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Referred: State Affairs and
Finance

1 IN THE SENATE

BY BRADLEY, HOHMAN AND KELLY

2 SENATE BILL NO. 262

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 TWELFTH LEGISLATURE - FIRST SESSION

5 A BILL

6 For an Act entitled: "An Act relating to the Alaska National Guard and
7 Alaska Naval Militia; and providing for an effective
8 date."

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

10 * Section 1. AS 26.05.223 is amended to read:

11 Sec. 26.05.223. COMMENCEMENT OF PARTICIPATION IN SYSTEM. A
12 member of the Alaska National Guard or Alaska Naval Militia shall be
13 included in this system upon commencement of membership in the Alaska
14 National Guard [,] or [ON JANUARY 1, 1973, WHICHEVER IS LATER, OR UPON
15 COMMENCEMENT OF MEMBERSHIP IN THE] Alaska Naval Militia [OR ON JULY 1,
16 1980, WHICHEVER IS LATER].

17 * Sec. 2. AS 26.05.224 is amended to read:

18 Sec. 26.05.224. RETIREMENT BENEFITS. (a) A [AN ACTIVE] member
19 of the Alaska National Guard [, OR A FORMER MEMBER WHO WAS AN ACTIVE
20 MEMBER] on or after January 1, 1971 [1969], or a member of the Alaska
21 Naval Militia on or after July 1, 1979 [1980], is eligible for a retire-
22 ment pension

23 (1) upon voluntary retirement from the Alaska National Guard
24 or Alaska Naval Militia after a total of 20 years or more of [SATISFAC-
25 TORY] service in the Alaska National Guard, Alaska Naval Militia, or
26 active service in the armed forces of the United States [, AND THE
27 RESERVES OF THEM, OR ANY COMBINATION OF SERVICE IN THESE COMPONENTS IF
28 AT LEAST FIVE YEARS OF THE SERVICE IS IN THE ALASKA NATIONAL GUARD OR
29 ALASKA NAVAL MILITIA]; or

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

4 (b) The retirement pension is \$100 a month, payable for the same
5 number of months that the member participated [SATISFACTORILY] in the
6 Alaska National Guard or Alaska Naval Militia.

7 (c) In the case of voluntary retirement an [AN] eligible member
8 or former member may elect to receive his retirement pension beginning
9 on the first day of the month following his 55th birthday or separation
10 from the Alaska National Guard or Alaska Naval Militia, whichever is
11 later. In the case of involuntary retirement because of federal stan-
12 ards an eligible member or former member may receive his retirement
13 pension on the first day of the first month after his separation from
14 the Alaska National Guard or Alaska Naval Militia. The [IN WHICH HE
15 BECOMES ELIGIBLE FOR RETIREMENT, OR THE] member or former member may
16 elect to defer payment to a later date. Payment of a deferred retire-
17 ment benefit may not begin until application for the benefit is filed
18 with and approved by the Department of Military Affairs. [DEFERRED
19 RETIREMENT PAYMENTS MUST BE MADE MONTHLY AT THE RATE OF \$100.]

20 (d) A retirement benefit payable to a member at the time of the
21 death of the member shall be paid in a lump sum to the designated
22 beneficiary of the member. The member may change or revoke the desig-
23 nation of a beneficiary without notice to the beneficiary at any time.
24 If a member designates more than one beneficiary, each shall share
25 equally unless the member specifies a different allocation. The desig-
26 nation of a beneficiary and a change or revocation of a beneficiary
27 shall be made on a form provided by the Department of Military Affairs
28 and is not effective until filed with the Department of Military
29 Affairs. If a member fails to designate a beneficiary or if no desig-

1 nated beneficiary survives the member, the death benefit under this
2 subsection shall be paid to his estate regardless of whether he filed an
3 application for payment of retirement benefits.

4 * Sec. 3. AS 26.05.225 is amended to read:

5 Sec. 26.05.225. EARLIER SERVICE. A person who was a member of
6 the Alaska National Guard [ON OR AFTER JANUARY 1, 1969,] is entitled to
7 credit for his service to the state and former territory of Alaska as a
8 member of the [NATIONAL GUARD AND] Territorial Guard [BEFORE AND AFTER
9 JANUARY 1, 1969,] in determining eligibility for retirement benefits
10 under AS 26.05.224.

