Alaska Association of Student Governments
YLAC Resolution #1
Defined Benefit Pension Option for Alaska's Teachers
Submitted by: Youth Legislative Advisory Council
Submitted on: September 25, 2026

Be it Resolved by the Alaska Association of Student Governments that: AASG supports a defined benefit pension option for Alaska's teachers.

1. **Whereas**, the public education system in Alaska faces a severe employment and retention crisis, with an annual teacher turnover rate of approximately 23%, nearly triple the national average of 7% to 8%, with some rural districts experiencing turnover rates exceeding 30%[11] [12];
2. **Whereas**, replacing approximately 1,797 departing educators annually costs local school districts and the state an estimated $36.7 million each year ($20,341 per educator), diverting critical financial resources away from classroom instruction[11];
3. **Whereas**, Alaska is currently the only state in the United States that does not offer some form of a defined benefit pension option to its public educators, placing the state at a substantial disadvantage in recruiting and retaining qualified teachers[3];
4. **Whereas**, educators hired after July 1, 2006, are automatically placed into the Tier III Defined Contribution (DC) plan, which functions like a 401(k), without guaranteed lifetime benefits or Social Security coverage, exposing educators to market volatility[4] [5] [8];
5. **Whereas**, financial analysis by the State of Alaska Chief Investment Officer indicates that up to 75% of Tier III Teachers' Retirement System (TRS) members could deplete their retirement savings within 20 years of retiring after a 30-year career[10];
6. **Whereas**, the Tier III system allows educators to fully vest and withdraw employer-matched funds after just 5 years without penalty, which can inadvertently

incentivize teachers to leave Alaska early in their careers rather than build long-term public service careers in the state[10];

7. **Whereas**, Alaska has the 5th highest cost of living in the nation, and a 4% real wage decrease for educators over the last two decades erodes total compensation, making defined benefit retirement security crucial to building a stable education workforce[8];
8. **Whereas**, the 34th Alaska State Legislature passed House Bill 78 in April 2026 with bipartisan majorities in both chambers to address this workforce stability crisis, offering a defined benefit pension option for Alaska's Teachers' Retirement System (TRS) as well as Public Employees' Retirement System (PERS) that features modern "shared-risk" financial guardrails[1] [2] [6];
9. **Whereas**, despite its passage by both legislative chambers, Governor Mike Dunleavy vetoed HB 78 on May 18, 2026, and a legislative override attempt fell short of the 40-vote constitutional threshold on a 33–27 vote, leaving the teacher turnover crisis not addressed despite bipartisan support for change[2];
10. **Whereas**, high teacher turnover directly harms Alaskan students by causing course cancellations, reduced access to advanced placement opportunities, and instability in school communities[11] [12];

Therefore, be it resolved that the Alaska Association of Student Governments supports the legislative reintroduction of a Defined Benefit pension option for Teachers' Retirement System (TRS) members and recommends/does not recommend the 35th Alaska State Legislature to prioritize its immediate passage to secure the future of Alaska's education workforce and student body.

Action Statement: If passed by the AASG General Assembly, this resolution will be sent to the Alaska State Legislature, the Office of the Governor, and the Alaska State Board of Education for their consideration.

The resolution passes with unanimous consent.

Sarah Todd

AASG Vice President, Sarah Todd

Kassandra Mirosh

AASG Executive Director, Kassandra Mirosh

Sources:

1. Equable Institute. Alaska House Bill 78: Retirement Security Policy Scorecard. 13 May 2025. https://equable.org/news/alaska-house-bill-78/
2. Brooks, James. "Alaska House Votes to Revive Pension Plan for State and Municipal Workers."Alaska Beacon, 13 May 2025. https://alaskabeacon.com/2025/05/13/alaska-house-votes-to-revive-pension-plan-for-state-and-municipal-workers/
3. TeacherPensions.org. Alaska State Teacher Pension Analysis. Bellwether Education Partners, October 20, 2020. https://www.teacherpensions.org/state/alaska
4. Ballotpedia. Alaska Teachers' Retirement System Tiers I and II 2024. https://ballotpedia.org/Alaska_Teachers%27_Retirement_System_Tiers_I_and_II
5. Ballotpedia. Defined Benefit Plan Overview https://ballotpedia.org/Defined_benefit_plan
6. Equable Institute. How Alaska House Bill 78 Impacts Retirement Benefits for PERS and TRS Membershttps://equable.org/news/updated-alaska-house-bill-78-retirement-security-policy-scorecard/ 19 Feb. 2026.
7. Alaska Division of Retirement and Benefits. https://drb.alaska.gov/employee/dbrplan.html PERS & TRS Defined Benefit Retirement Plan Alaska Department of Administration, 2026.
8. Woolsey, Robert. "Trends Report: Once the Nation's Best, Alaska's Teacher Pay Slips Far Behind Historic Levels." https://www.kcaw.org/2023/12/28/trends-report-once-the-nations-best-alaskas-teacher-pay-slips-far-behind-historic-levels/ KCAW News / Alaska Department of Labor, 28 Dec. 2023.
9. NEA-Alaska. Recent History of Alaska's Retirement Systems. https://neaalaska.org/resource-library/recent-history-alaskas-retirement-systems Resource Library, 2023.
10. State of Alaska Treasury Division. Actuarial Analysis and Risk Assessment of Tier III TRS Members. https://drb.alaska.gov/docs/valuations/TRSDCRvaluation_2022.pdf Office of the Chief Investment Officer, State of Alaska Department of Revenue, 2023.
11. Alaska State Legislature. "The Cost of Alaska's Teacher Turnover." https://www.akleg.gov/basis/get_documents.asp?session=32&docid=81422 Research Report, 32nd Alaska Legislature, 2022.
12. Doonan, Dan. Alaska Teacher Recruitment and Retention Study: https://www.nirsonline.org/research/alaskareport/ Options and Analysis Supporting Retirement Plan Design. National Institute on Retirement Security (NIRS), Apr. 2023