

SENATE BILL NO. 230

IN THE LEGISLATURE OF THE STATE OF ALASKA

TWENTY-THIRD LEGISLATURE - FIRST SESSION

BY SENATOR DYSON

Introduced: 5/20/03

Referred: State Affairs, Labor and Commerce

A BILL

FOR AN ACT ENTITLED

1 **"An Act relating to the voluntary deduction of dues for membership in certain retiree**
2 **organizations."**

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

4 *** Section 1.** AS 39.35.500(a) is amended to read:

5 (a) Except as provided in AS 29.45.030(a)(1) or in (b) **or (c)** of this section,
6 employee contributions and other amounts held in the system are exempt from Alaska
7 state and local taxes. Except as provided in this subsection and in (b) **and (c)** of this
8 section, amounts held on behalf of, or payable to, any employee or other person who is
9 or may become eligible for benefits under the system are not subject to anticipation,
10 alienation, sale, transfer, assignment, pledge, encumbrance, or charge of any kind,
11 either voluntary or involuntary, before being received by the person entitled to the
12 amount under the terms of the system. An attempt to anticipate, alienate, sell, transfer,
13 assign, pledge, encumber, charge, or otherwise dispose of a right to amounts held
14 under the system is void. However, an employee's right to receive benefits or the

1 member's employee contribution account may be assigned

2 (1) under a qualified domestic relations order; or

3 (2) to a trust or similar legal device that meets the requirements for a
4 Medicaid-qualifying trust under AS 47.07.020(f) and 42 U.S.C. 1396p(d)(4).

5 * **Sec. 2.** AS 39.35.500 is amended by adding a new subsection to read:

6 (c) A person receiving benefits under this chapter who intends to join or who
7 belongs to a retirement organization may authorize the administrator to deduct from
8 the person's benefits the amount of annual dues owed to the organization. The person
9 shall make the authorization in writing on a form approved by the administrator. The
10 authorization shall remain in effect until revoked in writing. The revocation is
11 effective when received by the administrator. The administrator may, by regulation,
12 assess a reasonable administrative fee to compensate the system for administration of
13 this subsection. In this subsection, "retirement organization" means an organization
14 representing persons receiving benefits under this chapter that is affiliated with an
15 organization representing employees of the employer under AS 23.40.070 - 23.40.260.