11 * Sec. 4. AS 26.05.260(c) is amended to read:

12 (c) A member [ENLISTED PERSONS] of the Alaska [ARMY NATIONAL
13 GUARD, AIR] National Guard and Alaska Naval Militia shall receive for
14 each day of active service for the state, under orders of the governor,
15 pay and allowances equal to those provided by federal laws and regula-
16 tions for members [ENLISTED PERSONS] of like grades of the United
17 States Army, United States Air Force and United States Navy, plus com-
18 pen-sation equivalent to the per diem allowance payable to state officers
19 and employees for the locale at which the duty is being performed.
20 [HOWEVER, NO ENLISTED PERSON SHALL RECEIVED PAY AND ALLOWANCES OF LESS
21 THAN \$6 A DAY.]

22 * Sec. 5. AS 26.05.260 is amended by adding new subsections to read:

23 (h) A member of the Alaska National Guard or Alaska Naval Militia,
24 while on active duty for the state and lawfully performing his duties,
25 including transit to and from his home of record, who is injured or
26 suffers a disability while performing those duties is entitled to all
27 compensation and benefits available under the Alaska Workers' Compen-
28 sation Act (AS 23.30) for the injury or disability.

29 (i) The designated beneficiary of a member of the Alaska National

1 Guard or Alaska Naval Militia who dies as a result of an injury or
2 disability received while on active duty for the state and lawfully
3 performing his duties, including transit to and from his home of record,
4 is entitled to receive death benefits allowed beneficiaries under the
5 Alaska Workers' Compensation Act (AS 23.30). In addition, the member's
6 beneficiaries shall be sent, within 15 days of receipt of notice of the
7 member's death, payment in an amount equal to six times the member's
8 monthly salary as designated in (c) of this section, including special
9 and incentive pay, applicable at the date of the member's death. This
10 additional payment will be made only if the death occurs on or before
11 the 120th day after the member's release from state active duty, and
12 only if the state surgeon in the Alaska National Guard or Alaska Naval
13 Militia first determines that the member's death resulted from an
14 injury or disability received during that active duty period. Desig-
15 nated beneficiaries shall be paid the pay and allowances accrued but
16 unpaid to the member at the time of death within 15 days after the date
17 of notice of his death is received. Beneficiaries are considered
18 designated when they are designated as beneficiaries in the member's
19 military personnel record file. If the member does not designate a
20 beneficiary, the beneficiary under this subsection shall be determined
21 in accordance with the Alaska Workers' Compensation Act (AS 23.30).

22 * Sec. 6. AS 26.05. is amended by adding new sections to read:

23 Sec. 26.05.297. ALASKA NATIONAL GUARD SENIOR ROTC SCHOLARSHIP
24 PROGRAM. (a) There is established within the Department of Military
25 Affairs an Alaska National Guard Senior ROTC scholarship program under
26 which eligible persons will receive a grant equivalent to the current
27 cost of resident tuition, fees, and books at the University of Alaska
28 for each eligible semester to the extent funds are available and subject
29 to the projected officer needs of the Alaska National Guard and the

1 Alaska Naval Militia.

2 (b) To be eligible for a scholarship under this section, a person
3 must

4 (1) be enrolled as a full-time student at the University of
5 Alaska and qualify for resident tuition status;

6 (2) be enrolled and participating in the Senior ROTC program
7 at the University of Alaska for the qualifying semester;

8 (3) be a satisfactory participating member of the Alaska
9 National Guard or Alaska Naval Militia;

10 (4) maintain a satisfactory standard of academic achievement;

11 (5) meet all current federal requirements for appointment as
12 an officer in the Alaska National Guard or Alaska Naval Militia; and

13 (6) be selected by the adjutant general.

14 (c) Scholarship benefits under this section may be awarded in
15 addition to any assistance granted under AS 26.05.295 or 26.05.296.

16 Sec. 26.05.346. DEFINITION. As used in this chapter, "member of
17 the Alaska National Guard or Alaska Naval Militia" means a commissioned
18 or warrant officer or enlisted person in the Alaska National Guard or
19 Alaska Naval Militia.

