

**CS FOR HOUSE BILL NO. 198(RLS)(efd add)**

IN THE LEGISLATURE OF THE STATE OF ALASKA

TWENTY-SECOND LEGISLATURE - FIRST SESSION

BY THE HOUSE RULES COMMITTEE

Amended: 5/2/01

Offered: 5/1/01

Sponsor(s): REPRESENTATIVE HUDSON

**A BILL**

**FOR AN ACT ENTITLED**

1   **"An Act relating to a post-retirement pension adjustment for certain persons receiving**  
2   **benefits under the Elected Public Officers Retirement System, and establishing and**  
3   **relating to a Compensation Commission for State Officials; and providing for an**  
4   **effective date."**

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

6    \* **Section 1.** The uncoded law of the State of Alaska is amended by adding a new section  
7   to read:

8       RETIREMENT    BENEFITS    UNDER    ELECTED    PUBLIC    OFFICERS  
9   RETIREMENT SYSTEM FOR CERTAIN BENEFIT RECIPIENTS. (a) For a member of  
10   the elected public officers retirement system who has been receiving benefits under former  
11   AS 39.37.050(a)(1) for at least 10 years, if the monthly salary and, if appropriate, the  
12   additional allowances established under AS 24.10.110, authorized for the office from which  
13   the member retired has not increased in at least 10 years, the monthly benefit payable to the  
14   member or the member's survivor under former AS 39.37 (elected public officers retirement

1 system) shall be increased as set out in this section. The amount of the increase is an amount  
 2 equal to the monthly benefit to which the member or survivor is entitled multiplied by 75  
 3 percent of the percentage increase in the cost of living since the benefit was last adjusted  
 4 under this section or former AS 39.37.050(a)(1) or since the member retired under former  
 5 AS 39.37, whichever is later.

6 (b) Notwithstanding former AS 39.37.050(a)(1), if a benefit is increased under (a) of  
 7 this section and if the monthly salary and, if appropriate, the additional allowances established  
 8 under AS 24.10.110, authorized for the office from which a member retired is subsequently  
 9 increased, the member's or survivor's benefit under former AS 39.37 may not be increased  
 10 until the increase in benefits based on former AS 39.37.050(a)(1) equals or exceeds the  
 11 increase based on (a) of this section. If benefits based on former AS 39.37.050(a)(1) increase  
 12 to more than the increased benefit computed under (a) of this section, the member or survivor  
 13 is entitled to receive an additional increase based on the difference between the two amounts.

14 (c) The administrator of the public employees' retirement system shall implement this  
 15 section.

16 (d) When computing a survivor's benefit under former AS 39.37.060, adjustments  
 17 granted to the deceased member or survivor under this section shall be included.

18 (e) An increase in benefit payments under this section is effective July 1 of each  
 19 calendar year and is based on the percentage increase in the consumer price index for urban  
 20 wage earners and clerical workers for Anchorage, Alaska, during the previous calendar year,  
 21 as determined by the United States Department of Labor, Bureau of Labor Statistics.

22 (f) In this section, "system" means the elected public officers retirement system under  
 23 former AS 39.37.

24 \* **Sec. 2.** The uncoded law of the State of Alaska is amended by adding a new section to  
 25 read:

26 **COMPENSATION COMMISSION FOR STATE OFFICIALS.** (a) The  
 27 Compensation Commission for State Officials is established to make recommendations  
 28 concerning an equitable rate and form of compensation, benefits, and allowances for the  
 29 governor, lieutenant governor, members of the legislature, and the heads of the principal  
 30 departments of state government.

31 (b) The commission is composed of seven members. Three of the members shall be

1 appointed by the governor. Two members shall be appointed by the president of the senate.  
2 Two members shall be appointed by the speaker of the house of representatives. Commission  
3 membership shall include at least one business executive, one representative of a nonpartisan  
4 voters' organization, one person with experience in public administration, and one  
5 representative of a labor organization.

6 (c) A member of the commission may not be employed by the state, including the  
7 University of Alaska, serve as a member of another state board, commission, or authority, or  
8 hold elective state or municipal office during membership on the commission.

9 (d) Members of the commission serve without compensation but are entitled to per  
10 diem and travel expenses authorized for members of boards and commissions under  
11 AS 39.20.180.

12 (e) The commission shall review the salaries, benefits, and allowances, including per  
13 diem and travel allowances, of the governor, lieutenant governor, members of the legislature,  
14 and the heads of the principal departments and prepare a report to the legislature making  
15 recommendations concerning any changes necessary or desirable to achieve an equitable rate  
16 and form of compensation, benefits, and allowances for state officials. The report shall be  
17 presented to the legislature by January 15, 2002.

18 \* **Sec. 3.** This Act takes effect June 30, 2001.