

Introduced: 1/26/76
Referred: State Affairs
and Judiciary

1 IN THE HOUSE

BY ANDERSON

2 CS HOUSE BILL NO. 649

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 NINTH LEGISLATURE - SECOND SESSION

5 A BILL

6 For an Act entitled: "An Act making the elected officers retirement system
7 voluntary; and providing for an effective date."

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

9 * Section 1. AS 39.37.020 is amended to read:

10 Sec. 39.37.020. RETIREMENT OF ELECTED PUBLIC OFFICERS. An elected
11 public officer participating in the retirement system established under
12 this chapter is eligible for retirement pay if he has had five or more
13 years of service at the time of retirement as an elected public officer.

14 * Sec. 2. AS 39.37.030 is amended to read:

15 Sec. 39.37.030. RETIREMENT FOR INCAPACITY. An elected public
16 officer participating in the retirement system established under this
17 chapter who has served for a period of five years, and who believes that
18 he has become so incapacitated as to prevent him from efficiently per-
19 forming his duties, may file a written application for retirement which
20 contains a sworn statement of his service and of his incapacity. When
21 an application is filed, a board of three persons to inquire into the
22 circumstances shall be appointed by the chief justice of the state
23 supreme court, and the commissioner of administration upon the board's
24 recommendation shall retire the elected public officer. The effective
25 date of the retirement shall be the first day of the month following the
26 recommendation of the board.

27 * Sec. 3. AS 39.37.040(a) is amended to read:

28 (a) An elected public officer participating in the retirement
29 system established under this chapter may voluntarily retire at any

1 time and shall have a vested right to his accrued retirement pay if he
2 has served five years or more. Retirement pay shall not begin until he
3 has reached age 60, except that an actuarially equivalent retirement
4 pay may be begun after he has reached age 55 or upon attaining 20 years
5 of creditable service. The provisions of sec. 20 of this chapter are
6 an exception to this rule.

7 * Sec. 4. AS 39.37.040(c) is amended to read:

8 (c) If an elected public officer is eligible to receive retirement
9 pay at the time of his retirement, his retirement pay shall begin on the
10 first day of the month following termination of office. If an elected
11 public officer participating in the retirement system established under
12 this chapter is not eligible to receive retirement pay at the time of
13 his retirement, his retirement pay shall begin on the first day of the
14 month he reaches age 60 or at age 55 with an actuarially reduced bene-
15 fit.

16 * Sec. 5. AS 39.37 is amended by adding a new section to read:

17 Sec. 39.37.055. PARTICIPATION OF ELECTED OFFICIALS. An elected
18 public official may elect to participate or not participate in the
19 retirement system established under this chapter by so notifying the
20 commissioner of administration within 60 days after the effective date
21 of this Act, or 60 days after taking the oath of office.

22 * Sec. 6. AS 39.37.060(a) is amended to read:

23 (a) Upon the death of an elected public officer participating in
24 the retirement system established under this chapter who has served at
25 least two years, the surviving spouse is entitled to receive monthly
26 compensation equal to one-half of the monthly retirement pay the elected
27 public officer would thereafter have been entitled to receive if retired
28 at the time of death. If at death the elected public officer was not
29 yet entitled to retirement pay, or was or would have been entitled to

1 less than 60 per cent of the monthly salary authorized for his office,
2 the surviving spouse is entitled to monthly compensation equal to 30
3 per cent of the monthly salary authorized for the office at the time
4 each retirement payment is made or 30 per cent of his average monthly
5 compensation as defined in AS 39.35.680.

6 * Sec. 7. AS 39.37.070(a) and (e) are amended to read:

7 (a) Each elected public officer who elects to participate in the
8 retirement system established under this chapter shall contribute seven
9 per cent of his compensation to the retirement system.

10 (e) Each public officer participating in the retirement system
11 established under this chapter who has accrued five years or more of
12 membership service shall contribute to this retirement system seven per
13 cent of compensation received thereafter for all creditable service and
14 is entitled to benefits as provided in this chapter.

15 * Sec. 8. AS 39.37.070(g) is amended to read:

16 (g) The contribution is made in the form of a payroll deduction
17 and is made notwithstanding that the compensation paid in cash to the
18 elected public officer is reduced below the minimum prescribed by law.
19 Each elected public officer participating in the retirement system
20 established under this chapter is considered to consent to the deduction
21 made from his compensation. Payment of compensation less the deduction
22 prescribed in (a) of this section and other payroll deductions consti-
23 tutes a full and complete discharge and satisfaction of all claims and
24 demands for the services rendered by him during the period covered by
25 the payment, except as to the benefits provided for under this chapter.

26 * Sec. 9. AS 39.37.120(b) is amended to read:

27 (b) An individual account shall be maintained for each elected
28 public officer participating in the retirement system established under
29 this chapter to which the amount of his mandatory contributions

1 collected under this chapter shall be credited as of the date of deduc-
2 tion or payment, as the case may be. As of the last day of each
3 calendar year and each fiscal year beginning with June 30, 1976, this
4 account shall be credited with interest by applying one-half of the
5 prescribed rate of interest to the balance in the account as of that date.

6 * Sec. 10. This Act takes effect immediately in accordance with AS 01.10.-
7 070(c).