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Referred: State Affairs and
Finance

1 IN THE SENATE

BY BRADLEY, HOHMAN AND KELLY

2 SPONSOR SUBSTITUTE FOR 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(a) is amended to read:

18 (a) A [AN ACTIVE] member of the Alaska National Guard [, OR A
19 FORMER MEMBER WHO WAS AN ACTIVE MEMBER] on or after January 1, 1971
20 [1969], or a member of the Alaska Naval Militia on or after July 1,
21 1979, with at least five years of service in the Alaska National Guard
22 or Naval Militia [1980], is eligible for a retirement 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 satis-
25 factory 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, regard-
3 less of length of service.

4 * Sec. 3. AS 26.05.224(d) is amended to read:

5 (d) A retirement benefit payable to a member at the time of the
6 death of the member shall be paid in a lump sum to the designated
7 beneficiary of the member. The member may change or revoke the desig-
8 nation of a beneficiary without notice to the beneficiary at any time.
9 If a member designates more than one beneficiary, each shall share
10 equally unless the member specifies a different allocation. The desig-
11 nation of a beneficiary and a change or revocation of a beneficiary
12 shall be made on a form provided by the Department of Military Affairs
13 and is not effective until filed with the Department of Military
14 Affairs. If a member fails to designate a beneficiary or if no desig-
15 nated beneficiary survives the member, the death benefit under this
16 subsection shall be paid to his estate regardless of whether he filed
17 an application for payment of retirement benefits.

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

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

25 * Sec. 5. AS 26.05.260(c) is amended to read:

26 (c) A member [ENLISTED PERSONS] of the Alaska [ARMY NATIONAL
27 GUARD, AIR] National Guard and Alaska Naval Militia shall receive for
28 each day of active service for the state, under orders of the governor,
29 pay and allowances equal to those provided by federal laws and regula-

1 tions for members [ENLISTED PERSONS] of like grades of the United
2 States Army, United States Air Force and United States Navy, plus com-
3 pen-sation equivalent to the per diem allowance payable to state
4 officers and employees for the locale at which the duty is being
5 performed. [HOWEVER, NO ENLISTED PERSON SHALL RECEIVED PAY AND ALLOW-
6 ANCES OF LESS THAN \$6 A DAY.]

7 * Sec. 6. AS 26.05.260 is amended by adding new subsections to read:

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

14 (i) The designated beneficiary of a member of the Alaska National
15 Guard or Alaska Naval Militia who dies as a result of an injury or
16 disability received while on active duty for the state and lawfully
17 performing his duties, including transit to and from his home of record,
18 is entitled to receive death benefits allowed beneficiaries under the
19 Alaska Workers' Compensation Act (AS 23.30). In addition, the member's
20 beneficiaries shall be sent, within 15 days of receipt of notice of the
21 member's death, payment in an amount equal to six times the member's
22 monthly salary as designated in (c) of this section, including special
23 and incentive pay, applicable at the date of the member's death. This
24 additional payment will be made only if the death occurs on or before
25 the 120th day after the member's release from state active duty, and
26 only if the state surgeon in the Alaska National Guard or Alaska Naval
27 Militia first determines that the member's death resulted from an
28 injury or disability received during that active duty period. Desig-
29 nated beneficiaries shall be paid the pay and allowances accrued but

1 unpaid to the member at the time of death within 15 days after the date
2 of notice of his death is received. Beneficiaries are considered
3 designated when they are designated as beneficiaries in the member's
4 military personnel record file. If the member does not designate a
5 beneficiary, the beneficiary under this subsection shall be determined
6 in accordance with the Alaska Workers' Compensation Act (AS 23.30).

7 * Sec. 7. AS 26.05 is amended by adding new sections to read:

8 Sec. 26.05.297. ALASKA NATIONAL GUARD SENIOR ROTC SCHOLARSHIP
9 PROGRAM. (a) There is established within the Department of Military
10 Affairs an Alaska National Guard Senior ROTC scholarship program under
11 which eligible persons will receive a grant equivalent to the current
12 cost of resident tuition, fees, and books at the University of Alaska
13 for each eligible semester to the extent funds are available and sub-
14 ject to the projected officer needs of the Alaska National Guard and
15 the Alaska Naval Militia.

