

Original sponsor: Willis, Croft,
Rodey and Bradley

Offered: 4/17/75
Referred: Finance

1 IN THE SENATE

BY THE STATE AFFAIRS COMMITTEE

2 CS FOR SENATE BILL NO. 241

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 NINTH LEGISLATURE - FIRST SESSION

5 A BILL

6 For an Act entitled: "An Act relating to the public employees' retirement
7 system; and providing for an effective date."

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

9 * Section 1. AS 39.35.160(a) is amended to read:

10 (a) While participating in the system each peace officer and each
11 fireman shall contribute five per cent and every other employee shall
12 contribute seven [FOUR AND ONE-QUARTER] per cent of his compensation to
13 the public employees' retirement system.

14 * Sec. 2. AS 39.35.370(c) is amended to read:

15 (c) The monthly amount of the normal retirement pension for an
16 employee and a retired employee [A PEACE OFFICER OR A FIREMAN] is two
17 per cent of his average monthly compensation times his years of
18 credited service up through 10 years, plus two and one-half per cent of
19 his average monthly compensation times his years of service over 10
20 years. However, the monthly amount of the normal retirement pension
21 may not exceed 80 per cent of the average monthly compensation upon
22 which the benefit is calculated [FOR EVERY OTHER EMPLOYEE AND RETIRED
23 EMPLOYEE IT IS TWO PER CENT OF HIS AVERAGE MONTHLY COMPENSATION TIMES
24 HIS YEARS OF SERVICE].

25 * Sec. 3. AS 39.35.380(a) is amended to read:

26 (a) An employee [, OTHER THAN A PEACE OFFICER OR FIREMAN,] is
27 eligible for an early retirement pension on or after his 50th [55TH]
28 birthday and after he completes five or more years of credited service.
29 [A PEACE OFFICER OR FIREMAN IS ELIGIBLE FOR AN EARLY RETIREMENT PENSION

1 ON OR AFTER HIS 50TH BIRTHDAY AND AFTER HE COMPLETES FIVE OR MORE YEARS
2 OF CREDITED SERVICE AS A PEACE OFFICER OR FIREMAN.]

3 * Sec. 4. AS 39.35.380 is amended by adding a new subsection to read:

4 (d) An employee who previously retired under (a) of this section
5 shall be paid benefits computed under sec. 370(c) of this chapter from
6 the effective date of this Act.

7 * Sec. 5. AS 39.35.485 is amended to read:

8 Sec. 39.35.485. MINIMUM BENEFIT. (a) An employee whose termina-
9 tion occurred before July 1, 1975 [1972] and who is eligible for a
10 benefit calculated in accordance with sec. 370(c) of this chapter is
11 entitled to a benefit of at least \$13.25 a month for each year of
12 credited service, not including adjustments made under secs. 380, 410,
13 450, 475 and 480 of this chapter.

14 (b) An employee who retired under this section before the
15 effective date of this Act shall be paid a benefit amount computed
16 under sec. 370(c) of this chapter or under this section, whichever is
17 greater.

18 * Sec. 6. AS 39.35.410(d) is amended to read:

19 (d) The monthly amount of an occupational disability pension for
20 a peace officer, [OR A] fireman, or an emergency medical service
21 employee shall be two-thirds of his gross monthly compensation at the
22 time of his disability. For any other employee it shall be determined
23 in accordance with sec. 370(c) of this chapter, considering (1) the
24 employee's compensation before his termination of employment, and (2)
25 either the credited service that would have been accumulated if the
26 employee's employment had continued until his 55th [60TH] birthday after
27 his disability or his actual credited service before his disability,
28 whichever is greater; except that the amount so determined shall be
29 reduced by assuming that a joint and survivor option of 75 per cent

1 became immediately effective upon retirement, with the employee's spouse
2 as contingent beneficiary. If no spouse exists at the time of actual
3 retirement, the pension shall be determined as if the spouse were the
4 same age as the employee.

5 * Sec. 7. AS 39.35.430(a) is amended to read:

6 (a) If (1) the death of an employee, other than a peace officer,
7 [OR A] fireman, or an emergency medical service employee, occurs before
8 his retirement and before his normal retirement date, and (2) the proximate
9 cause of death is a bodily injury sustained or a hazard undergone
10 while in the performance and within the scope of the employee's duties,
11 and (3) the injury or hazard is not the proximate result of the wilful
12 negligence of the employee, the surviving spouse of the employee is
13 eligible for a surviving spouse's pension until remarriage. The monthly
14 amount of the surviving spouse's pension shall be equal to the amount
15 the surviving spouse would have received if the employee had retired
16 because of an occupational disability immediately before his death. If
17 the surviving spouse remarries or if there is no surviving spouse, the
18 survivor's benefit shall be paid in equal parts to the children of the
19 employee, including those adopted, who are either under 18 years old or
20 under 23 years old and registered at and attending on a full-time basis
21 an accredited educational or a technical institution recognized by the
22 Department of Education.

