

Offered: 3/2/64
Referred: State Affairs
and Finance

Original sponsor: Rules Committee
by request of the Governor

1 IN THE HOUSE

BY THE LABOR AND
MANAGEMENT COMMITTEE

2 CS FOR 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 an agency of the
13 United States, (B) a state of the United States, or (C) a
14 political subdivision of a state of the United States, if the
15 political subdivision has a population as shown by the last
16 federal census preceding the investment of not less than
17 30,000 inhabitants; with respect to political subdivisions of
18 this state, no population limitation applies;

19 * Sec. 2. AS 39.35.110(a) is amended by adding new paragraphs
20 to read:

21 (4) shares of federally chartered savings and loan
22 associations in Alaska, to the extent that such investment is
23 insured by the federal government or an agency thereof;

24 (5) deposits with mutual savings banks in Alaska,
25 to the extent that such investment is insured by the federal
26 government or an agency thereof.

27 * Sec. 3. AS 39.35.110(c) is amended to read:

28 (c) In making investments the commissioner of revenue
29 shall exercise the judgment and care under the circumstances

1 then prevailing which a man of ordinary prudence, discretion,
2 and intelligence exercises in the management of his own
3 affairs not in regard to speculation but in regard to the
4 permanent disposition of his funds, considering the probable
5 income from them as well as the probable safety of his
6 capital. However, not more than 50 per cent of the pension
7 fund may be invested at a given time in corporate stocks and
8 bonds, [NOR MAY MORE THAN ONE PER CENT OF THE PENSION FUND
9 BE INVESTED IN SECURITIES ISSUED BY ONE CORPORATION,] nor any
10 more than five per cent of the voting stock of one corpora-
11 tion be owned. Stocks eligible for purchase are restricted
12 to stocks which, except for bank stocks and insurance stocks,
13 are listed upon an exchange registered with the Federal
14 Securities and Exchange Commission.

15 * Sec. 4. AS 39.35.360 is repealed and re-enacted to read:

16 Sec. 39.35.360. EARLIER SERVICE. (a) An employee who
17 completes three years of service with the state after January
18 1, 1961, is entitled to service credit for employment render-
19 ed to the state and former territory of Alaska before January
20 1, 1961, regardless of the office, department, division or
21 agency of the state or territory in which he was employed.

22 (b) An employee who is entitled to service credit for
23 prior service is not required to make retroactive contribu-
24 tions under this system for the period of prior service
25 credit.

26 * Sec. 5. AS 39.35.390(a) is amended to read:

27 (a) An employee is eligible for a deferred retirement
28 benefit if his employment is terminated on or after attain-
29 ment of age 50 and credited service of 15 years [THE DATE ON

1 WHICH HIS ATTAINED AGE AND CREDITED SERVICE TOTAL AT LEAST
2 75 YEARS], and he does not withdraw the balance in his employ-
3 ee contribution account.

4 * Sec. 6. This Act takes effect July 1, 1964.
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