

HOUSE BILL NO. 467 am S

IN THE LEGISLATURE OF THE STATE OF ALASKA

TWENTIETH LEGISLATURE - SECOND SESSION

BY THE HOUSE RULES COMMITTEE

Amended: 4/18/98

Introduced: 3/6/98

A BILL

FOR AN ACT ENTITLED

1 "An Act relating to employees of the legislature who are employed under a
2 personal services contract."

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

4 * **Section 1.** LEGISLATIVE INTENT. It is the intent of this Act to increase the flexibility
5 available to the legislature so that legislative employment will be attractive to individuals who
6 do not desire coverage under a state retirement system as part of their compensation package.
7 This Act is not intended to undermine the compensation levels available to most legislative
8 employees, which, under AS 24.10.060(c), include membership in the public employees'
9 retirement system.

10 * **Sec. 2.** AS 24.10.060 is amended by adding a new subsection to read:

11 (f) An employee of the legislative branch of state government who is
12 employed under a personal services contract is not entitled to membership in the public
13 employees' retirement system (AS 39.35) for employment under the contract. The
14 employee shall be compensated under the state salary schedule set out in

AS 39.27.011(a). The employee is entitled to receive leave benefits and employee health coverage unless the personal services contract provides to the contrary.

* **Sec. 3.** AS 39.30.090(b)(1) is amended to read:

(1) "eligible employee" means

(A) an employee who has served in permanent full-time or part-time employment with the same governmental unit for 30 days or more, except an emergency or temporary employee; [, AND]

(B) an elected or appointed official of a governmental unit, effective upon taking the oath of office; **and**

(C) a contractual employee of the legislative branch of state government under AS 24.10.060(f) if the employee's personal services contract provides that the employee is entitled to coverage;

* **Sec. 4.** AS 39.35.680(21) is amended to read:

(21) "member" or "employee"

(A) means a person eligible to participate in the system and who is covered by the system;

(B) includes

(i) **an** active member;

(ii) **an** inactive member;

(iii) **a** vested member;

(iv) **a** deferred vested member;

(v) **a nonvested** [NON-VESTED] member;

(vi) **a** disabled member;

(vii) **a** retired member;

(viii) an elected public officer under AS 39.35.381;

(C) does not include

(i) former members;

(ii) persons compensated on a contractual or fee basis;

(iii) casual or emergency workers or nonpermanent employees as defined in AS 39.25.200;

(iv) persons covered by the Alaska Teachers' Retirement

1 System except as provided under AS 39.35.131 and 39.35.381, or
 2 persons covered by the optional university retirement program;

3 (v) employees of the division of marine transportation
 4 engaged in operating the state ferry system who are covered by a union
 5 or group retirement system to which the state makes contributions;

6 (vi) justices of the supreme court or judges of the court
 7 of appeals or of the superior or district courts of Alaska;

8 (vii) the administrative director of courts appointed
 9 under art. IV, sec. 16 of the state constitution unless the director
 10 becomes a member under AS 39.35.158; [AND]

11 (viii) members of the elected public officers' retirement
 12 system (former AS 39.37); and

13 (ix) contractual employees of the legislative branch
 14 of state government under AS 24.10.060(f);

15 (D) may include employees of the division of marine
 16 transportation excluded under (C)(v) of this paragraph provided that

17 (i) the State of Alaska formally agrees to their inclusion
 18 through the process of collective bargaining; and

19 (ii) no collective bargaining agreement has the effect of
 20 obligating contributions made by the state under AS 39.30.150 in the
 21 event the state resumes participation in the federal social security
 22 system;