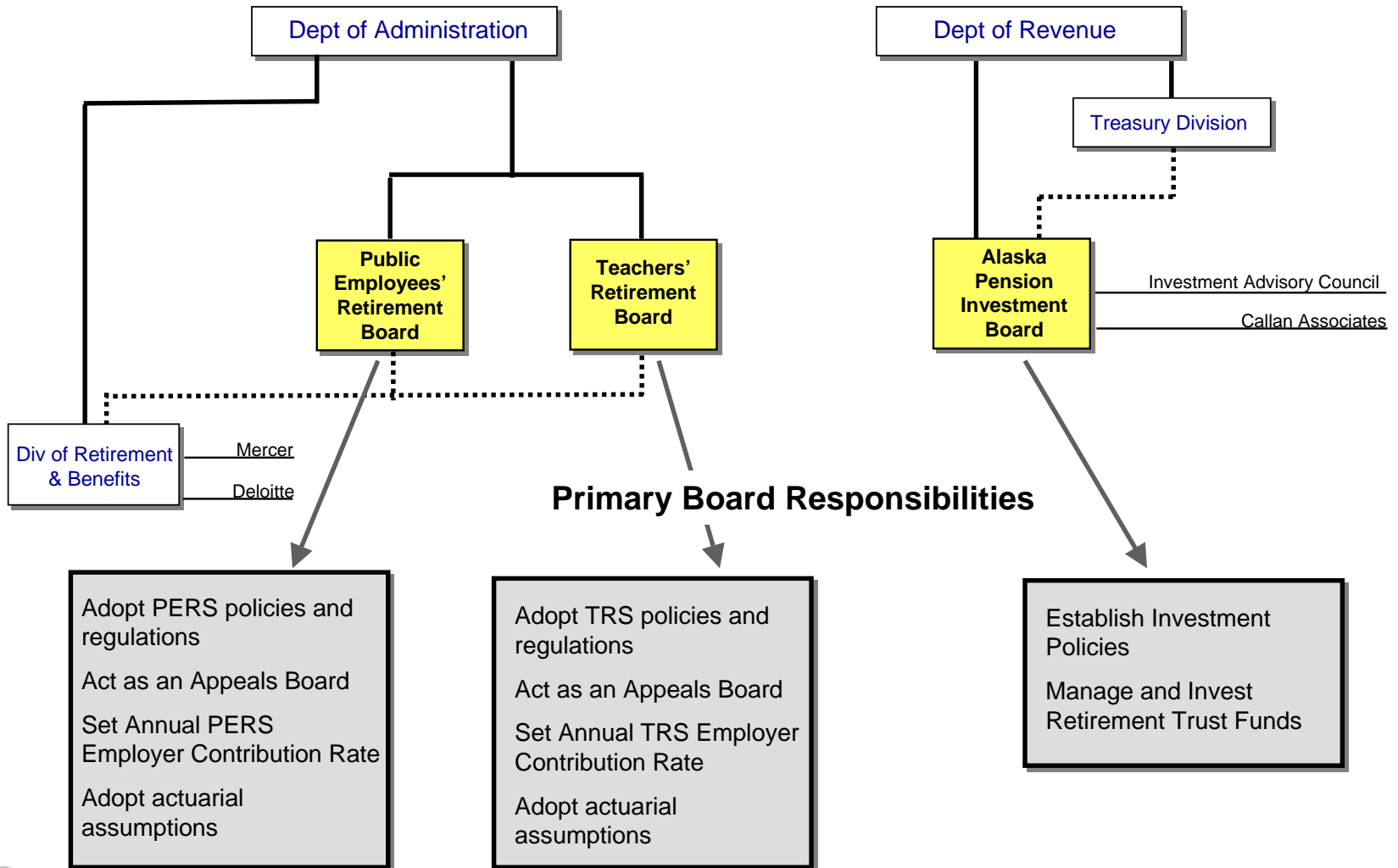
Discussion

Board Restructuring





Current Retirement System Organization





Retirement System Oversight Should Be Designed To:

- Guide and evaluate system performance
- Provide long-term strategic and financial planning
- Ensure the assets and liabilities of the systems are balanced
- Implement formal system of checks and balances
- Work in the best interests of the state and it's public employees





Retirement Board Must Be

- Representative of all system stakeholders
- Experienced and knowledgeable in relevant financial, accounting and investing issues
- Empowered to address systemic problems
- Impartial –include non-beneficiaries
- Independent





