

29-LS0285VE
Wayne
2/20/15

CS FOR HOUSE BILL NO. 47()
IN THE LEGISLATURE OF THE STATE OF ALASKA
TWENTY-NINTH LEGISLATURE - FIRST SESSION

BY

Offered:
Referred:

Sponsor(s): REPRESENTATIVES FOSTER, Kito

A BILL
FOR AN ACT ENTITLED

1 **"An Act requiring certain municipalities with a population that decreased by more than**
2 **25 percent between 2000 and 2010 that participate in the defined benefit retirement plan**
3 **of the Public Employees' Retirement System of Alaska to contribute to the system an**
4 **amount calculated by applying a rate of 22 percent of the total of all base salaries paid**
5 **by the municipality to employees of the municipality who are active members of the**
6 **system during a payroll period; reducing the rate of interest payable by certain**
7 **municipalities that are delinquent in transmitting employee and employer contributions**
8 **to the defined benefit retirement plan of the Public Employees' Retirement System of**
9 **Alaska; giving retrospective effect to the substantive provisions of the Act; and**
10 **providing for an effective date."**

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

12 *** Section 1. AS 39.35.255(a) is amended to read:**

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(a) Each employer shall contribute to the system every payroll period an amount calculated by applying a rate of 22 percent of the greater of the total of all base salaries

(1) paid by the employer to employees who are active members of the system, including any adjustments to contributions required by AS 39.35.520; or

(2) paid by the employer to employees who were active members of the system during the corresponding payroll period for the fiscal year ending

(A) June 30, 2008; or

(B) June 30, 2012, if that total is less than the total under

(A) of this paragraph, and the employer is a municipality in which the population decreased by more than 25 percent between 2000 and 2010, according to the decennial census conducted by the United States Bureau of the Census.

* Sec. 2. AS 39.35.610(a) is amended to read:

(a) The contributions of an employer and the contributions of its employees shall be transmitted to the administrator as soon as practicable after the close of the payroll period for which the contributions are made. If an employer is delinquent in transferring the contributions for more than 15 days, interest shall be assessed on the outstanding contributions at [ONE AND ONE-HALF TIMES] the most recent actuarially determined rate of earnings for the retirement plan from the date that the contributions were originally due or, if the contributions of the employer are an amount calculated under AS 35.35.255(a)(1), at one and one-half times that rate of earnings.

* Sec. 3. The uncodified law of the State of Alaska is amended by adding a new section to read:

RETROACTIVITY. Sections 1 and 2 of this Act are retroactive to July 1, 2009.

* Sec. 4. This Act takes effect immediately under AS 01.10.070(c).