23 * Sec. 8. AS 39.35.430(b) is amended to read:

24 (b) If (1) the death of a peace officer, [OR A] fireman, or an
25 emergency medical service employee occurs before his retirement and be-
26 fore his normal retirement date, and (2) the proximate cause of death
27 is a bodily injury sustained or a hazard undergone while in the perform-
28 ance and within the scope of his duties, and (3) the injury or hazard is
29 not the proximate result of the wilful negligence of the employee, a

1 monthly survivor's pension equal to his monthly compensation in the
2 month in which he died shall be paid to his surviving spouse. If his
3 surviving spouse remarries or if there is no surviving spouse, the
4 monthly survivor's pension shall be paid in equal parts to the children
5 of the employee, including those adopted, who are either under 18 years
6 old or under 23 years old and registered at and attending on a full-time
7 basis an accredited educational or technical institution recognized by
8 the Department of Education. On the date the normal retirement of the
9 employee would have occurred if he had lived, monthly payments shall
10 equal the monthly amount of the normal retirement benefit to which the
11 employee, had he lived and continued his employment as a peace officer,
12 [OR A] fireman, or an emergency medical service employee, until his
13 normal retirement date, would have been entitled with an average monthly
14 compensation as existed at his death and the credited service which he
15 would have had.

16 * Sec. 9. AS 39.35.440(a) is amended to read:

17 (a) Upon the death of a retired employee, other than a peace
18 officer, [OR A] fireman, or an emergency medical service employee who is
19 receiving or is entitled to receive an occupational disability pension,
20 a surviving spouse's pension shall be paid to his surviving spouse. The
21 monthly amount of the pension shall be equal to 75 per cent of the
22 monthly amount of the occupational disability pension which the retired
23 employee was receiving or would have been entitled to receive if he had
24 not been entitled to workmen's compensation and wage continuation pay-
25 ments. If the surviving spouse remarries or if there is no surviving
26 spouse, the survivor's benefit shall be paid in equal parts to the
27 children of the employee, including those adopted, who are either under
28 18 years old or under 23 years old and registered at and attending on a
29 full-time basis an accredited educational or a technical institution

1 recognized by the Department of Education.

2 * Sec. 10. AS 39.35.440(b) is amended to read:

3 (b) Upon the death of a retired employee who was a peace officer,
4 [OR A] fireman, or an emergency medical service employee on the date of
5 his retirement and who is receiving or is entitled to receive an occu-
6 pational disability pension, a surviving spouse's pension equal to two-
7 thirds of his average monthly compensation shall be paid to his sur-
8 viving spouse. If his surviving spouse remarries or if there is no sur-
9 viving spouse, the survivor's pension shall be paid in equal parts to
10 the children of the employee, including those adopted, who are either
11 under 18 years old or under 23 years old and registered at and attending
12 on a full-time basis an accredited educational or a technical institu-
13 tion recognized by the Department of Education.

14 * Sec. 11. AS 39.35.525 is amended to read:

15 Sec. 39.35.525. LIMITATION ON USE OF CREDITED SERVICE AS PEACE
16 OFFICER, [OR] FIREMAN, OR EMERGENCY MEDICAL SERVICE EMPLOYEE. For the
17 purpose of computing benefits for an employee enrolled as a peace offi-
18 cer, [OR] fireman, or an emergency medical service employee, no more
19 than 30 years of credited service may be considered, except for the
20 purpose of computing average monthly compensation and then the three
21 consecutive years during the entire period of credited service which
22 produced the highest total compensation shall be used.

23 * Sec. 12. AS 39.35.680(11) is amended to read:

24 (11) "normal retirement date" for an employee [A PEACE OFFI-
25 CER OR A FIREMAN] means the first day of the month following either his
26 55th birthday and five [EIGHT] years of credited service or his 20th
27 year of credited service, whichever is earlier [, AND FOR ANY OTHER
28 EMPLOYEE IT MEANS THE FIRST DAY OF THE MONTH FOLLOWING EITHER HIS 60TH
29 BIRTHDAY AND EIGHT YEARS OF CREDITED SERVICE OR HIS 30TH YEAR OF

1 CREDITED SERVICE, WHICHEVER IS EARLIER];

2 * Sec. 13. AS 39.35.680 is amended by adding a new paragraph to read:

3 (23) "emergency service employee" means a driver or an
4 attendant of an emergency ambulance service.

5 * Sec. 14. This Act takes effect immediately in accordance with AS 01.10.
6 070(c).