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Calendar

1 IN THE SENATE

BY THE FINANCE COMMITTEE

2

HOUSE CS FOR SENATE BILL NO. 26 (Finance)

3

IN THE LEGISLATURE OF THE STATE OF ALASKA

4

ELEVENTH LEGISLATURE - SECOND SESSION

5

A BILL

6 For an Act entitled: "An Act relating to public employee benefit programs;
7 amending the duties of the Public Employees Retirement
8 Board; relating to earlier service credit under the
9 teachers' retirement system and the public employees'
10 retirement system; establishing minimum retirement
11 benefits; relating to participation in the state program
12 of supplemental employee benefits; relating to the de-
13 ferred compensation program; repealing the Legislative
14 Board of Retirement Benefits; creating the Alaska
15 National Guard retirement system; relating to the
16 judicial retirement system; increasing the benefits
17 paid under the territorial public employees' retirement
18 system; relating to retirement benefit eligibility for
19 disabled peace officers and firemen; and providing for
20 an effective date."

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

22 * Section 1. AS 14.25 is amended by adding a new section to read:

23 Sec. 14.25.105. CREDIT FOR SERVICE AS AN EMPLOYEE OF THE TERRITORY
24 OF ALASKA. (a) A teacher who completes 15 years of membership service
25 under this chapter may elect to receive credited service for employment
26 rendered to the Territory of Alaska before January 3, 1959, regardless
27 of the office, department, division or agency of the territory in which
28 he was employed. Credited service allowed under this section may not
29 exceed five years.

1 (b) A teacher may not be credited with service under this section
2 if credit for service as an employee of the Territory of Alaska was
3 granted for the same period under the public employees' retirement
4 system (AS 39.35).

5 (c) A teacher who elects to receive credited service under this
6 section for service to the Territory of Alaska shall make a retroactive
7 contribution under this system for the period of territorial employment
8 following June 30, 1955.

9 * Sec. 2. AS 14.25.110(g) is amended to read:

10 (g) A member who is eligible for a service retirement salary under
11 this chapter or under the Retirement Act of 1945 is entitled to a benefit
12 of at least \$25 [\$20] per month for each year of credited service,
13 excluding adjustments made under AS 14.25.142 or 14.25.143. If the
14 member elected option two under AS 14.25.063(b)(2) for payment of any
15 indebtedness when he initially applied for a retirement benefit, or if
16 he elected to receive an early retirement benefit under (b) of this
17 section, the resulting benefit reduction continues in effect.

18 * Sec. 3. AS 14.25.143(a) is repealed and re-enacted to read:

19 (a) When the administrator determines that the cost of living has
20 increased and that the financial condition of the retirement fund
21 permits, the administrator shall increase benefit payments to persons
22 receiving benefits under this system.

23 * Sec. 4. AS 14.25.143(b) is repealed and re-enacted to read:

24 (b) The amount of the increase in benefit payments may not exceed
25 the greater of

26 (1) the increase in the cost of living since the date of
27 retirement; or

28 (2) four percent of the retirement benefit compounded for
29 each year of retirement.

1 * Sec. 5. AS 14.25.143(c) is repealed and re-enacted to read:

2 (c) The administrator shall implement this section by regulation.

3 * Sec. 6. AS 14.25.143 is amended by adding new subsections to read:

4 (e) If at the time of first receiving a retirement benefit a
5 member was receiving a disability benefit, the administrator shall
6 include the time during which the member received the disability benefit
7 in determining the number of years of retirement under this section.

8 (f) An increase in benefit payments under this section is effec-
9 tive July 1 of the year for which the increase is granted.

10 * Sec. 7. AS 22.25 is amended by adding new sections to read:

11 Sec. 22.25.025. ADMINISTRATION. The commissioner of administra-
12 tion is responsible for the administration of the judicial retirement
13 system.

14 Sec. 22.25.027. REGULATIONS. The commissioner of administration
15 may adopt regulations to implement this chapter. Regulations adopted by
16 the commissioner under this chapter relate to the internal management of
17 state agencies and their adoption is not subject to the Administrative
18 Procedure Act (AS 44.62).

