

CS FOR HOUSE BILL NO. 198(RLS)

IN THE LEGISLATURE OF THE STATE OF ALASKA

TWENTY-SECOND LEGISLATURE - FIRST SESSION

BY THE HOUSE RULES COMMITTEE

Offered: 5/1/01

Referred: Today's Calendar

Sponsor(s): REPRESENTATIVE HUDSON

A BILL

FOR AN ACT ENTITLED

1 **"An Act relating to a post-retirement pension adjustment for certain persons receiving**
2 **benefits under the Elected Public Officers Retirement System, and establishing and**
3 **relating to a Compensation Commission for State Officials."**

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

5 * **Section 1.** The uncodified law of the State of Alaska is amended by adding a new section
6 to read:

7 RETIREMENT BENEFITS UNDER ELECTED PUBLIC OFFICERS
8 RETIREMENT SYSTEM FOR CERTAIN BENEFIT RECIPIENTS. (a) For a member of
9 the elected public officers retirement system who has been receiving benefits under former
10 AS 39.37.050(a)(1) for at least 10 years, if the monthly salary and, if appropriate, the
11 additional allowances established under AS 24.10.110, authorized for the office from which
12 the member retired has not increased in at least 10 years, the monthly benefit payable to the
13 member or the member's survivor under former AS 39.37 (elected public officers retirement
14 system) shall be increased as set out in this section. The amount of the increase is an amount

1 equal to the monthly benefit to which the member or survivor is entitled multiplied by 75
 2 percent of the percentage increase in the cost of living since the benefit was last adjusted
 3 under this section or former AS 39.37.050(a)(1) or since the member retired under former
 4 AS 39.37, whichever is later.

5 (b) Notwithstanding former AS 39.37.050(a)(1), if a benefit is increased under (a) of
 6 this section and if the monthly salary and, if appropriate, the additional allowances established
 7 under AS 24.10.110, authorized for the office from which a member retired is subsequently
 8 increased, the member's or survivor's benefit under former AS 39.37 may not be increased
 9 until the increase in benefits based on former AS 39.37.050(a)(1) equals or exceeds the
 10 increase based on (a) of this section. If benefits based on former AS 39.37.050(a)(1) increase
 11 to more than the increased benefit computed under (a) of this section, the member or survivor
 12 is entitled to receive an additional increase based on the difference between the two amounts.

13 (c) The administrator of the public employees' retirement system shall implement this
 14 section.

15 (d) When computing a survivor's benefit under former AS 39.37.060, adjustments
 16 granted to the deceased member or survivor under this section shall be included.

17 (e) An increase in benefit payments under this section is effective July 1 of each
 18 calendar year and is based on the percentage increase in the consumer price index for urban
 19 wage earners and clerical workers for Anchorage, Alaska, during the previous calendar year,
 20 as determined by the United States Department of Labor, Bureau of Labor Statistics.

21 (f) In this section, "system" means the elected public officers retirement system under
 22 former AS 39.37.

23 * **Sec. 2.** The uncodified law of the State of Alaska is amended by adding a new section to
 24 read:

25 COMPENSATION COMMISSION FOR STATE OFFICIALS. (a) The
 26 Compensation Commission for State Officials is established to make recommendations
 27 concerning an equitable rate and form of compensation, benefits, and allowances for the
 28 governor, lieutenant governor, members of the legislature, and the heads of the principal
 29 departments of state government.

30 (b) The commission is composed of seven members. Three of the members shall be
 31 appointed by the governor. Two members shall be appointed by the president of the senate.

1 Two members shall be appointed by the speaker of the house of representatives. Commission
2 membership shall include at least one business executive, one representative of a nonpartisan
3 voters' organization, one person with experience in public administration, and one
4 representative of a labor organization.

5 (c) A member of the commission may not be employed by the state, including the
6 University of Alaska, serve as a member of another state board, commission, or authority, or
7 hold elective state or municipal office during membership on the commission.

8 (d) Members of the commission serve without compensation but are entitled to per
9 diem and travel expenses authorized for members of boards and commissions under
10 AS 39.20.180.

11 (e) The commission shall review the salaries, benefits, and allowances, including per
12 diem and travel allowances, of the governor, lieutenant governor, members of the legislature,
13 and the heads of the principal departments and prepare a report to the legislature making
14 recommendations concerning any changes necessary or desirable to achieve an equitable rate
15 and form of compensation, benefits, and allowances for state officials. The report shall be
16 presented to the legislature by January 15, 2002.