Introduced: 5/10/71
Referred: Finance

IN THE HOUSE BY HOHMAN

HOUSE BILL NO. 469

IN THE LEGISLATURE OF THE STATE OF ALASKA

SEVENTH LEGISLATURE - FIRST SESSION

A BILL

For an Act entitled: "An Act relating to a retirement program; and providing for an effective date."

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

* Section 1. AS 24 is amended by adding a new chapter to read:

CHAPTER 55. LEGISLATIVE RETIREMENT PROGRAM.

ARTICLE 1. ADMINISTRATION.

Sec. 24.55.010. LEGISLATIVE RETIREMENT PROGRAM ESTABLISHED. (a) The legislative retirement program, a system for the payment of retirement and death benefits is established.

(b) The program becomes effective July 1, 1972.

Sec. 24.55.020. ADMINISTRATION. The commissioner of administration is responsible for the administration of the program and for carrying out this chapter.

Sec. 24.55.030. ATTORNEY GENERAL. The attorney general is the attorney for the program and shall represent it in a legal proceeding.

Sec. 24.55.040. ACCOUNTING. (a) The commissioner of administration shall establish and maintain an adequate system of accounts and records for the program.

(b) All income and all disbursements shall be credited or charged to the retirement program.

(c) An expense account shall be maintained for the program. The legislature shall appropriate annually an amount sufficient to cover administrative expenses of the program.

ARTICLE 2. MEMBERSHIP AND CONTRIBUTIONS.

Sec. 24.55.050. MEMBERSHIP MANDATORY. Each legislator shall become a member of the program upon taking his oath of office.

Sec. 24.55.060. SOCIAL SECURITY CONTRIBUTIONS. Each legislator shall pay the appropriate social security contribution. The contributions shall be deducted monthly.

Sec. 24.55.070. TRANSFER OF CREDIT TO OTHER RETIREMENT PROGRAMS. Credit under the program may be transferred to any other retirement system of the state.

Sec. 24.55.080. AMOUNT AND MANNER OF STATE CONTRIBUTION. An estimated amount sufficient to pay all benefits anticipated to be paid under this chapter shall be included in the annual appropriation for the legislature. If the actual authorized benefits necessary to be paid in a fiscal year exceed the available program balance, the benefits due shall nevertheless be paid from general funds of the state not otherwise appropriated.

ARTICLE 3. SERVICE AND BENEFITS.

Sec. 24.55.090. NORMAL RETIREMENT BENEFITS. (a) A person is eligible for a normal retirement pension under this chapter when he reaches 55 years of age and has completed at least four terms of office since statehood as a representative or two terms of office as a senator or any combination of these which is equivalent to eight years of service or eight regular sessions, consecutively or inconsecutively as a state legislator; or when he has served for 20 years as a state legislator, regardless of his age.

(b) A legislator eligible for retirement pay shall receive from the date of his eligibility until his death monthly compensation equal to five per cent per year of service, to a maximum of 75 per cent, of the monthly salary authorized for legislators at the time each retirement payment is made.

(c) All service rendered by a legislator, territorial or state, before the effective date of this chapter shall be included in the computation.

Sec. 24.55.100. EARLY RETIREMENT BENEFITS. If a legislator retires before reaching 55 years of age and has at least eight years but less than 20 years of service, the commissioner of administration shall authorize payments to begin on an actuarial equivalent basis on the first day of any month before the legislator reaches 55 years of age.

Sec. 24.55.110. NO COMPULSORY RETIREMENT. Nothing in this chapter may be construed to require compulsory retirement at any age.

Sec. 24.55.120. APPLICATION OF PROVISIONS IN AS 39.35. The following provisions of AS 39.35 are applicable to this chapter for the listed purposes:

(1) AS 39.35.400 and 39.45.410 regarding disability pensions;

(2) AS 39.35.420 regarding death benefits;

(3) AS 39.35.430 - 39.35.450 regarding survivor's benefits;

(4) AS 39.35.480 regarding cost-of-living allowance;

(5) AS 39.35.490 regarding designation of beneficiaries;

(6) AS 39.35.510 regarding voluntary waiver of benefits;

(7) AS 39.35.520 regarding adjustments.

Sec. 24.55.130. BENEFITS NONTAXABLE. Benefits received under this chapter are exempt from state and municipal taxes.

Sec. 24.55.140. DEFINITIONS. (a) In this chapter

(1) "program" means the legislative retirement program;

(2) "a year of legislative service" means service at one regular session.

(b) The definitions in AS 39.35.680 apply to this chapter insofar as they are applicable to legislators.

* Sec. 2. AS 39.35.030 is amended by adding a new subsection to read:

(e) When considering matters pertaining to the legislative retirement program (AS 24.55), the board membership shall be increased by two incumbent legislators chosen by the Legislative Council for two-year terms.

* Sec. 3. AS 39.35.040 is amended by adding a new paragraph to read:

(8) to exercise the powers and duties of (1) - (7) of this section in relation to the legislative retirement program (AS 24.55) when the two legislative members are sitting as members of the board.

* Sec. 4. Contributions previously credited to legislators under AS 39.-35 shall be returned to a legislator covered under provisions of this chapter.

* Sec. 5. AS 39.35.125 is repealed.

* Sec. 6. This Act takes effect July 1, 1972.