19 Sec. 22.25.046. EMPLOYER CONTRIBUTIONS. (a) The state court
20 system shall contribute to the judicial retirement system at the rate
21 established by the commissioner of administration. The contribution
22 rate shall be based on the results of an actuarial valuation of the
23 judicial retirement system. The results of the actuarial valuation
24 shall be based on actuarial methods and assumptions adopted by the
25 commissioner of administration.

26 (b) The contribution rate shall be a percentage which, when applied
27 to the covered compensation of all active members of the judicial retire-
28 ment system, will generate sufficient money to support, along with
29 contributions from members, the benefits of the judicial retirement

1 system.

2 * Sec. 8. AS 26.05.222 is repealed and re-enacted to read:

3 Sec. 26.05.222. CREATION AND ADMINISTRATION OF ALASKA NATIONAL
4 GUARD RETIREMENT SYSTEM. (a) There is established an Alaska National
5 Guard retirement system. The commissioner of administration shall
6 administer the Alaska National Guard retirement system.

7 (b) The commissioner of administration may adopt regulations to
8 implement the Alaska National Guard retirement system. Regulations
9 adopted by the commissioner under this subsection relate to the internal
10 management of state agencies and their adoption is not subject to the
11 Administrative Procedure Act (AS 44.62).

12 * Sec. 9. AS 26.05.223 is amended to read:

13 Sec. 26.05.223. COMMENCEMENT OF PARTICIPATION IN SYSTEM [PLAN]. A
14 [AN ACTIVE] member of the Alaska National Guard or Alaska Naval Militia
15 shall be included in this system [PLAN] upon commencement of [HIS ACTIVE]
16 membership in the Alaska National Guard, or on January 1, 1973, whichever
17 is later, or upon commencement of membership in the Alaska Naval Militia
18 or on July 1, 1980, whichever is later. [INCLUSION IN THE PLAN IS A
19 CONDITION OF ACTIVE MEMBERSHIP IN THE ALASKA NATIONAL GUARD.]

20 * Sec. 10. AS 26.05.224 is amended to read:

21 Sec. 26.05.224. RETIREMENT BENEFITS. (a) An active member of the
22 Alaska National Guard, or a former member who was an active member on
23 or after January 1, 1969, or a member of the Alaska Naval Militia on or
24 after July 1, 1980, is eligible for a retirement pension [PAY]

25 (1) upon voluntary retirement from the Alaska National Guard
26 or Alaska Naval Militia after a total of 20 years or more of satisfac-
27 tory service in the Alaska National Guard, Alaska Naval Militia, or the
28 armed forces of the United States, and the reserves of them, or any com-
29 bination of service in these components if at least five years of the

1 service is in the Alaska National Guard or Alaska Naval Militia; [AND
2 UPON REACHING 55 YEARS OF AGE,] or

3 (2) upon involuntary retirement because of federal standards
4 imposed on the Alaska National Guard or Alaska Naval Militia [MEMBERS],
5 regardless of length of service.

6 (b) The retirement pension [RETIREMENT PAY] is \$100 [\$50] a month,
7 payable [TO BE CONTINUED] for the same number of months that the member
8 participated satisfactorily in [PERSON WAS A MEMBER OF] the Alaska
9 National Guard or Alaska Naval Militia.

10 (c) An eligible member or former member [WHO RETIRES] may elect to
11 receive his retirement pension [PAY] beginning on the first day of the
12 month in which he becomes eligible for [COINCIDING WITH OR AFTER] retire-
13 ment, or the member or former member [HE] may elect to defer payment to a
14 later date [RECEIVE HIS RETIREMENT PAY AT A DEFERRED DATE BEGINNING ON
15 THE FIRST DAY OF THE MONTH COINCIDING WITH OR AFTER THE DATE HE ELECTS
16 FOR THE RETIREMENT PAY TO BEGIN]. Payment of a deferred retirement
17 benefit may not begin until application for the benefit is filed with and
18 approved by the Department of Military Affairs. Deferred retirement pay-
19 ments must be made monthly at the rate of \$100.

20 * Sec. 11. AS 26.05.224 is amended by adding a new subsection to read:

21 (d) A retirement benefit payable to a member at the time of the
22 death of the member shall be paid in a lump sum to the designated bene-
23 ficiary of the member. The member may change or revoke the designation
24 of a beneficiary without notice to the beneficiary at any time. If a
25 member designates more than one beneficiary, each shall share equally
26 unless the member specifies a different allocation. The designation of
27 a beneficiary and a change or revocation of a beneficiary shall be made
28 on a form provided by the Department of Military Affairs and is not
29 effective until filed with the Department of Military Affairs. If a

1 member fails to designate a beneficiary or if no designated beneficiary
2 survives the member, the death benefit under this subsection shall be
3 paid to his estate.

