

HOUSE BILL NO. 475

IN THE LEGISLATURE OF THE STATE OF ALASKA
TWENTY-FOURTH LEGISLATURE - SECOND SESSION

BY REPRESENTATIVE SEATON

Introduced: 2/13/06

Referred: State Affairs, Finance

A BILL

FOR AN ACT ENTITLED

1 **"An Act describing contributions to the health reimbursement arrangement plan for**
2 **certain teachers and public employees; clarifying eligibility for membership in that**
3 **health reimbursement arrangement plan; relating to the 'administrator' of the Public**
4 **Employees' Retirement System of Alaska; and providing for an effective date."**

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

6 * **Section 1.** AS 39.30.370 is amended to read:

7 **Sec. 39.30.370. Contributions by employers.** For each member of the plan,
8 an employer shall contribute to the teachers' and public employees' retiree health
9 reimbursement arrangement plan trust fund an amount equal to three percent of the
10 **annual average compensation of all plan members** [EMPLOYER'S AVERAGE
11 ANNUAL EMPLOYEE COMPENSATION]. The administrator shall maintain a
12 record for each member to account for employer contributions on behalf of that
13 member. The board shall establish by regulation the rate of interest to be applied
14 annually to the amount in a member's individual account.

1 * **Sec. 2.** AS 39.30.390 is amended to read:

2 **Sec. 39.30.390. Eligibility and reimbursement.** Persons who meet the
3 eligibility requirements of AS 14.25.470 **or** [AND] AS 39.35.870 are eligible for
4 reimbursements from the individual account established for a member under the plan,
5 except members do not have to retire directly from the system. A person who is the
6 dependent child of an eligible member is eligible for reimbursements if the eligible
7 member and surviving spouse have both died so long as the person meets the
8 definition of dependent child.

9 * **Sec. 3.** AS 39.35.680(3) is amended to read:

10 (3) "administrator" means [THE PERSON APPOINTED BY] the
11 commissioner of administration **or the commissioner's designee appointed** under
12 **AS 39.35.003** [AS 39.35.050];

13 * **Sec. 4.** AS 39.35.050 is repealed.

14 * **Sec. 5.** This Act takes effect July 1, 2006.