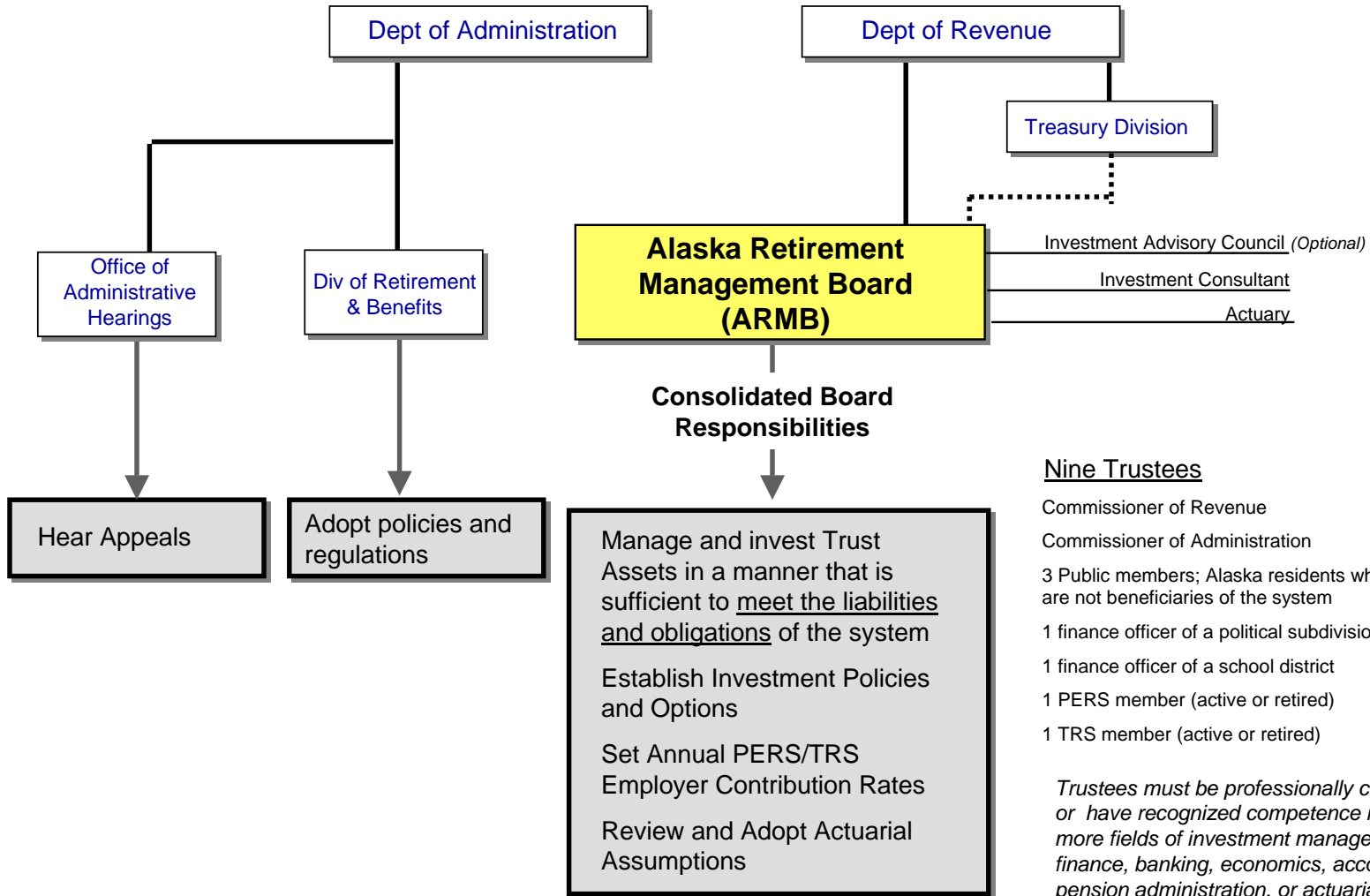
SB 141 Board Restructuring is Designed to:

- Strengthen the fiduciary oversight of the entire retirement system
- Place system assets and liabilities within the purview of one authority
- Increase the frequency of reviewing, adopting and reporting actuarial assumptions
- Increase employer and non-beneficiary representation on the board
- Establish minimum professional qualifications for board membership
- Move the quasi-judicial appeals process to the Office of Administrative Hearings
- Empower the Commissioner of Administration to set policies and regulations for day to day system operations





SB 141 Retirement System Organization





Office of Administrative Hearings (OAH)

- Office was established by SB 203 (ch. 163, SLA 2004) with the goals of
 - Providing better public service through a higher level of due process
 - Improving hearing efficiencies for both government and public
 - Cutting hearing costs to both government and public
 - Improving impartial decision-making





Office of Administrative Hearings (OAH)

- Conduct administrative appeals, evidentiary hearings, dispute resolution and adjudication for
 - Child support services
 - Occupational licensing (*including tobacco enforcement and real estate surety claims*)
 - Permanent Fund Dividend eligibility
 - Other (*taxation, contracts/procurement, permitting, crime victim compensation, benefits programs*)
- All these types of appeals of decisions made by government impact people's families, their businesses, their income





Benefits of Transfer of Appeals Hearing Function

- Operates under the supervision of a chief administrative law judge
- Impartial and highly trained adjudicator to hear cases
- Timely resolution for appellants
- Cost savings: 1 administrative law judge replaces 10 board members
- Decisions of the OAH may still be appealed to Superior Court

