

HOUSE BILL NO. 248

IN THE LEGISLATURE OF THE STATE OF ALASKA

THIRTY-SECOND LEGISLATURE - SECOND SESSION

BY REPRESENTATIVES SHAW, Rasmussen

Introduced: 1/18/22

Referred: State Affairs, Finance

A BILL

FOR AN ACT ENTITLED

1 **"An Act relating to reemployment of peace officers who retired under the Public**
2 **Employees' Retirement System of Alaska."**

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

4 * **Section 1.** AS 39.35 is amended by adding a new section to read:

5 **Sec. 39.35.145. Reemployment of peace officer.** (a) Subject to (b) - (d) of this
6 section, an employer may reemploy as a peace officer a member who is retired from
7 employment as a peace officer under AS 39.35.095 - 39.35.680.

8 (b) A member who is retired under AS 39.35.095 - 39.35.680 may not be
9 reemployed under (a) of this section unless the member

10 (1) certifies that the member and the employer did not arrange before
11 the member retired from the employer for the member to be reemployed by the
12 employer after the member retired; and

13 (2) has been retired for at least

14 (A) 60 days if the member is at least 62 years of age; or

(B) six months if the member is less than 62 years of age.

(c) Before reemploying a retired member under (a) of this section to fill a position, an employer shall

(1) adopt a policy that describes the circumstances of a shortage or anticipated shortage of applicants, other than retired members, who are qualified for particular positions and permits rehiring that complies with the requirements of this section; and

(2) publicly advertise the position for 10 business days and actively recruit to fill the position by hiring a person other than a member who is retired.

(d) A contract for reemployment under (a) of this section may not exceed 12 consecutive months.

(e) An employer that reemploys a member under this section who is retired under AS 39.35.095 - 39.35.680 is required to

(1) provide the administrator with

(A) a copy of the policy adopted under (c) of this section; and

(B) for every retired member who is rehired, a report identifying the member by name and describing the

(i) circumstances of the shortage that necessitated the rehire; and

(ii) actions taken by the employer to comply with the policy adopted under (c) of this section and the requirements of this section; and

(2) make contributions under AS 39.35.255.

(f) Notwithstanding AS 39.35.370(g) and (h), this section applies only to a retired member who, while an active member, had been employed as a peace officer.

(g) In this section, "peace officer" means an employee occupying a position as a peace officer, chief of police, or regional public safety officer, but does not include a village public safety officer employed by a village public safety officer program established under AS 18.65.670.

* **Sec. 2.** AS 39.35.150(a) is amended to read:

(a) **Except as provided in (i) of this section, if** [IF] a retired employee

subsequently becomes an active member, benefit payments may not be made during the period of re-employment. During the period of re-employment, deductions from the employee's salary shall be made in accordance with AS 39.35.160. Upon subsequent retirement, the retired employee is entitled to receive an additional pension based on the credited service and the average monthly compensation earned during the period of re-employment in accordance with AS 39.35.370.

* **Sec. 3.** AS 39.35.150(d) is amended to read:

(d) **Except as provided in (i) of this section, if** [IF] the initial benefit payments to which the retired member is eligible have been reduced because the member retired early under AS 39.35.370(b) or increased because the member elected to receive a level income option benefit under former AS 39.35.460, the member shall also receive an incremental benefit based on the amount of the reduction imposed by AS 39.35.370(b) or the increase under former AS 39.35.460 on the first benefit and the length of time that the employee was reemployed and not receiving retirement benefits. The amount of the incremental benefit is equal to the difference between the normal retirement benefit to which the member would have been entitled had the member taken a normal retirement and the early retirement benefit or benefit under the level income option that the member has been receiving based on the member's initial period of employment multiplied by the total number of months that the member did not receive retirement benefits because of reemployment and that amount actuarially adjusted to be paid over the expected lifetime of the member. In the case of a member who selected benefits under the level income option, the total number of months may not include any month in which the member was 65 years of age or older.

* **Sec. 4.** AS 39.35.150 is amended by adding new subsections to read:

(i) If a member who retired under AS 39.35.095 - 39.35.680 is reemployed by an employer under AS 39.35.145,

- (1) the member does not become an active member;
- (2) the member shall continue to receive retirement benefits from the plan as though the member were not reemployed by the employer;
- (3) deductions from the member's salary may not be made under AS 39.35.160; and

(4) the member may not receive credited service in the plan during the period of reemployment.

(j) Notwithstanding (i) of this section, a member who is retired under AS 39.35.095 - 39.35.680 and reemployed by an employer under AS 39.35.145 is eligible to receive the group health plan coverage provided to active members employed by that employer.

* **Sec. 5.** AS 39.35.255(a) is amended to read:

(a) Each employer, except as provided in (i) of this section, shall contribute to the system every payroll period an amount calculated by applying a rate of 22 percent of the greater of the total of all base salaries

(1) paid by the employer to employees who are active members of the system and to members who are retired from the plan and reemployed under AS 39.35.145, including any adjustments to contributions required by AS 39.35.520; or

(2) paid by the employer to employees who were active members of the system during the corresponding payroll period for the fiscal year ending

(A) June 30, 2008; or

(B) June 30, 2012, if that total is less than the total under (A) of this paragraph, and the employer is a municipality in which the population decreased by more than 25 percent between 2000 and 2010, according to the decennial census conducted by the United States Bureau of the Census.

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

APPLICABILITY. This Act applies to contracts made on or after the effective date of this Act for the reemployment of a member who is receiving benefits under AS 39.35.095 - 39.35.680.