20 * Sec. 7. AS 14.25.100(a) is amended to read:

21 (a) A member who served as an active member of the armed forces
22 of the United States after December 31, 1939 may receive creditable
23 service under this system up to a maximum of five years. Each 12
24 months of military service equals one school year, and lesser military
25 periods will be determined for credit purposes in a proportionate ratio
26 to a year. To receive creditable service under this section, the
27 member must have received a discharge other than dishonorable. Except
28 as provided in (f) of this section, credit [CREDIT] for service in the
29 armed forces shall be granted only if the member makes contributions

1 for the service [IN THE SAME MANNER AS REQUIRED FOR OUTSIDE SERVICE]
2 under AS 14.25.060. [THE MILITARY SERVICE CREDITED UNDER THIS SECTION
3 SHALL BE INCLUDED IN THE 10-YEAR LIMITATION OF OUTSIDE SERVICE AS
4 SPECIFIED IN AS 14.25.060, EXCEPT IF ENTRY INTO THE ARMED FORCES IS
5 IMMEDIATELY PRECEDED BY ALASKA MEMBERSHIP SERVICE AND FOLLOWING DIS-
6 CHARGE IS CONTINUED BY ALASKA MEMBERSHIP SERVICE WITHIN ONE YEAR THERE-
7 AFTER, SERVICE MAY NOT BE COUNTED FOR PURPOSES OF DETERMINING THE
8 APPLICABILITY OF THE 10-YEAR LIMITATION ON OUTSIDE SERVICE.]

9 * Sec. 8. AS 14.25.100 is amended by adding a new subsection to read:

10 (f) Notwithstanding AS 14.25.060, a member is not required to
11 make contributions for credit for service in the armed forces if the
12 member is a member or former member of the Alaska National Guard, or
13 Alaska Naval Militia, or a former member of the Territorial Guard, with
14 a total period of membership in those organizations of at least 20
15 years when added to the armed forces military service claimed. Such a
16 member who has made contributions for military service credit is en-
17 titled to a refund of those contributions.

18 * Sec. 9. AS 14.25 is amended by adding a new section to read:

19 Sec. 14.25.103. CREDIT FOR MEMBERSHIP IN THE ALASKA NATIONAL
20 GUARD AND ALASKA NAVAL MILITIA. (a) A teacher who is a member of the
21 Alaska National Guard or Alaska Naval Militia may receive creditable
22 service under this system for all or any part of his credited service
23 under the Alaska National Guard retirement system (AS 26.05.222 -
24 26.05.226) by electing to forgo four months of credited service under
25 the National Guard retirement system for each month of service to be
26 credited under this system. Each 12 months of service credited under
27 this section equals one school year, and lesser periods of service
28 credit will be determined in a proportionate ratio to a year.

29 (b) A teacher who is a former member of the Alaska National Guard

1 or Alaska Naval Militia with a least six years credited service under
2 the Alaska National Guard retirement system may receive creditable
3 service under (a) of this section. If the teacher has received retire-
4 ment pension benefits under the Alaska National Guard retirement system
5 and wishes to claim creditable service with respect to months for which
6 benefits have been paid, he is indebted to the retirement fund in the
7 amount of those benefits. Compound interest at the rate prescribed by
8 regulation shall be added to the arrearage indebtedness beginning the
9 date the teacher received the first benefit for which he is indebted to
10 the retirement fund or July 1, 1979, whichever is later, and continuing
11 to the date of payment or the date of retirement, whichever occurs
12 first.

13 (c) Except as provided in (b) of this section, a teacher is not
14 required to make contributions for creditable service allowed under
15 this section.

16 (d) The creditable service allowed under this section may not
17 exceed an aggregate period of five years.

18 (e) A teacher may not receive creditable service under this sec-
19 tion if credit for membership in the Alaska National Guard or Alaska
20 Naval Militia was granted under the public employees' retirement system
21 (AS 39.35).

22 (f) As used in this section, "credited service under the Alaska
23 National Guard retirement system" means the total number of months that
24 a person included in that system was a member of the Territorial Guard,
25 Alaska National Guard, or Alaska Naval Militia.

