

From: Sharon Hoffbeck <sharonhoffbeck@gmail.com>
To: RPEA Members--All
Date: June 28, 2016
Subject: HB 256--Pension Asset Investment/Management

Hi Everyone---

The Alaska legislature has recently submitted their budget bill, HB 256, to the Governor for approval. There is language in that bill that asks for a feasibility study to be done concerning moving retiree pension/health benefit trust asset investment and management responsibilities from the Alaska Retirement Management Board (ARMB) to the Alaska Permanent Fund Corporation (APFC).

After careful review of such a transfer, and discussion with members of the ARM Board, RPEA feels this would not be in the best interests of retirees or the trust that funds our pensions and health benefits.

We have sent a letter to Governor Walker outlining our objections. The response we received is from Randy Hoffbeck, Commissioner of Revenue. Both of these documents are attached and are posted to the RPEA website at: <http://www.rpea.apea-aft.org/>

The ARM Board recently had their regularly scheduled meeting, which includes ARMB trustees, as well as representatives from the Departments of Revenue and Administration. RPEA additionally made a statement during the public comment period outlining the same objections we cited in the letter to Governor Walker, and our comments were very well received by the ARM Board.

At the same meeting, the ARM Board unanimously passed a resolution opposing such a transfer, and this resolution has been transmitted to Governor Walker, as well as the APFC and all legislators. Their resolution is posted on the RPEA website at: <http://www.rpea.apea-aft.org/>

At this point, we are monitoring the situation to see what happens next. The ARMB has been told that if the study is done, they will be included in discussions concerning the study's conclusions. RPEA will attend these meetings if they are open to the public.

If anyone has any questions, please contact me at sharonhoffbeck@gmail.com.

Thanks,

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