4 * Sec. 12. AS 26.05.225 is repealed and re-enacted to read:

5 Sec. 26.05.225. EARLIER SERVICE. A person who was a member of the
6 Alaska National Guard on or after January 1, 1969, is entitled to credit
7 for his service to the state and former territory of Alaska as a member
8 of the National Guard and Territorial Guard before and after January 1,
9 1969, in determining eligibility for retirement benefits under AS 26.05.
10 224.

11 * Sec. 13. AS 26.05.226 is repealed and re-enacted to read:

12 Sec. 26.05.226. CONTRIBUTIONS. (a) The Department of Military
13 Affairs shall contribute to the Alaska National Guard retirement system
14 the amounts determined by the commissioner of administration as neces-
15 sary to

16 (1) fund the system based on the actuarial requirements of
17 the system as established by the commissioner of administration; and

18 (2) administer the system.

19 (b) The amount required for contributions from the Department of
20 Military Affairs under (a) of this section shall be included in the
21 annual appropriations made to the Department of Military Affairs.

22 * Sec. 14. AS 26.05.227 is repealed and re-enacted to read:

23 Sec. 26.05.227. DEFINITIONS. As used in AS 26.05.222 - 26.05.226,

24 (1) "beneficiary" means a person designated by a member to
25 receive benefits that may be due from the system upon the death of a
26 member;

27 (2) "member" means a commissioned or warrant officer or an
28 enlisted person in the Alaska National Guard or Alaska Naval Militia;

29 (3) "system" means the Alaska National Guard retirement

1 system.

2 * Sec. 15. AS 39.30.150(a) is amended to read:

3 (a) In place of contributions to the federal social security
4 system which would have been required on behalf of an employee had the
5 participating employer belonged to the social security [STATE REMAINED
6 IN THE] system, the participating employer [STATE] shall contribute
7 12.26 percent of the wages of the employee up to the taxable wage base
8 then in effect in the social security system. All costs of establishing
9 and administering the benefit program established by AS 39.30.160 shall
10 be paid from the contributions made by the participating employers
11 [STATE] under this section. The balance of the contributions made by
12 the participating employers [STATE] shall be paid into special indivi-
13 dual employee benefit accounts in the Department of Administration to be
14 used to provide supplemental employee benefits provided in AS 39.30.160.

15 * Sec. 16. AS 39.30.150 is amended by adding a new subsection to read:

16 (c) An employee of a participating employer is considered to have
17 agreed to have his wages reduced by an amount equal to one-half the
18 total contribution which the participating employer is required to make
19 on behalf of the employee under this section.

20 * Sec. 17. AS 39.30 is amended by adding a new section to read:

21 Sec. 39.30.155. DUTIES OF THE PUBLIC EMPLOYEES RETIREMENT BOARD.

22 (a) The Public Employees Retirement Board (AS 39.35.030) shall

23 (1) hold regular and special meetings it considers necessary
24 to carry out its responsibilities relating to the supplemental employee
25 benefit program; all meetings are open to the public and the board shall
26 keep a full record of all its proceedings;

27 (2) adopt, with modifications it considers proper, regula-
28 tions recommended by the administrator for carrying out the supplemental
29 employee benefit program, and regulations providing employees the oppor-

1 tunity to periodically change distribution of contributions among the
2 supplemental benefit options listed in AS 39.30.160(a);

3 (3) consider matters referred to it by the administrator in
4 connection with changes in policy and revisions of the supplemental
5 employee benefit program;

6 (4) act as an appeals board, hold hearings at the request of
7 an employer, employee, surviving spouse, or a beneficiary on decisions
8 made by the administrator that relate to the payment of benefits under
9 the supplemental employee benefit program, and submit its findings to
10 the administrator;

11 (5) prescribe policies for the operation of the supplemental
12 employee benefit program and take other action which it considers neces-
13 sary to carry out the purposes of that program;

14 (6) advise the Department of Administration concerning the
15 features to be included in the benefit options provided under AS 39.30.-
16 160(a).

