

Introduced: 1/24/79  
Referred: State Affairs and  
Finance

1 IN THE HOUSE

BY ELIASON

2 HOUSE BILL NO. 8

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 ELEVENTH LEGISLATURE - FIRST SESSION

5 A BILL

6 For an Act entitled: "An Act relating to retirement benefits and credit for  
7 occupational and nonoccupational disability under the  
8 public employees' retirement system; and providing for  
9 an effective date."

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

11 \* Section 1. AS 39.35.400(a) is amended to read:

12 (a) An employee is eligible for a nonoccupational disability  
13 benefit [PENSION] if his employment is terminated because of a total and  
14 apparently permanent nonoccupational disability, as defined in AS 39.35.  
15 680, before he is eligible for a [HIS] normal retirement benefit [DATE]  
16 and after five or more years of credited service.

17 \* Sec. 2. AS 39.35.400(c) is amended to read:

18 (c) If the disabled employee becomes ineligible to receive non-  
19 occupational disability benefits, he is entitled to receive a normal or  
20 early retirement benefit [PENSION] if he would have been eligible for  
21 the benefit [PENSION] had his employment continued during the period of  
22 disability. The [HOWEVER, THE] period of disability constitutes [DOES  
23 NOT CONSTITUTE] credited service, except that a period of disability  
24 beginning before July 1, 1979 does not constitute credited service.

25 \* Sec. 3. AS 39.35.400(d) is amended to read:

26 (d) The monthly amount of a nonoccupational disability benefit  
27 is 40 per cent of the disabled employee's monthly compensation at the  
28 time of termination due to disability, except that the monthly amount  
29 of the nonoccupational disability benefit [PENSION] shall be determined

1 in accordance with AS 39.35.370(c), considering the employee's credited  
2 service and compensation before termination of employment if the termi-  
3 nation occurred before July 1, 1979.

4 \* Sec. 4. AS 39.35.400(f) is repealed and re-enacted to read:

5 (f) Upon becoming eligible for a normal retirement benefit, an  
6 employee who is eligible for and receiving a nonoccupational disability  
7 benefit may, at his election, continue to receive a nonoccupational  
8 disability benefit under (d) of this section or he may receive a normal  
9 retirement benefit calculated under AS 39.35.370(c). A retired em-  
10 ployee's nonoccupational disability benefit shall terminate when the  
11 employee first attains eligibility for normal retirement, and his normal  
12 retirement benefit shall be calculated under AS 39.35.370(c) if his  
13 period of nonoccupational disability began before July 1, 1979.

14 \* Sec. 5. AS 39.35.410(a) is amended to read:

15 (a) An employee is eligible for an occupational disability benefit  
16 [PENSION] if his employment is terminated because of a total and appar-  
17 ently permanent occupational disability, as defined in AS 39.35.680,  
18 before he is eligible for a [HIS] normal retirement benefit [DATE].

19 \* Sec. 6. AS 39.35.410(c) is amended to read:

20 (c) If the disabled employee becomes ineligible to receive occu-  
21 pational disability benefits before he is eligible for a [HIS] normal  
22 retirement benefit [DATE], the disabled employee shall then be entitled  
23 to receive an early retirement benefit [PENSION] if he would have been  
24 eligible for the benefit [PENSION] had his employment continued during  
25 the period of disability. The period of disability constitutes credited  
26 service.

27 \* Sec. 7. AS 39.35.410(d) is amended to read:

28 (d) The monthly amount of an occupational disability benefit  
29 [PENSION] is 40 per cent of the disabled employee's [GROSS] monthly

1 compensation at the time of termination due to disability.

2 \* Sec. 8. AS 39.35.410(f) is amended to read:

3 (f) An employee is not entitled to an occupational disability  
4 benefit [PENSION] unless he files an application for it with the admin-  
5 istrator within six months after the date of the accident, if disability  
6 is attributable to an accident, or within six months after the date his  
7 disability begins if the disability is caused by an occupational  
8 disease. If the disability is attributable to an accident, the employee  
9 shall file a notice of the accident with the administrator within 30  
10 days following the date it occurred. This 30-day filing period is  
11 suspended for the time the employee's condition prevents him from  
12 filing.

13 \* Sec. 9. AS 39.35.410(h) is repealed and re-enacted to read:

14 (h) Upon becoming eligible for a normal retirement benefit, an  
15 employee who is eligible for and receiving an occupational disability  
16 benefit may, at his election, continue to receive an occupational dis-  
17 ability benefit under (d) of this section or he may receive a normal  
18 retirement benefit calculated under AS 39.35.370(c). A retired em-  
19 ployee's occupational disability benefit shall terminate when the  
20 employee first attains eligibility for normal retirement, and his normal  
21 retirement benefit shall be calculated under AS 39.35.370(c) if his  
22 period of occupational disability began before July 1, 1979.

23 \* Sec. 10. This Act takes effect July 1, 1979.  
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