

1 IN THE SENATE

BY THE SENATE JUDICIARY COMMITTEE

2 SENATE BILL NO. 287

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 SECOND LEGISLATURE - SECOND SESSION

5 A BILL

6 For an Act entitled: "An Act providing retirement and other
7 benefits for justices and judges of the
8 supreme and superior courts of Alaska;
9 amending Sec. 3(5) and Sec. 18(c), Ch. 143,
10 SLA 1960; and providing for an effective
11 date."

12 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF ALASKA:

13 Section 1. RETIREMENT OF JUSTICES AND JUDGES. a. Each
14 supreme court justice and superior court judge shall be retired
15 on the date that he reaches the age of 70, unless, before that
16 time, he is retired for incapacity or retires voluntarily or after
17 being rejected at a general election as provided in this section.

18 b. Any justice or judge may be retired for incapacity as
19 provided in Secs. 11 and 27 of Ch. 50, SLA 1959. The effective
20 date of retirement under this subsection shall be the day upon
21 which the governor, with respect to a justice, or the supreme
22 court, with respect to a judge, files with the director of the
23 Public Employees' Retirement system of Alaska a written declara-
24 tion to the effect that a designated justice or judge has been
25 retired for incapacity. A duplicate copy of such declaration
26 shall be filed with the Judicial Council.

27 c. Any justice or judge who has served in either or both
28 capacities for a period of five years in the aggregate, and who
29 believes that he has become so incapacitated as to prevent him

1 from efficiently performing his judicial duties may file with
2 the governor a written application for retirement which shall
3 contain a sworn statement of his service and of his incapacity.
4 The governor thereupon shall appoint a board of three persons to
5 inquire into the circumstances, and may, upon the board's recom-
6 mendation, retire the justice or judge. The effective date of
7 such retirement shall be as provided in subsection b. of this
8 section.

9 d. Any justice or judge may voluntarily retire when he has
10 either (1) reached the age of 60 years and has served in either
11 or both capacities for an aggregate of 10 years or more, or (2)
12 served a length of time in either or both capacities such that
13 his age plus his years of service equal 75. Any justice or judge
14 desiring to retire under this subsection shall file with the
15 governor a notice of his desire, together with a sworn statement
16 of the facts establishing his eligibility to retire. The governor
17 shall certify such facts to the director of the Public Employees'
18 Retirement System and in writing declare the eligibility or in-
19 eligibility for retirement of said justice or judge. If a justice
20 or judge is thus eligible for retirement, his retirement will be
21 effective upon the date such written declaration of the governor
22 is filed with the director. A duplicate copy of such declaration
23 shall be filed by the governor with the Judicial Council.

24 e. Any justice or judge who has been rejected at a general
25 election and who has served in either or both capacities for 9
26 years in the aggregate prior to the time his office becomes vacant
27 by reason of such rejection shall be deemed to have retired for
28 purposes of this Act. The effective date of retirement under
29 this subsection shall be the day upon which the office becomes

1 vacant.

2 f. In the computation of service for retirement under this
3 Act, the time served by a judge on the superior court shall be
4 added to the time served by him, if any, on the supreme court, and
5 vice versa; and there shall be included in the computation all
6 service rendered by a justice or judge prior to the effective
7 date of this Act.

8 Sec. 2. RETIREMENT PAY. a. Eligibility for retirement pay
9 shall be as follows:

10 (1) a justice or judge who is retired because of age,
11 under Sec. 1 a., shall be eligible for retirement pay only if he
12 has had a minimum of five years' service:

13 (2) a justice or judge who is retired because of in-
14 capacity, under Sec. 1 b. or c., shall be eligible for retirement
15 pay only if he has had a minimum of 2 years' service;

16 (3) a justice or judge who retires voluntarily under
17 Sec. 1 d., shall be eligible for retirement pay only if he has
18 had a minimum of 10 years' service;

19 (4) a justice or judge who retires, under Sec. 1 e.,
20 shall be eligible for retirement pay only if he has had a minimum
21 of 9 years' service.

22 b. A retired justice or judge, eligible for retirement pay,
23 shall receive monthly, from the date of retirement until his death,
24 compensation at the following percentages of the monthly salary
25 that he is receiving on the date of retirement:

26 (1) after 5 but less than 10 years of service, unless
27 the retirement is for incapacity, 25 percent;

28 (2) if the retirement is for incapacity, under Sec. 1
29 b. or c. of this Act, and is after 2 but less than 15 years of

1 service, 50 percent;

2 (3) after 10 but less than 15 years of service, 50
3 percent;

4 (4) after 15 but less than 20 years of service, 75
5 percent;

6 (5) after 20 years of service, 100 percent.

7 Sec. 3. DEATH BENEFITS. a. The widow of any justice or
8 judge who retires or who shall be eligible for retirement at the
9 time of his death shall be entitled to receive during the remainder
10 of her life and as long as she remains unmarried monthly compensa-
11 tion equal to one-half of the monthly retirement pay to which her
12 deceased husband may have been entitled; provided that at the
13 time of his death she had been his wife continuously for at least
14 10 years immediately prior to his death. Payments to any widow
15 shall be reduced by the amount received by her subsequent to her
16 husband's death under Social Security, old age assistance, or
17 other grant-in-aid under state or federal law.