17 (b) In this section "administrator" means the administrator of the
18 public employees' retirement system appointed under AS 39.35.050.

19 * Sec. 18. AS 39.30.160(a) is amended to read:

20 (a) The Department of Administration shall, in accordance with
21 policies prescribed by regulations of the Public Employees Retirement
22 Board, provide to employees for whom benefit accounts are established
23 under AS 39.30.150 the following benefit options:

- 24 (1) supplemental health benefits,
25 (2) supplemental death benefits,
26 (3) supplemental disability benefits,
27 (4) supplemental survivor benefits, and
28 (5) supplemental annuities.

29 * Sec. 19. AS 39.30.160(b) is amended to read:

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

6 * Sec. 20. AS 39.30.160(c) is amended to read:

7 (c) The entire amounts paid by participating employers [THE STATE],
8 after the deduction for administrative costs under AS 39.30.150, into
9 the special individual benefit accounts under AS 39.30.150 shall be used
10 for supplemental benefits under this section.

11 * Sec. 21. AS 39.30.160(e) is amended to read:

12 (e) Regulations adopted by the Public Employees Retirement Board
13 [DEPARTMENT OF ADMINISTRATION] implementing AS 39.30.150 and this sec-
14 tion are not subject to the Administrative Procedure Act (AS 44.62).

15 * Sec. 22. AS 39.30 is amended by adding new sections to read:

16 Sec. 39.30.170. PARTICIPATION IN PROGRAM. (a) An employer may
17 become a participating employer in the employee benefits program under
18 AS 39.30.150 - 39.30.180, if

19 (1) the employer participates as an employer in the public
20 employees' retirement system (AS 39.35); and

21 (2) the employer

22 (A) is eligible for membership in but has never elected
23 to become a member of the federal social security system; or

24 (B) withdraws from membership in the federal social
25 security system.

26 (b) In order to become a participating employer, the employer
27 shall file a request with the commissioner. The request may be made
28 only after adoption of a resolution by the legislative body of a munic-
29 ipality, if the employer is a municipality, or by the board of directors,

1 if the employer is a public organization, and after approval of the
2 resolution by the official required by law to approve the resolution. A
3 certified copy of the resolution shall be filed with the commissioner.

4 (c) The commissioner shall approve the request if he finds that
5 the employer has never participated in the federal social security
6 system or has withdrawn from participation in the federal social secur-
7 ity system.

8 (d) The employer may begin participation as a participating em-
9 ployer covered by AS 39.30.150 - 39.30.180 on the date designated by the
10 commissioner.

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

12 (1) "commissioner" means the commissioner of the Department
13 of Administration;

14 (2) "participating employer" means

15 (A) the State of Alaska; and

16 (B) an employer who

17 (i) is an employer as defined in AS 39.35.680(17);

18 (ii) has never participated in or has withdrawn from
19 participation in the federal social security system; and

20 (iii) whose participation in the supplemental em-
21 ployee benefits program has been approved by the commissioner.

22 * Sec. 23. AS 39.35.040 is amended by adding new paragraphs to read:

23 (9) to exercise the duties set out in AS 39.30.155 with
24 respect to the supplemental employee benefit program (AS 39.30.150 -
25 39.30.160);

26 (10) to exercise the duties set out in AS 39.45.025 with
27 respect to the deferred compensation program for state employees.

28 * Sec. 24. AS 39.35.050 is amended to read:

29 Sec. 39.35.050. ADMINISTRATOR. The commissioner shall appoint an

1 administrator in charge of the public employees' retirement system and
2 the supplemental employee benefit program (AS 39.30.150 - 39.30.160).

3 * Sec. 25. AS 39.35.060 is amended by adding a new paragraph to read:

4 (7) formulate and recommend to the board regulations to
5 govern the operation of the supplemental employee benefit program
6 (AS 39.30.150 - 39.30.160).

7 * Sec. 26. AS 39.35.120(b) is amended to read:

8 (b) Inclusion in the system is a condition of employment for an
9 employee except as otherwise provided for an elected official.

