

SENATE BILL NO. 205

IN THE LEGISLATURE OF THE STATE OF ALASKA

THIRTY-FOURTH LEGISLATURE - SECOND SESSION

BY SENATORS GIESSEL, Gray-Jackson

Introduced: 1/21/26

Referred: Labor & Commerce, Finance

A BILL

FOR AN ACT ENTITLED

1 **"An Act relating to occupational disability benefits for peace officers and firefighters;**
2 **and providing for an effective date."**

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

4 *** Section 1.** AS 39.35.410(d) is amended to read:

5 (d) The monthly amount of an occupational disability benefit is 40 percent of
6 the disabled employee's gross monthly compensation at the time of termination due to
7 disability. **For each month of eligibility after the first 12 months, the monthly**
8 **benefit amount payable to an employee who is a peace officer or firefighter at the**
9 **time of termination is increased to 75 percent of the employee's gross monthly**
10 **compensation at the time of termination.**

11 *** Sec. 2.** AS 39.35.890(d) is amended to read:

12 (d) The monthly amount of an occupational disability benefit is 40 percent of
13 the disabled employee's gross monthly compensation at the time of termination due to
14 disability. **For each month of eligibility after the first 12 months, the monthly**

1 **benefit amount payable to an employee who is a peace officer or firefighter at the**
2 **time of termination is increased to 75 percent of the employee's gross monthly**
3 **compensation at the time of termination.** Notwithstanding AS 39.35.790(b), at the

4 time a member is appointed to disability, the member becomes fully vested in the
5 employer contributions made under AS 39.35.750(a). A disabled member is fully
6 vested in the contributions to the member's individual account made under this
7 subsection. An employee is not entitled to elect distributions from the employee's
8 individual contribution account under AS 39.35.810 while the employee is receiving
9 disability benefits under this section. While an employee is receiving disability
10 benefits, based on the disabled employee's gross monthly compensation at the time of
11 termination due to disability, the employer shall make contributions

12 (1) to the employee's individual account under AS 39.35.730 on behalf
13 of the employee, without deduction from the employee's disability payments; and

14 (2) on behalf of the employee under AS 39.35.750.

15 * **Sec. 3.** This Act takes effect immediately under AS 01.10.070(c).