

Introduced: 1/15/80
Referred: State Affairs and
Finance

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1 IN THE HOUSE

2 HOUSE BILL NO. 537

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 ELEVENTH LEGISLATURE - SECOND SESSION

5 A BILL

6 For an Act entitled: "An Act establishing the State Deferred Compensation
7 Board; and providing for an effective date."

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

9 * Section 1. AS 39.45 is amended by adding new sections to read:

10 Sec. 39.45.070. STATE DEFERRED COMPENSATION BOARD. (a) A State
11 Deferred Compensation Board is established.

12 (b) The members of the board are:

13 (1) a judge appointed by the chief justice of the supreme
14 court;

15 (2) a state employee covered by a collective bargaining
16 agreement elected by employees covered by collective bargaining agree-
17 ments;

18 (3) a state employee not covered by a collective bargaining
19 agreement elected by employees not covered by a collective bargaining
20 agreement;

21 (4) a person appointed by the Legislative Council; and

22 (5) the director of the division of retirement and benefits.

23 (c) The elected board members shall be determined by a majority of
24 votes cast by the electors of each position. The first election shall
25 be conducted by the Department of Administration. Subsequent elections
26 shall be conducted by the board. The term of office of members is six
27 years. A vacancy in an unexpired elective term shall be filled by
28 election for a new six-year term.

29 (d) A member of the board may receive a per diem allowance and

1 transportation expenses in carrying out the duties set out in this
2 chapter.

3 Sec. 39.45.080. POWERS AND DUTIES OF THE BOARD. The board shall:

4 (1) prescribe the policies for the operation of the program;
5 (2) advise the administrator as to the features to be in-
6 cluded in the program;

7 (3) approve a fixed or variable life insurance or annuity
8 contract to be purchased under AS 39.45.010 for the purpose of funding
9 the program after the effective date of this Act;

10 (4) hold regular meetings and special meetings it considers
11 necessary; all meetings shall be open to the public and the board shall
12 keep a full record of all its proceedings;

13 (5) adopt, with modifications it considers proper, regu-
14 lations recommended by the administrator for carrying out this chapter;

15 (6) consider and adopt resolutions on matters referred to it
16 by the administrator in connection with changes in policy and revisions
17 of the program;

18 (7) act as an appeals board and hold hearings at the request
19 of an employer, employee, surviving spouse or a beneficiary on decisions
20 made by the administrator, and submit its findings to the administrator;

21 (8) prepare, at least biennially, an actuarial valuation of
22 the total obligations to each participant under the program.

23 Sec. 39.45.090. REGULATIONS. Regulations adopted by the board
24 under this chapter relate to the internal management of state agencies
25 and their adoption is not subject to the Administrative Procedure Act
26 (AS 44.62).

27 Sec. 39.45.100. DEFINITIONS. In this chapter

28 (1) "administrator" means the person in charge of the adminis-
29 tration of the program;

- 1 (2) "board" means the State Deferred Compensation Board;
- 2 (3) "employee" means a person appointed, elected, or under
- 3 contract, who provides services for the state or a political subdivision
- 4 of the state for compensation;
- 5 (4) "program" means the state deferred compensation program.

6 * Sec. 2. AS 39.45.010 is amended to read:

7 Sec. 39.45.010. AUTHORITY. The state or a political subdivision
8 of the state may, by contract, agree with an employee to defer, in whole
9 or in part, that employee's salary or wages. If included in the con-
10 tract to defer payment of salary or wages, the state or a political
11 subdivision of the state shall purchase, with the approval of the board,
12 a fixed or variable life insurance or annuity contract for the purpose
13 of funding the deferred compensation program provided for in this chapter,
14 for the employee.

15 * Sec. 3. AS 39.45.060 is repealed.

16 * Sec. 4. This Act takes effect immediately in accordance with AS 01.10.-
17 070(c).

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