16 (b) To be eligible for a scholarship under this section, a person
17 must

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

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

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

24 (4) maintain a satisfactory standard of academic achieve-
25 ment;

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

28 (6) be selected by the adjutant general.

29 (c) Scholarship benefits under this section may be awarded in

1 addition to any assistance granted under AS 26.05.295 or 26.05.296.

2 Sec. 26.05.346. DEFINITION. As used in this chapter, "member of
3 the Alaska National Guard or Alaska Naval Militia" means a commissioned
4 or warrant officer or enlisted person in the Alaska National Guard or
5 Alaska Naval Militia.

6 * Sec. 8. AS 14.25.100(a) is amended to read:

7 (a) A member who served as an active member of the armed forces
8 of the United States after December 31, 1939 may receive creditable
9 service under this system up to a maximum of five years. Each 12
10 months of military service equals one school year, and lesser military
11 periods will be determined for credit purposes in a proportionate ratio
12 to a year. To receive creditable service under this section, the
13 member must have received a discharge other than dishonorable. Except
14 as provided in (f) of this section, credit [CREDIT] for service in the
15 armed forces shall be granted only if the member makes contributions
16 for the service [IN THE SAME MANNER AS REQUIRED FOR OUTSIDE SERVICE]
17 under AS 14.25.060. [THE MILITARY SERVICE CREDITED UNDER THIS SECTION
18 SHALL BE INCLUDED IN THE 10-YEAR LIMITATION OF OUTSIDE SERVICE AS
19 SPECIFIED IN AS 14.25.060, EXCEPT IF ENTRY INTO THE ARMED FORCES IS
20 IMMEDIATELY PRECEDED BY ALASKA MEMBERSHIP SERVICE AND FOLLOWING DIS-
21 CHARGE IS CONTINUED BY ALASKA MEMBERSHIP SERVICE WITHIN ONE YEAR THERE-
22 AFTER, SERVICE MAY NOT BE COUNTED FOR PURPOSES OF DETERMINING THE
23 APPLICABILITY OF THE 10-YEAR LIMITATION ON OUTSIDE SERVICE.]

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

25 (f) Notwithstanding AS 14.25.060, a member is not required to
26 make contributions for credit for service in the armed forces if the
27 member is a member or former member of the Alaska National Guard, or
28 Alaska Naval Militia, or a former member of the Territorial Guard, with
29 a total period of membership in those organizations of at least 20

1 years when added to the armed forces military service claimed. Such a
2 member who has made contributions for military service credit is en-
3 titled to a refund of those contributions.

4 * Sec. 10. AS 14.25 is amended by adding a new section to read:

5 Sec. 14.25.103. CREDIT FOR MEMBERSHIP IN THE ALASKA NATIONAL
6 GUARD AND ALASKA NAVAL MILITIA. (a) A teacher who is a member of the
7 Alaska National Guard or Alaska Naval Militia may receive creditable
8 service under this system for all or any part of his credited service
9 under the Alaska National Guard retirement system (AS 26.05.222 -
10 26.05.226) by electing to forgo four months of credited service under
11 the National Guard retirement system for each month of service to be
12 credited under this system. Each 12 months of service credited under
13 this section equals one school year, and lesser periods of service
14 credit will be determined in a proportionate ratio to a year.

15 (b) A teacher who is a former member of the Alaska National Guard
16 or Alaska Naval Militia with a least six years credited service under
17 the Alaska National Guard retirement system may receive creditable
18 service under (a) of this section. If the teacher has received retire-
19 ment pension benefits under the Alaska National Guard retirement system
20 and wishes to claim creditable service with respect to months for which
21 benefits have been paid, he is indebted to the retirement fund in the
22 amount of those benefits. Compound interest at the rate prescribed by
23 regulation shall be added to the arrearage indebtedness beginning the
24 date the teacher received the first benefit for which he is indebted to
25 the retirement fund or July 1, 1979, whichever is later, and continuing
26 to the date of payment or the date of retirement, whichever occurs
27 first.