10 * Sec. 27. AS 39.35.125 is repealed and re-enacted to read:

11 Sec. 39.35.125. PARTICIPATION OF ELECTED OFFICIALS. (a) An
12 elected official is included in the system unless he files a written
13 waiver of coverage with the administrator. A waiver under this subsec-
14 tion waives coverage of future employment as an elected official, regard-
15 less of any change of employer. An elected official may file a waiver
16 under this subsection at any time after his election to office, including
17 the period before he takes the oath of his office. An elected official
18 may revoke a waiver under this subsection by filing a written revocation
19 with the administrator. A revocation under this subsection operates
20 prospectively only, and the elected official may not receive credited
21 service for service as an elected official while the waiver was in
22 effect. There is no limit on the number of times an elected official
23 may file a waiver or revocation under this subsection.

24 (b) Service as an elected official before January 1, 1981, with an
25 employer may be included retroactively as credited service with the
26 system if the elected official or former elected official makes retro-
27 active contributions equal to what he would have made if he had been
28 included in the system when he took the oath of his office as an elected
29 official. The rate used to calculate the retroactive contributions may

1 not be less than the rate in effect on January 1, 1961. An elected
2 official or former elected official must claim prior service and make
3 retroactive contributions before February 1, 1982. An elected official
4 or former elected official may not receive credited service under this
5 subsection for any period in which he was receiving a retirement benefit
6 from the system. An elected official or former elected official receiv-
7 ing a retirement benefit from the system on January 1, 1981, is not
8 eligible to claim credited service under this subsection unless he is
9 reemployed as an active member and claims the credited service before
10 February 1, 1982. Service as an elected official with an employer
11 constitutes employment as an active member so long as no waiver of
12 coverage under (a) of this section is in effect.

13 (c) An elected official included in the system and his employer
14 are liable for contributions whenever he is an elected official unless a
15 waiver of coverage under (a) of this section is in effect.

16 * Sec. 28. AS 39.35 is amended by adding a new section to read:

17 Sec. 39.35.156. TEMPORARY SERVICE CREDIT. (a) A vested employee
18 is entitled to credited service for periods in which he regularly ren-
19 dered full-time personal service to an employer but was not qualified to
20 participate in the system because of the exclusion of temporary workers
21 as described in AS 39.35.680(21)(C)(iii). Benefits are not payable on
22 this credited service unless the employee makes retroactive contribu-
23 tions to the system for the period of time that credited service is
24 claimed. The retroactive contribution is the full actuarial cost of
25 providing benefits for the credited service claimed.

26 (b) To obtain credited service under this section, an employee
27 must elect to do so and must verify his period of temporary service
28 before July 1, 1981, or within one year following the date when the
29 employee first becomes vested under this chapter, if later. When eligi-

1 bility for temporary service credit has been established, an indebted-
2 ness shall be determined as provided in (a) of this section. Interest as
3 prescribed by regulation accrues on that indebtedness beginning July 1,
4 1981, or one year following the date an employee first becomes vested,
5 whichever is later. Any outstanding indebtedness existing at the time
6 an employee retires will require an actuarial adjustment to the benefits
7 payable based on the temporary service.

8 (c) A deferred vested employee on July 1, 1980, is eligible to
9 claim credited service under (a) of this section. To obtain credited
10 service under this section, a deferred vested employee must elect to do
11 so and must verify his period of temporary service before July 1, 1981.
12 When eligibility for temporary service credit has been established, an
13 indebtedness shall be determined as provided in (a) of this section.
14 Interest as prescribed by regulation accrues on that indebtedness begin-
15 ning July 1, 1981. Any outstanding indebtedness existing at the time a
16 person retires will require an actuarial adjustment to the benefits
17 payable based upon the temporary service.

18 (d) The credited service granted under this section may not be
19 used to satisfy the credited service requirements for normal or early
20 retirement.

21 * Sec. 29. AS 39.35.360(a) is repealed and re-enacted to read:

22 (a) An employee employed before January 1, 1980, who completes
23 three years of credited service with the state after January 1, 1961,
24 for which the employee makes contributions required by this chapter is
25 entitled to credited service for service rendered (1) before January 1,
26 1961, as an employee of the State and former Territory of Alaska; (2)
27 before January 1, 1961, as an employee of the United States government
28 in Alaska, excluding service in the armed forces of the United States;
29 or (3) after January 1, 1961, as a peace officer or correctional officer

of a participating political subdivision of the state if the employee is
2 vested and is an active peace officer in the system as of July 1, 1980.
3 The retirement benefits payable to an employee under this section shall
4 be reduced by the amount of the retirement pension benefits paid to him
5 by the United States government for the same period of service.

