

Introduced: 3/2/63  
Referred: Labor and  
Management

BY THE LABOR AND MANAGEMENT  
COMMITTEE

1 IN THE HOUSE

2 HOUSE BILL NO. 138

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 THIRD LEGISLATURE - FIRST SESSION

5 A BILL

6 For an Act entitled: "An Act relating to the state employees  
7 retirement system; and providing for an  
8 effective date."

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

10 \* Section 1. AS 39.35.370(c) is repealed and re-enacted to  
11 read:

12 (c) The monthly amount of the normal retirement pension  
13 shall be the sum of (1) one-half of one per cent of the  
14 employee's average monthly compensation multiplied by his  
15 years of credited service, including fractional years; (2)  
16 one per cent of the employee's average monthly compensation  
17 multiplied by his years of credited service in excess of 10  
18 years, including fractional years; and (3) three-fourths of  
19 one per cent of the employee's average monthly compensation  
20 in excess of \$400 per month multiplied by his years of  
21 credited service, including fractional years; except that the  
22 pension payable to a supreme and superior court judge of the  
23 state shall be further increased by an amount equal to one-  
24 half of one per cent of his average monthly compensation  
25 multiplied by his years of credited service, including  
26 fractional years, as a judge, not to exceed 20 years of  
27 such service.

28 \* Sec. 2. For the purposes of state financing, and to allow  
29 time for an adequate actuarial study to determine cost, the new

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1 element of the pension formula specified under AS 39.35.370(c)(2)  
2 shall go into effect gradually, in accordance with the following  
3 schedule:

4 (1) For employees retiring before January 1, 1964, the  
5 rate under this subsection shall be zero per cent.

6 (2) For employees retiring during the calendar years  
7 of 1964 and 1965, this rate shall be .2 per cent.

8 (3) For employees retiring during the calendar years  
9 of 1966 and 1967, this rate shall be .4 per cent.

10 (4) For employees retiring during the calendar years  
11 of 1968 and 1969, this rate shall be .6 per cent.

12 (5) For employees retiring during the calendar years  
13 of 1970 and 1971, this rate shall be .8 per cent.

14 (6) Starting with employees retiring on January 1,  
15 1972, and thereafter, the rate shall be the full one per cent as  
16 specified in AS 39.35.370(c).

17 \* Sec. 3. There shall be no increase in the rate of employee  
18 contribution before July 1, 1966. Before this time, there shall  
19 be a complete actuarial evaluation of the cost of the retirement  
20 system, including separate cost figures for the additional item  
21 in sec. 2(6) of this Act. The Department of Administration, in  
22 cooperation with employee representatives, shall work out an  
23 equitable means for meeting additional costs, and the department  
24 shall present these suggestions to the legislature in January  
25 1966.

26 \* Sec. 4. This Act takes effect on the day after its passage  
27 and approval or on the day it becomes law without such approval.  
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