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Wayne
2/26/14

CS FOR HOUSE BILL NO. 152()
IN THE LEGISLATURE OF THE STATE OF ALASKA
TWENTY-EIGHTH LEGISLATURE - SECOND SESSION

BY

Offered:
Referred:

Sponsor(s): REPRESENTATIVE THOMPSON

A BILL
FOR AN ACT ENTITLED

1 **"An Act eliminating requirements that certain employers who terminate participation**
2 **in the defined benefit retirement plan of the public employees' retirement system pay**
3 **termination costs and the cost of a termination cost study in order to become eligible for**
4 **future participation in the public employees' retirement system; repealing requirements**
5 **that employers who terminate participation in the defined contribution retirement plan**
6 **or the defined benefit retirement plan of the public employees' retirement system pay**
7 **termination costs and pay for a termination cost study; and providing for an effective**
8 **date."**

9 **BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF ALASKA:**

10 *** Section 1.** AS 39.35.615(i) is amended to read:

11 (i) Termination of coverage of a department, group, or other classification of
12 employees does not bar future coverage of that department, group, or classification [IF

1 THE EMPLOYER IS CURRENT WITH PAYMENTS ON AMOUNTS DUE
2 UNDER AS 39.35.625]. If coverage of a department, group, or classification is
3 terminated under (a) of this section and the employer later amends its participation
4 agreement to provide renewed coverage of that department, group, or classification, an
5 affected employee may be credited only with future service.

6 * **Sec. 2.** AS 39.35.620(k) is amended to read:

7 (k) Termination of an employer's participation in the plan does not bar future
8 participation in the system by that employer [IF THE EMPLOYER IS CURRENT
9 WITH PAYMENTS ON AMOUNTS DUE UNDER AS 39.35.625]. If a previously
10 terminated employer returns to the system, the employer may only participate in the
11 plan established under AS 39.35.700 - 39.35.990. Employees may be credited under
12 AS 39.35.700 - 39.35.990 only with service subsequent to the date of return.

13 * **Sec. 3.** AS 39.35.625, 39.35.958(c), 39.35.958(e), and 39.35.958(f) are repealed.

14 * **Sec. 4.** 2 AAC 35.235 is annulled.

15 * **Sec. 5.** The uncodified law of the State of Alaska is amended by adding a new section to
16 read:

17 **CONDITIONAL EFFECT.** Sections 1 - 4 of this Act take effect only if the legislature
18 appropriates \$1,200,000,000 or more to the trust funds of the public employees' retirement
19 system and the teachers' retirement system for the fiscal year ending June 30, 2015, and the
20 appropriation is enacted into law.

21 * **Sec. 6.** If, under sec. 5 of this Act, secs. 1 - 4 of this Act take effect, they take effect
22 immediately under AS 01.10.070(c).