6 * Sec. 30. AS 39.35.360 is amended by adding a new subsection to read:

7 (h) An employee of the state is eligible to receive credited
8 service as provided under AS 39.35.300(b) for service rendered as a
9 permanent part-time employee before January 1, 1976. To receive retro-
10 active credited service under this subsection, the employee must claim
11 the service before July 1, 1981. When the employee claims retroactive
12 credited service, an indebtedness of the employee to the system shall be
13 established. The amount of this indebtedness is equal to the contribu-
14 tions the employee would have made if he had been eligible for membership
15 in the system. The rate used to calculate the contributions may not be
16 less than the rate in effect on January 1, 1961. Interest as prescribed
17 by regulation accrues on the indebtedness beginning July 1, 1981. Any
18 outstanding indebtedness which exists at the time the employee retires
19 will require an actuarial adjustment to the benefits which are based on
20 retroactive credited service under this subsection.

21 * Sec. 31. AS 39.35.370 is amended by adding a new subsection to read:

22 (f) A member who is vested in the system as a peace officer or
23 fireman at the time he incurs a permanent disability of at least 33-1/3
24 percent under workers' compensation and who (1) undergoes retraining
25 because of the disability; and (2) is subsequently employed with the
26 state or other employer in a position other than peace officer or fire-
27 man, is eligible for a normal retirement benefit as a peace officer or
28 fireman under (a) and (c) of this section when he has completed 20 years
29 of credited service.

1 * Sec. 32. AS 39.35.475 is repealed and re-enacted to read:

2 Sec. 39.35.475. POST-RETIREMENT PENSION ADJUSTMENT. (a) When the
3 administrator determines that the cost of living has increased and the
4 financial condition of the retirement fund permits, he shall increase
5 benefit payments to persons receiving benefits under this system.

6 (b) The amount of the increase in benefit payments may not exceed
7 the greater of

8 (1) the increase in the cost of living since the date of
9 retirement; or

10 (2) four percent of the retirement benefit compounded for
11 each year of retirement.

12 (c) If at the time of first receiving a retirement benefit a
13 member was receiving a disability benefit under this system, the adminis-
14 trator shall include the time during which the member received the
15 disability benefit in determining the number of years of retirement
16 under this section.

17 (d) An increase in benefit payments under this section is effec-
18 tive July 1 of the year for which the increase is granted.

19 (e) The administrator shall implement this section by regulation.

20 * Sec. 33. AS 39.35.485(a) is amended to read:

21 (a) An employee who is eligible for a benefit calculated in accor-
22 dance with AS 39.35.370(c) is entitled to a benefit of at least \$25
23 [\$17.50] a month for each year of credited service, not including adjust-
24 ments made under AS 39.35.380, 39.35.410, 39.35.450, 39.35.475 and
25 39.35.480.

26 * Sec. 34. AS 39.35.680(14) is amended to read:

27 (14) "elected official" means a person [MEMBER] whose com-
28 pensation results from personal services rendered to an employer as an
29 elected representative [AND WHO ELECTS COVERAGE UNDER AS 39.35.125];

1 * Sec. 35. AS 39.45 is amended by adding a new section to read:

2 Sec. 39.45.025. DUTIES OF THE PUBLIC EMPLOYEES RETIREMENT BOARD.

3 (a) The Public Employees Retirement Board (AS 39.35.030) shall

4 (1) hold regular and special meetings it considers necessary
5 to carry out its responsibilities relating to the deferred compensation
6 program for state employees; all meetings are open to the public and the
7 board shall keep a full record of all its proceedings;

8 (2) adopt, with modifications it considers proper, regula-
9 tions recommended by the administrator for carrying out the deferred
10 compensation program for state employees;

11 (3) consider matters referred to it by the administrator in
12 connection with changes in policy and revisions of the deferred compen-
13 sation programs for state employees;

14 (4) act as an appeals board, hold hearings at the request of
15 an employer, employee, surviving spouse, or a beneficiary on decisions
16 made by the administrator that relate to the deferred compensation
17 program for state employees, and submit its findings to the adminis-
18 trator;

19 (5) prescribe the policies for the proper operation of the
20 deferred compensation program for state employees and take other action
21 which it considers necessary to carry out the intent and purpose of the
22 program.

