

Original sponsor: Miller

Offered: 3/23/72
Referred: Rules

1 IN THE SENATE

BY THE FINANCE COMMITTEE

HCS

CS FOR SENATE BILL NO. 264

(Fin.)

2
3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 SEVENTH LEGISLATURE - SECOND SESSION

5 A BILL

6 For an Act entitled: "An Act relating to retirement benefits; and providing
7 for an effective date."

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

9 * Section 1. AS 39.30.090 is amended by adding new paragraphs to read:

10 (9) A person receiving benefits under AS 39.35 who is not 65
11 years of age may obtain major medical and life insurance under this section
12 for himself and any dependents who have not reached the age of 65 years.

13 (10) A person receiving benefits under AS 39.35 who is 65
14 years of age or older but who has dependents who are under 65 may obtain
15 major medical insurance for these dependents under this section.

16 (11) A person receiving benefits under AS 39.35 who is over
17 65 years of age and any dependents who are over 65 years of age may
18 obtain major medical and prescription drug insurance under this section
19 to cover costs which are not covered by the federal old age survivor's
20 and disability insurance program.

21 (12) A person electing to have insurance under (9), (10) or
22 (11) of this section shall pay the cost of this insurance.

23 * Sec. 2. AS 39.35.040(5)(A) is amended to read:

24 (A) an appropriate contribution rate for the state [NOT
25 TO EXCEED EIGHT PER CENT OF THE COMPENSATION PAID TO PARTICIPATING
26 STATE EMPLOYEES]; in addition the state shall pay the appropriate
27 social security contribution; and

28 * Sec. 3. AS 39.35.160(a) is amended to read:

29 (a) while participating in the system each peace officer and each

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1 fireman shall contribute five per cent and every other employee shall
2 contribute four and one-quarter [THREE AND ONE-HALF] per cent of his
3 compensation to the public employees' retirement system.

4 * Sec. 4. AS 39.35.370(a) is amended to read:

5 (a) An employee is eligible for a normal retirement pension if
6 his employment is terminated on or after his normal retirement date
7 and after he completes five [EIGHT] or more years of credited service.

8 * Sec. 5. AS 39.35.370(c) is amended to read:

9 (c) The monthly amount of the normal retirement pension for a
10 peace officer or a fireman is two per cent of his average monthly
11 compensation times his years of credited service up through 10 years,
12 plus two and one-half per cent of his average monthly compensation times
13 his years of service over 10 years. For every other employee it is one
14 and one-half per cent of his average monthly compensation times his
15 years of service up through 10 years, plus one and three-quarters
16 [ONE-HALF] per cent of his average monthly compensation times his years
17 of service from 11 through 20, plus two per cent of his average monthly
18 compensation times his years of service over 20 years.

19 * Sec. 6. AS 39.35.380(a) is amended to read:

20 (a) An employee, other than a peace officer or fireman, is eligi-
21 ble for an early retirement pension if his employment is terminated on
22 or after his 55th birthday and after he completes five [EIGHT] or more
23 years of credited service. A peace officer or fireman is eligible for
24 an early retirement pension if his employment is terminated on or after
25 his 50th birthday and after he completes five [EIGHT] or more years of
26 credited service as a peace officer or fireman.

27 * Sec. 7. AS 39.35.400(a) is amended to read:

28 (a) An employee is eligible for a nonoccupational disability
29 pension if his employment is terminated because of a nonoccupational

1 disability before his normal retirement date and after five [EIGHT] or
2 more years of credited service.

3 * Sec. 8. AS 39.35.420 is amended to read:

4 Sec. 39.35.420. NONOCCUPATIONAL DEATH BENEFITS. If the death of
5 an employee occurs before his retirement, but after he has completed at
6 least one year of credited service, and the employee's survivor is not
7 entitled to a surviving spouse's pension under sec. 430 of this chapter,
8 a lump sum death benefit shall be paid to the beneficiary of the em-
9 ployee. The amount of the lump sum death benefit shall be \$1,000 plus
10 \$100 for each year of credited service. The lump sum death benefit is
11 in addition to a refund of the balance of the employee contribution
12 account of the deceased employee under sec. 210 of this chapter.

13 * Sec. 9. AS 39.35.450(c) is amended to read:

14 (c) An employee may elect, change, or revoke an option without
15 the approval of the board if his election, change, or revocation is
16 filed in writing with the board at least 30 days before his [NORMAL]
17 retirement date. The option may not be elected, changed, or revoked
18 after the 30 day period begins.

19 * Sec. 10. AS 39.35.475 is amended to read:

20 Sec. 39.35.475. POST-RETIREMENT PENSION ADJUSTMENT. When the
21 commissioner of administration determines that the cost of living has
22 increased and the financial condition of the retirement fund permits,
23 he will recommend to the retirement board increased pension payments to
24 retired employees, spouses or other beneficiaries to reflect this in-
25 crease in the cost of living and the board may adopt the increase by
26 regulation. The amount of the increase may not exceed four [ONE AND
27 ONE-HALF] per cent for each year of retirement. A retired employee
28 shall first be eligible for an increase at the end of the year follow-
29 ing the year of his retirement. Increases shall be effective on and

1 paid beginning the first day of January.

2 * Sec. 11. AS 39.35 is amended by adding a new section to read:

3 Sec. 39.35.485. MINIMUM BENEFIT. An employee whose termination
4 occurred before July 1, 1972 and who is eligible for a benefit calcu-
5 lated in accordance with sec. 370(c) of this chapter is entitled to
6 a benefit of at least \$10 a month for each year of credited service,
7 not including adjustments made under secs. 380, 410, 450, 475 and 480.

8 * Sec. 12. This Act takes effect on July 1, 1972.
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