18 b. If the provisions of Sec. 3 are not applicable, then,
19 upon the death of a justice or judge who at the time of his death
20 was eligible for retirement, the designated beneficiary or estate
21 of such justice or judge shall be entitled to a refund of the
22 contributions, together with interest credited thereon, made by
23 him pursuant to the provisions of Sec. 6 of this Act.

24 Sec. 4. REFUND OF CONTRIBUTIONS. Any justice or judge who
25 vacates his office for any reason and who is not then eligible for
26 retirement shall be entitled to receive a refund of the total,
27 amount of his contributions, together with interest credited
28 thereon.

29 Sec. 5. FINANCING: ADMINISTRATION. a. There shall be estab-

1 lished in the Public Employees' Retirement System of Alaska a
2 separate justices' and judges' retirement account, which shall be
3 administered as a part of and in like manner as the Public Em-
4 ployees' Retirement System.

5 b. There shall be credited to such account (1) the contribu-
6 tions provided by Sec. 6 of this Act, and (2) interest income and
7 other income accruing to the System under the provisions of Ch.
8 143, SLA 1960, in such reasonable pro rata amount as may be
9 determined by the Public Employees' Retirement Board of the System.
10 Retirement pay and other benefits for justices and judges and their
11 beneficiaries, as provided by this Act, shall be paid from such
12 special account.

13 Sec. 6. CONTRIBUTIONS. a. Beginning on the effective date
14 of this Act, each justice and judge shall contribute five percent
15 of compensation earned and accruing after such date. This contri-
16 bution shall be made in the form of a deduction from compensation,
17 and shall be made notwithstanding that the compensation paid in
18 cash to such justice or judge shall be reduced thereby below the
19 minimum prescribed by law. Every justice and judge shall be
20 deemed to consent to the deduction made from his compensation; and
21 payment of compensation less such deduction shall constitute a full
22 and complete discharge and acquittance of all claims and demands
23 whatsoever for the services rendered by him during the period
24 covered by such payment, except as to the benefits provided for
25 under this Act.

26 b. For services rendered after the effective date of this
27 Act, the state court system shall make contributions concurrently
28 with the contributions by the justices and judges in an amount to
29 be determined in the same manner as employer contributions are

1 determined under the Public Employees' Retirement System of
2 Alaska. The amount required for contributions by the state court
3 system for the purposes of this Act shall be included in its
4 annual appropriations, together with an amount necessary for its
5 pro rata share of the administrative expense of the retirement
6 system.

7 Sec. 7. VACANCY IN OFFICE. At the time a justice or judge
8 retires under this Act, his office shall be deemed vacant.

9 Sec. 8. TRANSFER OF CONTRIBUTIONS. Upon the effective date
10 of this Act there shall be transferred to the justices' and judges'
11 retirement account, provided by Sec. 5 herein, all amounts then
12 credited to the Employee Contribution Account, Employee Savings
13 Account, and Employer Asset Share Account of the Public Employees'
14 Retirement System of Alaska and which were credited to such accounts
15 by reason of membership of justices or judges in the Public Em-
16 ployees' Retirement System prior to the effective date of this Act.

17 Sec. 9. Sec. 3(5), Ch. 143, SLA 1960, is amended to read:

18 (5) "employee" shall mean a person who is receiving
19 remuneration for full-time personal services regularly ren-
20 dered to an employer or who would be receiving such remunera-
21 tion except for an authorized leave of absence, excluding
22 (a) persons compensated on a contractual or fee basis, (b)
23 casual or part-time workers in a position having duties which
24 will not permit at least six months of service during a calendar
25 year, [AND] (c) justices and judges of the supreme and superior
26 courts of Alaska, and (d) persons covered by the Alaska Teachers
27 Retirement System.

28 Sec. 10. Sec. 18 c., Ch. 143, SLA 1960, is amended to read:

29 c. The monthly amount of the normal retirement pension

1 shall be the sum of: (1) $\frac{1}{2}\%$ of the employee's average monthly
2 compensation multiplied by his years of credited service
3 (including fractional years); and (2) $\frac{3}{4}\%$ of the employee's
4 average monthly compensation in excess of one-twelfth of the
5 average annual taxable wage under the federal Social Security
6 program during the period of credited service, after the
7 effective date, multiplied by the number of years of credited
8 service (including fractional years) [; EXCEPT THAT THE PEN-
9 SION PAYABLE TO A SUPREME AND SUPERIOR COURT JUDGE OF THE
10 STATE SHALL BE FURTHER INCREASED BY AN AMOUNT EQUAL TO ONE-
11 HALF PER CENT OF HIS AVERAGE MONTHLY COMPENSATION MULTIPLIED
12 BY HIS YEARS OF CREDITED SERVICE (INCLUDING FRACTIONAL YEARS)
13 AS A JUDGE, NOT TO EXCEED TWENTY YEARS OF SUCH SERVICE].

14 Sec. 11. EFFECTIVE DATE. This Act takes effect on July 1,
15 1962.

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