

HOUSE BILL NO. 226

IN THE LEGISLATURE OF THE STATE OF ALASKA

TWENTIETH LEGISLATURE - FIRST SESSION

BY REPRESENTATIVE HUDSON

Introduced: 4/3/97

Referred: Finance

A BILL

FOR AN ACT ENTITLED

1 "An Act relating to the retirement incentive program for state employees; and
2 providing for an effective date."

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

4 * **Section 1.** Section 23(a), ch. 4, FSSLA 1996, is amended to read:

5 (a) A state agency may adopt, and file with the commissioner of administration
6 for approval, a proposed **discretionary** retirement incentive plan for its employees as
7 part of a permanent reduction in the personal services costs in that section of the state
8 agency. **In addition, a state agency shall permit eligible employees to apply to the**
9 **retirement incentive program as provided in (f) of this section during fixed**
10 **windows, from July 1, 1997, through August 31, 1997, from May 1, 1998, through**
11 **June 30, 1998, and from May 1, 1999, through June 30, 1999.**

12 * **Sec. 2.** Section 23(b), ch. 4, FSSLA 1996, is amended to read:

13 (b) Upon the request of a state agency, the commissioner of administration
14 shall establish one or more periods during which the employees of that state agency

1 who are eligible under sec. 22(b) of this Act to participate in a retirement incentive
2 plan may apply to the commissioner of administration to participate in the state
3 agency's approved **discretionary** plan. The periods shall begin no earlier than June 30,
4 1996, and end no later than June 30, 1999. The periods shall be no less than 30 days
5 and no more than 60 days in duration, and may not begin less than 30 days after their
6 establishment. A state agency is not required to request an application period **for a**
7 **discretionary plan** and may request more than one application period.

8 * **Sec. 3.** Section 23(e), ch. 4, FSSLA 1996, is amended to read:

9 (e) The commissioner of administration may not accept the application of an
10 employee to participate in an approved retirement incentive plan adopted under this
11 section unless the employee will be appointed to retirement not later than the first day
12 of the month that is six months after the last day of the application period established
13 by the commissioner under **(a) or** (b) of this section. A state agency, in a plan
14 adopted under this section, may set an earlier date by which an employee must be
15 appointed to retirement in order to participate in the plan.

16 * **Sec. 4.** Section 23, ch. 4, FSSLA 1996, is amended by adding a new subsection to read:

17 (f) Beginning on the effective date of this Act, a classified state employee who
18 meets the eligibility requirements of sec. 22(b) of this Act and (c) and (d) of this
19 section and who will be qualified for a normal retirement under AS 14.25.110(a) or
20 AS 39.35.370(a) after application of the retirement incentive under sec. 22(f)(1) of this
21 Act may only apply to participate in the retirement incentive program during the first
22 application period that opens immediately after, or is open when, the classified
23 employee reaches the age or earns the credited service to so qualify. A state agency
24 may not decline to include a classified employee qualified to participate in the
25 retirement incentive program under this subsection in the state's retirement incentive
26 plan.

27 * **Sec. 5.** This Act takes effect immediately under AS 01.10.070(c).