

Introduced: 1/30/64
Referred: Labor and Man-
agement, State Affairs and
Finance

1 IN THE HOUSE

RULES COMMITTEE
BY REQUEST OF THE GOVERNOR

2 HOUSE BILL NO. 262

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 THIRD LEGISLATURE - SECOND SESSION

5 A BILL

6 For an Act entitled: "An Act relating to the public 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 39.35.110(a)(1) is amended to read:

11 (1) bonds or other interest bearing obligations
12 and securities of the (A) United States or agency thereof,
13 (B) a state of the United States, or (C) a political sub-
14 division of a state of the United States, if the political
15 subdivision has a population as shown by the last federal
16 census preceding the investment of not less than 30,000
17 inhabitants; with respect to political subdivisions of this
18 state, no population limitation applies;

19 * Sec. 2. AS 39.35.110(c) is amended to read:

20 (c) In making investments the commissioner of revenue
21 shall exercise the judgment and care under the circumstances
22 then prevailing which a man of ordinary prudence, discretion,
23 and intelligence exercises in the management of his own
24 affairs not in regard to speculation but in regard to the
25 permanent disposition of his funds, considering the
26 probable income from them as well as the probable safety
27 of his capital. [HOWEVER, NOT MORE THAN 50 PER CENT OF THE
28 PENSION FUND MAY BE INVESTED AT A GIVEN TIME IN CORPORATE
29 STOCKS AND BONDS, NOR MAY MORE THAN ONE PER CENT OF THE

PENSION FUND BE INVESTED IN SECURITIES ISSUED BY ONE CORPORATION, NOR ANY MORE THAN FIVE PER CENT OF THE VOTING STOCK OF ONE CORPORATION BE OWNED.] Stocks eligible for purchase are restricted to stocks which, except for bank stocks and insurance stocks, are listed upon an exchange registered with the Federal Securities and Exchange Commission.

* Sec. 3. AS 39.35.360 is repealed and re-enacted to read:

Sec. 39.35.360. EARLIER SERVICE. (a) An employee who completes three consecutive years of service with the state after January 1, 1961, is entitled to service credit for employment rendered to the state and former territory of Alaska before January 1, 1961, regardless of the office, department, division or agency of the state or territory in which he was employed.

(b) An employee who is entitled to service credit for prior service is not required to make retroactive contributions under this system for the period of prior service credit.

* Sec. 4. AS 39.35.390(a) is amended to read:

(a) An employee is eligible for a deferred retirement benefit if his employment is terminated on or after attainment of age 50 and credited service of 15 years, [THE DATE ON WHICH HIS ATTAINED AGE AND CREDITED SERVICE TOTAL AT LEAST 75 YEARS,] and he does not withdraw the balance in his employee contribution account.

* Sec. 5. This Act takes effect July 1, 1964.