



LAWS OF ALASKA

1988

Source

CSSSHB 252(SA)

Chapter No.

55

AN ACT

Relating to the supplemental benefits system; and providing for an effective date.

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

THE ACT FOLLOWS ON PAGE 1, LINE 9

UNDERLINED MATERIAL INDICATES TEXT THAT IS BEING ADDED TO THE LAW AND BRACKETED MATERIAL IN CAPITAL LETTERS INDICATES DELETIONS FROM THE LAW; COMPLETELY NEW TEXT OR MATERIAL REPEALED AND RE-ENACTED IS IDENTIFIED IN THE INTRODUCTORY LINE OF EACH BILL SECTION.

Approved by the Governor: May 25, 1988

Actual Effective Date: Sections 1 - 5, 8, and 9 take effect January 1, 1989; sections 6 and 7 take effect May 26, 1988

AN ACT

Relating to the supplemental benefits system; and
providing for an effective date.

* Section 1. AS 39.30.150(a) is amended to read:

(a) In place of contributions to the federal social security system that would have been required on behalf of an employee had the participating employer belonged to the social security system, the participating employer shall contribute an amount equal to 6.13 [12.26] percent of the wages of the employee up to the taxable wage base then in effect in the social security system. This contribution must be paid into an individual employee annuity account in the Department of Administration under the terms of the State of Alaska Supplemental Annuity Plan. The department shall pay 6.13 percent of the wages of the employee up to the taxable wage base then in effect in the social security system into the individual employee annuity account established under this subsection. This wage reduction must be treated as an employer contribution under 26 U.S.C. 414(h)(2). All costs of establishing and administering the programs [BENEFIT PROGRAM] established under AS 39.30.150 - 39.30.180 must [BY AS 39.30.160 SHALL] be paid from the contributions made to the individual employee annuity accounts [BY THE PARTICIPATING EMPLOYERS] under this section. [THE BALANCE OF THE CONTRIBUTIONS MADE BY THE PARTICIPATING EMPLOYERS SHALL BE PAID INTO SPECIAL INDIVIDUAL EMPLOYEE BENEFIT ACCOUNTS IN THE DEPARTMENT OF ADMINISTRATION TO BE USED TO PROVIDE SUPPLEMENTAL

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1 EMPLOYEE BENEFITS PROVIDED IN AS 39.30.160.]

2 * Sec. 2. AS 39.30.150(c) is repealed and reenacted to read:

3 (c) An employee may voluntarily elect additional wage reductions
4 to be paid into special individual employee benefit accounts in the
5 Department of Administration. Money in these accounts must be used to
6 purchase benefits selected by the employee under the supplemental
7 benefits plan established by the administrator.

8 * Sec. 3. AS 39.30.153 is amended to read:

9 Sec. 39.30.153. REPAYMENT OF CONTRIBUTIONS. Upon termination of
10 employment the amount held on behalf of a terminating employee in the
11 employee's individual employee annuity [SUPPLEMENTAL BENEFITS] account
12 must [ESTABLISHED UNDER AS 39.30.160 SHALL] be paid to the employee
13 under the terms of the State of Alaska Supplemental Annuity Plan. [A
14 TERMINATING EMPLOYEE MAY DEFER RECEIPT OF PAYMENT UNDER THIS SECTION
15 AT THE EMPLOYEE'S OPTION.]

16 * Sec. 4. AS 39.30.160(a) is amended to read:

17 Sec. 39.30.160. BENEFITS [IN PLACE OF SOCIAL SECURITY]. (a)
18 The Department of Administration shall, in accordance with policies
19 prescribed by regulations of the Public Employees Retirement Board,
20 provide to employees for whom special individual employee benefit
21 accounts are established under AS 39.30.150 the following benefit
22 options:

- 23 (1) supplemental health benefits,
24 (2) supplemental death benefits,
25 (3) supplemental disability benefits, and
26 (4) supplemental dependent care benefits [SURVIVOR BENE
27 FITS, AND
28 (5) SUPPLEMENTAL ANNUITIES].

29 * Sec. 5. AS 39.30.160(b) is amended to read:

1 (b) An employee [ON WHOSE BEHALF A PARTICIPATING EMPLOYER IS
2 MAKING CONTRIBUTIONS UNDER AS 39.30.150] may select the types and
3 amounts of supplemental benefits to be purchased with the money depos-
4 ited in [FROM] the employee's special individual employee benefit
5 accounts [ACCOUNT ESTABLISHED] under AS 39.30.150. The selection must
6 [SHALL] be from the benefit options listed in (a) of this section.

7 * Sec. 6. AS 39.30 is amended by adding a new section to read:

8 Sec. 39.30.162. SAFEGUARD OF MONEY. (a) Except as provided in
9 the State of Alaska Supplemental Annuity Plan, amounts held on behalf
10 of, or payable to, an employee or other person who is or who might
11 become eligible for benefits under the plan are not subject to an-
2 ticipation, alienation, sale, transfer, assignment, pledge, encum-
3 brance, or charge of any kind, either voluntary or involuntary, before
4 being received by the person entitled to the amount under the terms of
5 the plan. An attempt to anticipate, alienate, sell, transfer, assign,
6 pledge, encumber, charge, or otherwise dispose of a right to amounts
7 held under the plan is void.

8 (b) Except as provided in AS 09.38.065, amounts held on behalf
9 of, or payable to, an employee or other person who is or who might
10 become eligible for benefits under the plan are exempt from garnish-
11 ment, execution, or levy.

* Sec. 7. The plan administrator of the State of Alaska Supplemental
Annuity Plan shall amend the plan in accordance with this Act upon obtain-
ing a determination in accordance with federal law and regulations that the
amendment will not adversely affect the deferral of taxes.

* Sec. 8. The provisions of this Act apply to contributions due the
month after a determination is obtained that amendment of the plan in
accordance with this Act will not adversely affect the deferral of taxes.

* Sec. 9. AS 39.30.160(c) is repealed.

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1 * Sec. 10. Sections 1 - 5, 8, and 9, of this Act take effect January 1,
2 1989.

3 * Sec. 11. Sections 6 and 7 of this Act take effect immediately under
4 AS 01.10.070(c).

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