



LEGISLATIVE UPDATE

HB 78: RETIREMENT SYSTEMS; DEFINED BENEFIT OPT.

HB 78, sponsored by Rep. Chuck Kopp, reinstates a defined benefit pension retirement plan for state employees. HB 78's passage would allow PERS Tier IV members to convert their current Defined Contribution (DC) plan to a Defined Benefit Plan (DB). New employees starting after its passage would automatically join a DB plan.

HB 78 passed the house with 21 votes. It is now in the Senate for consideration and will be heard early next session.

HB 146: PUBLIC EMPLOYEE PERSONAL INFORMATION

HB 146, sponsored by Rep. Hall, codifies our public employee's constitutional right to privacy. It clarifies that in the course of state employment, personal information such as home address, personal email, personal phone number, payroll deduction history, union status, and date of birth, among other details are privileged under state law.

HB 53: APPROP: OPERATING BUDGET; CAP; SUPP

The state operating budget passed with funding for our new contract intact. Of note, the Legislature passed a \$700 increase to the Base Student Allocation. Gov. Dunleavy attempted to veto HB 57, the bill holding the \$700 increase, but was overridden by the Legislature. Despite the clear intent of the Legislature and overwhelming public support for the BSA increase, Gov. Dunleavy vetoed the increase from \$500 to \$700. In addition to the BSA cut, Gov. Dunleavy also vetoed the following education items:

- \$1 million in funding specifically listed for teacher recruitment, mentorship, apprenticeship, and teacher incentive payments and reimbursements for National Board Certifications. School districts will be required to cover these costs from reduced resources.
- Cut \$25 million from School Major Maintenance, removing 3 schools from the list of 6 projects

On July 2nd, Governor Dunleavy announced a special session to address education reform and an executive order creating the Department of Agriculture. The special session will begin on August 2nd.

You can view the complete list of [operating](#) and [capital](#) budget vetoes here:

Operating: [Link](#) **Capital:** [Link](#)

Federal Budget Bill (popularly referred as the ‘Big Beautiful Bill’)

Over the 4th of July Weekend, the “Big Beautiful Bill” officially passed Congress and was signed into law. It passed the Senate 51-49 and the House 218-214 with both our Senators and our Representative voting in favor of it.

Currently, more than 279,000 Alaskans rely on Medicaid coverage for health care, including 57% of Alaska’s children. Every year, Medicaid brings \$1.8 billion in federal funding to Alaska and provides 25-40% of the hospital revenue to our state. More than 200 ASEA members process Medicaid and SNAP applications for the state. Additionally, we have members and labor brothers and sisters who are Medicaid and SNAP benefit recipients.

The “Big Beautiful Bill’s” passage means tens of thousands of Alaskans – including children and seniors – will lose coverage, the state will lose a significant amount of federal funding, and our already fragile health care system will be further strained.

Below is a statement issued by Executive Director, Heidi Drygas, on the “Big Beautiful Bill” and its passage:

“The Alaska State Employees Association AFSCME Local 52 proudly represents front line workers serving Alaska’s most vulnerable populations. They know, they see, and they will live the reality of these cuts. These cuts are a handout to the richest Americans at the expense of the middle-class and working people. Its passage is a betrayal of Alaskan values, our state, and of everyday families across the nation. While this is a sad chapter in American history, know that we, your brothers and sisters, won’t give up.”