

Original sponsors: Miller and Duncan

Offered: 6/6/78
Referred: Rules

1 IN THE HOUSE

BY THE FINANCE COMMITTEE

2 SENATE CS FOR CS FOR HOUSE BILL NO. 10 (Finance)

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 TENTH LEGISLATURE - SECOND SESSION

5 A BILL

6 For an Act entitled: "An Act relating to service credit under the public
7 employees' retirement system and the teachers' retire-
8 ment system; and providing for an effective date."

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

10 * Section 1. AS 39.35.360(a) is amended to read:

11 (a) An employee who completes three years of service with the
12 state after January 1, 1961, for which he makes contributions required
13 by this chapter is entitled to credited service for employment rendered
14 to the State and former Territory of Alaska before January 1, 1961,
15 regardless of the office, department, division, or agency of the state
16 or territory in which he was employed, including (1) service as a com-
17 missioned officer of the United States Public Health Service, (2) ser-
18 vice with the United States District court and the United States
19 Commissioner's court serving the Territory and State of Alaska succeeded
20 to by the Alaska court system, (3) persons employed as United States
21 marshals, United States deputy marshals, Civil Aeronautics Administra-
22 tion security guards and United States Corps of Engineers security
23 guards, (4) employees of the Alaska Jail System of the United States
24 Department of Justice and those peace officers of the territory, or of a
25 political subdivision of the territory who are employees of the state or
26 a participating political subdivision of the state on July 1, 1978, (5)
27 Civil Aeronautics Administration heavy equipment operators, (6) em-
28 ployees of the United States Fish and Wildlife Service, [AND] (7) em-
29 ployees of the Alaska Road Commission and Bureau of Public Roads, and

1 (8) employees of the Alaska Communications System. The retirement
2 benefits payable to an employee under this section which are attribu-
3 table to employment rendered to the State and former Territory of Alaska
4 before January 1, 1961, shall be reduced by the amount of the retirement
5 pension benefits paid to him by the United States government for the
6 same period of service.

7 * Sec. 2. AS 14.25 is amended by adding a new section to read:

8 Sec. 14.25.125. CONDITIONAL SERVICE RETIREMENT BENEFITS. (a) A
9 member is eligible for a normal retirement salary at age 55 with at
10 least two years membership service if the member also is eligible for a
11 normal retirement benefit under the public employees' retirement system
12 (AS 39.35).

13 (b) A member is eligible for an early retirement salary at age 50
14 with at least two years of membership service if the member also is
15 eligible for an early retirement benefit under the public employees'
16 retirement system (AS 39.35).

17 (c) Membership service for which contributions were refunded is
18 not creditable under this section unless the refunded contributions have
19 been repaid.

20 (d) The monthly amount of a normal retirement salary is two per
21 cent of the average monthly compensation times the number of years of
22 membership service. An actuarial adjustment of this amount must be made
23 for an early retirement salary.

24 (e) Benefits payable under this section accrue from the first day
25 of the month (1) in which the member meets the eligibility requirements
26 of this section, (2) following the date of termination, and (3) follow-
27 ing application for retirement, and are payable the last day of the
28 month. If payment is delayed, a retroactive payment shall be made to
29 cover the period of deferment. The last payment shall be made for the

1 month in which the member dies or is no longer eligible for a benefit
2 under this section.

3 * Sec. 3. AS 39.35 is amended by adding a new section to read:

4 Sec. 39.35.385. CONDITIONAL SERVICE RETIREMENT BENEFITS. (a) An
5 employee is eligible for a normal retirement benefit at age 55 with at
6 least two years of credited service if the employee also is eligible for
7 a normal retirement salary under the teachers' retirement system (AS
8 14.25).

9 (b) An employee is eligible for an early retirement benefit at age
10 50 with at least two years of credited service if the employee also is
11 eligible for an early retirement salary under the teachers' retirement
12 system (AS 14.25).

13 (c) Credited service for which contributions were refunded is not
14 creditable under this section unless the refunded contributions have
15 been repaid.

16 (d) The monthly amount of a normal retirement benefit for a peace
17 officer or fireman is two per cent of the average monthly compensation
18 times the years of service up through 10 years, plus two and one-half
19 per cent of the average monthly compensation times the years of service
20 over 10 years. For all other employees it is two per cent of the
21 average monthly compensation times the number of years of service. An
22 actuarial adjustment of this amount must be made for an early retirement
23 benefit.

24 (e) Benefits payable under this section accrue from the first day
25 of the month (1) in which the member meets the eligibility requirements
26 of this section, (2) following the date of termination, and (3) follow-
27 ing application for retirement, and are payable the last day of the
28 month. If payment is delayed, a retroactive payment shall be made to
29 cover the period of deferment. The last payment shall be made for the

1 month in which the member dies or is no longer eligible for a benefit
2 under this section.

3 * Sec. 4. This Act takes effect July 1, 1978.
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