

Introduced: 1/23/80
Referred: State Affairs and
Finance

1 IN THE HOUSE

BY MILLER AND DUNCAN

2 HOUSE BILL NO. 605

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 ELEVENTH LEGISLATURE - SECOND SESSION

5 A BILL

6 For an Act entitled: "An Act authorizing municipalities to participate in
7 the program of supplementary employee benefits; and
8 providing for an effective date."

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

10 * Section 1. AS 39.30 is amended by adding new sections to read:

11 Sec. 39.30.170. MUNICIPAL PARTICIPATION IN PROGRAM. A munici-
12 pality may become a participating employer covered by AS 39.30.150 -
13 39.30.160. In order to participate, the municipality must file a re-
14 quest with the commissioner. The request may be made only after adop-
15 tion of a resolution by the legislative body of the municipality and
16 after approval of the resolution by the municipal official required by
17 law to approve the resolution. A certified copy of the resolution shall
18 be filed with the commissioner. The commissioner shall approve the
19 request if he finds that the municipality has never participated in the
20 federal social security system or has withdrawn from participation in
21 the federal social security system following a vote of the affected
22 municipal employees. The municipality may begin participation as a
23 participating employer covered by AS 39.30.150 - 39.30.160 on the date
24 designated by the commissioner.

25 Sec. 39.30.180. DEFINITIONS. In AS 39.30.150 - 39.30.180,

26 (1) "commissioner" means the commissioner of the Department
27 of Administration;

28 (2) "participating employer" means

29 (A) the State of Alaska; and

1 (B) a municipality which has never participated in or
2 which has withdrawn from participation in the federal social se-
3 curity system if the commissioner has approved participation under
4 AS 39.30.170.

5 * Sec. 2. AS 39.30.150(a) is amended to read:

6 (a) In place of contributions to the federal social security
7 system which would have been required on behalf of an employee had the
8 state or a municipality remained in the system, the participating
9 employer [STATE] shall contribute 12.26 per cent of the wages of the
10 employee up to the taxable wage base then in effect in the social se-
11 curity system. All costs of establishing and administering the benefit
12 program established by AS 39.30.160 shall be paid from the contributions
13 made by the participating employer [STATE] under this section. The
14 balance of the contributions made by the participating employer [STATE]
15 shall be paid into special individual employee benefit accounts in the
16 Department of Administration to be used to provide supplemental employee
17 benefits provided in AS 39.30.160.

18 * Sec. 3. AS 39.30.160(b) and (c) are amended to read:

19 (b) An employee on whose behalf a participating employer [THE
20 STATE] is making contributions under AS 39.30.150 may select the types
21 and amounts of supplemental benefits to be purchased from the special
22 account established for him under AS 39.30.150. The selection shall be
23 from the benefit options listed in (a) of this section.

24 (c) The entire amounts paid by a participating employer [THE
25 STATE], after the deduction for administrative costs under AS 39.30.150,
26 into the special individual benefit accounts under AS 39.30.150 shall be
27 used for supplemental benefits under this section.

28 * Sec. 4. This Act takes effect immediately in accordance with AS 01.10.-
29 070(c).