23 (b) In this section "administrator" means the administrator of the
24 deferred compensation program for state employees.

25 * Sec. 36. AS 39.35.160(b) is repealed.

26 * Sec. 37. AS 24.20.500 - 24.20.570 and AS 39.30.160(d) are repealed.

27 * Sec. 38. AS 39.35.360(c) is repealed.

28 * Sec. 39. AS 22.25.045 is repealed.

29 * Sec. 40. The benefits payable under sec. 1, ch. 102, SLA 1951, as

1 increased by ch. 85, SLA 1970 and ch. 134, SLA 1975, are further increased by
2 \$100 a month for each recipient.

3 * Sec. 41. The following persons may receive any increase in benefits
4 resulting from this Act for which they are otherwise eligible:

- 5 (1) a deferred vested member under AS 14.25 or AS 39.35;
6 (2) a person receiving benefits under AS 14.25 or AS 39.35 on the
7 effective date of this Act;
8 (3) a person receiving benefits under sec. 1, ch. 102, SLA 1951
9 (as to the increase in sec. 40 of this Act only).

10 * Sec. 42. A member of the Alaska National Guard retirement system who is
11 receiving a retirement benefit under AS 26.05.222 - 26.05.227 on the effec-
12 tive date of this Act shall have that retirement benefit increased to \$100
13 per month beginning July 1, 1980.

14 * Sec. 43. AS 39.35.125(a), as re-enacted in sec. 23 of this Act, applies
15 to an elected official holding office on or after January 1, 1981, even
16 though he may have assumed office before that date.

17 * Sec. 44. (a) Notwithstanding AS 22.25.010(f), a person who had credited
18 service under the public employees' retirement system (AS 39.35) as a district
19 judge, as a magistrate, or as a deputy magistrate for service before July 1,
20 1967; and who has credited service of less than five years under the judicial
21 retirement system (AS 22.25) as a district judge, as a magistrate, or as a
22 deputy magistrate before the effective date of this Act, may have his credited
23 service under the public employees' retirement system and his credited service
24 under the judicial retirement system reinstated as credited service with the
25 public employees' retirement system by

- 26 (1) making a written election to receive his retirement coverage
27 and benefits under the public employees' retirement system (AS 39.35) rather
28 than under the judicial retirement system (AS 22.25) before July 1, 1981; and
29 (2) paying to the public employees' retirement system (AS 39.35)

1 the amount of all contributions covering service before July 1, 1967, which
2 were previously refunded to him by that system.

3 (b) A written election made under (a)(1) of this section is irrevoc-
4 able.

5 * Sec. 45. The retirement benefit payable to a member of the teachers'
6 retirement system who is receiving a normal retirement benefit under AS 14.-
7 25.110 on the effective date of this Act, and who at the time of his retire-
8 ment was receiving a disability benefit under the teachers' retirement system,
9 shall be increased by a percentage equal to the percentage of all post-retire-
10 ment pension adjustments payable under AS 14.25.143 during the period that
11 the member was receiving a disability benefit.

12 * Sec. 46. The retirement benefit payable to a member of the public
13 employees' retirement system who is receiving a normal retirement benefit
14 under AS 39.35.370 on the effective date of this Act, and who at the time of
15 his retirement was receiving a disability pension under the public employees'
16 retirement system, shall be increased by a percentage equal to the percentage
17 of all post-retirement pension adjustments payable under AS 39.35.475 during
18 the period that the member was receiving a disability benefit.

19 * Sec. 47. Sections 15, 16, 19, 20, 22, and 36 of this Act are retro-
20 active to January 1, 1980.

21 * Sec. 48. Section 40 of this Act is retroactive to January 1, 1978.

22 * Sec. 49. Sections 1, 3 - 6, 17, 18, 21, 23 - 25, 28 - 32, 35, 37, 40,
23 41(2) and (3), 42, and 44 - 46 of this Act take effect July 1, 1980.

24 * Sec. 50. Sections 2, 26, 27, 33, 34, 38, 41(1), and 43 of this Act take
25 effect January 1, 1981.

26 * Sec. 51. Sections 7 - 14 and 39 of this Act take effect July 1, 1981.

27 * Sec. 52. Sections 47 - 52 of this Act take effect immediately in accor-
28 dance with AS 01.10.070(c).

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