26 * Sec. 10. AS 14.25.060(c) is amended to read:

27 (c) The total military service claimed may not exceed five years.
28 The total Alaska National Guard and Alaska Naval Militia service claimed
29 may not exceed five years. The combined total of outside, [AND] mili-

1 tary, and Alaska National Guard and Alaska Naval Militia service may
2 not exceed 10 years, except that, if entry into the armed forces is
3 immediately preceded by membership service and within one year after
4 discharge is continued by membership service, that service will not be
5 counted for purposes of determining the applicability of the 10-year
6 limitation on the combined total of outside, [AND] military, and Alaska
7 National Guard and Alaska Naval Militia service. The combined total of
8 outside, military, Alaska National Guard and Alaska Naval Militia, and
9 Alaska BIA service may not exceed 15 years.

10 * Sec. 11. AS 39.35.340 is amended by adding a new subsection to read:

11 (i) An employee is not required to make contributions for credited
12 service under this section for his service as a member or former member
13 of the Alaska National Guard or Alaska Naval Militia, or a former
14 member of the Territorial Guard, with a total period of membership of
15 at least 20 years when added to the military service claimed. Such an
16 employee who has made contributions for credited service under this
17 section is entitled to a refund of those contributions. The deadlines
18 for verifying military service set out in (a), (b), (c), and (e) of
19 this section do not apply to an employee eligible for credited service
20 under this subsection.

21 * Sec. 12. AS 39.35 is amended by adding a new section to read:

22 Sec. 39.35.343. CREDIT FOR MEMBERSHIP IN THE ALASKA NATIONAL
23 GUARD AND ALASKA NAVAL MILITIA. (a) A vested employee who is a member
24 of the Alaska National Guard or Alaska Naval Militia may receive cre-
25 dited service under this system for all or any part of his credited
26 service under the Alaska National Guard and Alaska Naval Militia retire-
27 ment plan (AS 26.05.222 - 26.05.226) by electing to forgo four months
28 of credited service under that retirement plan for each month of service
29 to be credited under this system.

1 (b) A vested employee who is a former member of the Alaska
2 National Guard or Alaska Naval Militia with at least six years credited
3 service under the Alaska National Guard and Alaska Naval Militia retire-
4 ment plan may receive credited service under (a) of this section. If
5 the employee has received retirement pension benefits under the Alaska
6 National Guard and Alaska Naval Militia retirement plan and wishes to
7 claim credited service with respect to months for which benefits have
8 been paid, he is indebted to this system in the amount of those bene-
9 fits. Interest as prescribed by regulation accrues on this indebtedness
10 commencing on the date the employee received the first benefit for
11 which he is indebted to this system or July 1, 1981, whichever is
12 later. Any outstanding indebtedness which exists at the time a person
13 is appointed to retirement will necessitate an actuarial adjustment to
14 the benefits payable under this section.

15 (c) Except as provided in (b) of this section, an employee is not
16 required to make contributions for credited service allowed under this
17 section.

18 (d) The credited service allowed under this section may not
19 exceed an aggregate period of five years and may not be used to satisfy
20 the credited service requirements for normal or early retirement.

21 (e) An employee may not receive credited service under this sec-
22 tion if credit for membership in the Alaska National Guard or Alaska
23 Naval Militia was granted under AS 14.25.

24 (f) As used in this section, "credited service under the Alaska
25 National Guard and Alaska Naval Militia retirement plan" means the
26 total number of months that a person included in that plan was a member
27 of the Territorial Guard, Alaska National Guard, or Alaska Naval
28 Militia.

29 * Sec. 13. The following laws are repealed: AS 26.05.227, and 26.05.-

1 260(b), (d), (e), (f), and (g).

2 * Sec. 14. A retired teacher or teacher on deferred vested status on
3 July 1, 1981 is eligible for any increase in benefits resulting from the
4 amendments to AS 14.25 in secs. 7 - 9 of this Act.

5 * Sec. 15. A retired employee or deferred vested employee on July 1,
6 1981, is eligible for any increase in benefits resulting from the amendments
7 to AS 39.35 in secs. 11 and 12 of this Act.

8 * Sec. 16. This Act takes effect July 1, 1981.
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