

**SENATE BILL NO. 129**

IN THE LEGISLATURE OF THE STATE OF ALASKA

TWENTIETH LEGISLATURE - FIRST SESSION

BY SENATOR DUNCAN

Introduced: 3/11/97

Referred: State Affairs, Finance

**A BILL**

**FOR AN ACT ENTITLED**

1 "An Act relating to the employer's required savings under the retirement incentive  
2 plan; and providing for an effective date."

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

4 \* **Section 1.** Section 22(b), ch. 4, FSSLA 1996, is amended to read:

5 (b) An employee is eligible to participate in a retirement incentive plan under  
6 secs. 22 - 35 of this Act only if the

7 (1) employee is a vested member of the public employees' retirement  
8 system or the teachers' retirement system;

9 (2) employee will be qualified to retire under AS 14.25.110 or  
10 AS 39.35.370 after receipt of the credit described in (f) of this section;

11 (3) savings to the employer in personal services costs for the  
12 employee's position will exceed the costs to the employer for that position within **five**  
13 [THREE] years after the employee is appointed to retirement.

14 \* **Sec. 2.** Section 32(b), ch. 4, FSSLA 1996, is amended to read:

1           (b) The office of management and budget shall submit to the legislature annual  
2 reports on the retirement incentive program under secs. 22 - 35 of this Act beginning  
3 January 15, 1998, and continuing through January 15, 2000, and shall submit a final  
4 report January 15, 2001. Each report must provide the information necessary for the  
5 legislature to evaluate the effectiveness of the programs in achieving their objectives.  
6 The report must include information on the designated employee categories under the  
7 incentive programs, the cost to the state, the cost to the employee, the annual budgeted  
8 amount, by state agency, for the incentives, the number of positions deleted or left  
9 vacant, and the projected or actual net savings over the **five-year** [THREE-YEAR]  
10 period, and recommendations to the legislature for changes in appropriations that  
11 reflect the cost and cost savings resulting from the retirement and separation incentive  
12 programs.

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