

**SENATE BILL NO. 6**

IN THE LEGISLATURE OF THE STATE OF ALASKA  
TWENTY-THIRD LEGISLATURE - FIRST SESSION

**BY SENATORS DAVIS, Guess**

**Introduced: 1/21/03**

**Referred: State Affairs, Finance**

**A BILL**

**FOR AN ACT ENTITLED**

1 **"An Act relating to retirement contributions and benefits under the public employees'**  
2 **retirement system of certain state employees who are employed as child protection**  
3 **workers or who supervise child protection workers."**

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

5 \* **Section 1.** AS 39.35.160(a) is amended to read:

6 (a) Beginning January 1, 1987, each peace officer or fire fighter shall  
7 contribute to the system an amount equal to seven and one-half percent of the peace  
8 officer's or fire fighter's compensation. **Beginning January 1, 2004, each state child**  
9 **protection worker shall contribute to the system an amount equal to seven and**  
10 **one-half percent of the employee's compensation.** Except as provided in (d) of this  
11 section, beginning January 1, 1987, each other employee shall contribute to the system  
12 an amount equal to six and three-quarters percent of the employee's compensation.  
13 The contributions shall be deducted by the employer at the end of each payroll period.  
14 The contributions shall be deducted from employee compensation before computation

1 of applicable federal taxes, and the contributions shall be treated as employer  
 2 contributions under 26 U.S.C. 414(h)(2). A member may not have the option of  
 3 making the payroll deduction directly instead of having the contribution picked up by  
 4 the employer.

5 \* **Sec. 2.** AS 39.35.370(a) is amended to read:

6 (a) Subject to AS 39.35.450, a terminated employee is eligible for a normal  
 7 retirement benefit

8 (1) at age 60 with at least five years credited service;

9 (2) with at least 20 years of credited service as a peace officer, [OR]  
 10 fire fighter, **or state child protection worker**; or

11 (3) with at least 30 years of credited service for all other employees.

12 \* **Sec. 3.** AS 39.35.370(c) is amended to read:

13 (c) The monthly amount of a retirement benefit for a peace officer, [OR] fire  
 14 fighter, **or state child protection worker** is two percent of the average monthly  
 15 compensation times the years of credited service through 10 years, plus two and one-  
 16 half percent of the average monthly compensation times the years of service over 10  
 17 years. For all other employees it is

18 (1) two percent of the average monthly compensation times all years of  
 19 service before July 1, 1986, and for years of service through a total of 10 years; plus

20 (2) two and one-quarter percent of the average monthly compensation  
 21 times all years of service after June 30, 1986, over 10 years of total service through 20  
 22 years; plus

23 (3) two and one-half percent of the average monthly compensation  
 24 times all years of service after June 30, 1986, over 20 years of total service.

25 \* **Sec. 4.** AS 39.35.370(f) is amended to read:

26 (f) A member who is vested in the system as a peace officer, [OR] fire fighter,  
 27 **or state child protection worker** at the time the member incurs a permanent  
 28 disability of at least 33 1/3 per cent under workers' compensation and who (1)  
 29 undergoes retraining because of the disability; and (2) is subsequently employed with  
 30 the state or other employer in a position other than peace officer, [OR] fire fighter, **or**  
 31 **state child protection worker** is eligible for a normal retirement benefit as a peace

1 officer, [OR] fire fighter, or state child protection worker under (a) and (c) of this  
 2 section upon completing 20 years of credited service.

3 \* **Sec. 5.** AS 39.35.527 is amended to read:

4 **Sec. 39.35.527. Election to terminate coverage as a peace officer, [OR] fire**  
 5 **fighter, or state child protection worker.** (a) Any active member may elect to  
 6 irrevocably relinquish peace officer or fire fighter status or status as a state child  
 7 protection worker with the system and to retain all credited service as if it had been  
 8 acquired as a member other than a peace officer, [OR] fire fighter, or state child  
 9 protection worker.

10 (b) In order to relinquish peace officer or fire fighter status or status as a  
 11 state child protection worker with the system, a person must be an active member  
 12 and must file a written request with the administrator by July 1, 1984, for active  
 13 members who are peace officers or fire fighters or within six months after  
 14 employment as a peace officer or fire fighter, or by July 1, 2004, or within six  
 15 months after employment as a state child protection worker for active members  
 16 who are state child protection workers, whichever occurs later. No person has more  
 17 than one opportunity to exercise this option.

18 (c) As soon as possible after the relinquishment, the administrator shall refund  
 19 to a person who relinquishes peace officer or fire fighter status or status as a state  
 20 child protection worker under this section a refund equal to the amount by which the  
 21 balance of the person's accumulated mandatory contributions plus interest exceeds the  
 22 balance which would exist if all service credit had been acquired as a member other  
 23 than a peace officer, [OR] fire fighter, or state child protection worker.

24 (d) A written request to relinquish peace officer or fire fighter status or status  
 25 as a state child protection worker is irrevocable upon filing with the administrator.

26 \* **Sec. 6.** AS 39.35.680 is amended by adding a new paragraph to read:

27 (41) "state child protection worker" means an employee who is  
 28 employed, on or after January 1, 2004, by the state Department of Health and Social  
 29 Services occupying a position with responsibility under AS 47.10, AS 47.17, or  
 30 AS 47.35 for direct casework functions associated with investigating reports of harm  
 31 and providing protective services to children, licensing facilities for the protective

1 placement of those children, or managing the work of employees performing those  
2 casework functions on a regional basis.

3 \* **Sec. 7.** The uncodified law of the State of Alaska is amended by adding a new section to  
4 read:

5 TRANSITION. (a) A state employee who was employed by the state before  
6 January 1, 2004, as a child protection worker may convert the credited service for that  
7 position during that time to credited service as a child protection worker as enacted by this  
8 Act by claiming the service as child protection worker service before the member is appointed  
9 to retirement. When the member claims this credited service as state child protection worker  
10 service, an indebtedness of the member to the system shall be established. The indebtedness  
11 is equal to (1) the contributions to the system that the employee would have made if the  
12 service had counted as state child protection worker service, less (2) the contributions to the  
13 system that the employee actually made. Interest, as prescribed by regulation, accrues on this  
14 indebtedness. Any outstanding indebtedness that exists at the time a person is appointed to  
15 retirement will require an actuarial adjustment to the benefits payable based upon the service  
16 claimed under this subsection.

17 (b) In this section, "state child protection worker" has the meaning given in  
18 AS 39.35.680(41), enacted by sec. 6 of this Act.