

ALASKA STATE LEGISLATURE

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House Ways & Means to Review PERS/TRS Deficit

(JUNEAU) – Chairman of the House Ways & Means Committee, Representative Bruce Weyhrauch (R-Juneau) has announced that his Committee will begin meetings in July to assess the implications of the unfunded liability of Alaska’s Public Employee Retirement System and Teachers’ Retirement System, and potential legislative measures to address that liability.

Representative Weyhrauch wants the Committee to examine issues including reasons the systems fell into deficit; the role PERS/TERS management played in that deficit; and legislative alternatives to address the deficit. The Committee will also look at the roles that the pension board and existing PERS and TRS boards should play in dealing with long term solutions. The deficit of the PERS/TRS issue certainly falls within the prevue of this Committee’s mission.

“When the Alaska House of Representatives formed the Special Committee on Ways and Means, it did so in the recognition that state government could provide essential services while protecting the economic stability of the state,” said Representative Weyhrauch. He went on to say, “The House formed the committee, in part, to control state spending, identify ways to make state government programs more efficient, and bring state spending in line with revenues.”

The goal is to report legislation out of Committee during the 2006 legislative session that meets the constitutional requirement of maintaining a state retirement system while ensuring that the PERS/TRS systems are on solid ground.

“Now that the state will be implementing a defined contribution plan for public employees and teachers, we want to address the liability of the current retirement systems so that we do not take money and opportunities away from other vital programs like heath, education, and natural resource development,” said Representative Weyhrauch.

Meetings will be held throughout the summer and fall in Juneau, Anchorage, and Fairbanks.

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