



# LAWS OF ALASKA

1976

Source

Chapter No.

CSHB 627 am S

81

## AN ACT

Relating to public employees' retirement; and providing for an effective date.

### BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF ALASKA:

- \* Section 1. AS 39.35.200 is amended to read:

Sec. 39.35.200. REFUND UPON TERMINATION OF EMPLOYMENT FOR REASON OTHER THAN DEATH. Upon termination of employment for a reason other than death, an employee is entitled to receive a refund of the balance, determined as of the date of termination of employment, of (1) his employee contribution account and (2) his employee savings account. If, upon termination of employment, the employee has credited service of less than five years and has less than \$1,000 in his employee contribution account, a refund of the employee contribution account and the employee savings account must be made. An employee who is reemployed with a participating employer of the system and whose contributions have not been refunded before reemployment is not eligible for a refund.

- \* Sec. 2. AS 39.35.350 is amended to read:

Sec. 39.35.350. INTERRUPTED EMPLOYMENT. If an employee's employment is terminated for any reason before he becomes eligible for a retirement benefit and the employee is subsequently reemployed, the employee is entitled to the credited service he had accumulated at the time of his last termination, if the employee makes a contribution to the system equal to the total amount of the refund previously paid and not reinstated upon his last termination, together with interest at the prescribed rate to the date of repayment of the contribution. A repayment to establish credit for the previous service will be permitted until the date of termination of the final period of employment.

- \* Sec. 3. AS 39.35.390(d) is amended to read:

(d) An employee is not entitled to a deferred pension unless an application for it is filed on or after he reaches his early retirement date. If the employee fails to apply for a deferred retirement benefit, he is eligible for a refund as if his employment had terminated for a reason other than death.

\* Sec. 4. AS 39.35.520 is amended to read:

Sec. 39.35.520. ADJUSTMENTS. When a change or error is made in the records maintained by the system, or an error is made in computing a benefit, and as a result an employee or beneficiary receives from the system more or less than he would have been entitled to receive had the records been correct or had the error not been made, (1) the records or error shall be corrected and (2) as far as practicable, future payments shall be adjusted so that the actuarial equivalent of the pension or benefit to which the employee or beneficiary was correctly entitled shall be paid. If no future payment is due, a person who was paid any amount to which he was not entitled is liable for repayment of that amount, and a person who was not paid the full amount to which he was entitled shall be paid the balance of that amount.

\* Sec. 5. AS 39.35 is amended by adding a new section to read:

Sec. 39.35.547. EFFECT OF AMENDMENTS. An amendment to this chapter which has the effect of directly or indirectly changing the benefit payments for which an employee is eligible applies only to employees who have not yet retired, unless the statute expressly provides for the inclusion of those already receiving retirement benefits.

\* Sec. 6. AS 39.35.450(e) and 39.35.545 are repealed.

\* Sec. 7. This Act takes effect July 1, 1976.