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

1 this section.

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

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

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

12 * Sec. 11. AS 14.25.060(c) is amended to read:

13 (c) The total military service claimed may not exceed five years.
14 The total Alaska National Guard and Alaska Naval Militia service
15 claimed may not exceed five years. The combined total of outside,
16 [AND] military, and Alaska National Guard and Alaska Naval Militia
17 service may not exceed 10 years, except that, if entry into the armed
18 forces is immediately preceded by membership service and within one
19 year after discharge is continued by membership service, that service
20 will not be counted for purposes of determining the applicability of
21 the 10-year limitation on the combined total of outside, [AND]
22 military, and Alaska National Guard and Alaska Naval Militia service.
23 The combined total of outside, military, Alaska National Guard and
24 Alaska Naval Militia, and Alaska BIA service may not exceed 15 years.

25 * Sec. 12. AS 39.35.340 is amended by adding a new subsection to read:

26 (i) An employee is not required to make contributions for
27 credited service under this section for his service as a member or
28 former member of the Alaska National Guard or Alaska Naval Militia, or
29 a former member of the Territorial Guard, with a total period of

1 membership of at least 20 years when added to the military service
2 claimed. Such an employee who has made contributions for credited
3 service under this section is entitled to a refund of those contri-
4 butions. The deadlines for verifying military service set out in (a),
5 (b), (c), and (e) of this section do not apply to an employee eligible
6 for credited service under this subsection.

7 * Sec. 13. AS 39.35 is amended by adding a new section to read:

8 Sec. 39.35.343. CREDIT FOR MEMBERSHIP IN THE ALASKA NATIONAL
9 GUARD AND ALASKA NAVAL MILITIA. (a) A vested employee who is a member
10 of the Alaska National Guard or Alaska Naval Militia may receive cre-
11 dited service under this system for all or any part of his credited
12 service under the Alaska National Guard and Alaska Naval Militia
13 retirement plan (AS 26.05.222 - 26.05.226) by electing to forgo four
14 months of credited service under that retirement plan for each month of
15 service to be credited under this system.

16 (b) A vested employee who is a former member of the Alaska
17 National Guard or Alaska Naval Militia with at least six years credited
18 service under the Alaska National Guard and Alaska Naval Militia
19 retirement plan may receive credited service under (a) of this section.
20 If the employee has received retirement pension benefits under the
21 Alaska National Guard and Alaska Naval Militia retirement plan and
22 wishes to claim credited service with respect to months for which
23 benefits have been paid, he is indebted to this system in the amount of
24 those benefits. Interest as prescribed by regulation accrues on this
25 indebtedness commencing on the date the employee received the first
26 benefit for which he is indebted to this system or July 1, 1981,
27 whichever is later. Any outstanding indebtedness which exists at the
28 time a person is appointed to retirement will necessitate an actuarial
29 adjustment to the benefits payable under this section.

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

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

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

10 (f) As used in this section, "credited service under the Alaska
11 National Guard and Alaska Naval Militia retirement plan" means the
12 total number of months that a person included in that plan was a member
13 of the Territorial Guard, Alaska National Guard, or Alaska Naval
14 Militia.

15 * Sec. 14. The following laws are repealed: AS 26.05.227, and 26.05.-
16 260(b), (d), (e), (f), and (g).

17 * Sec. 15. A retired teacher or teacher on deferred vested status on
18 July 1, 1981 is eligible for any increase in benefits resulting from the
19 amendments to AS 14.25 in secs. 8 - 10 of this Act.

20 * Sec. 16. A retired employee or deferred vested employee on July 1,
21 1981, is eligible for any increase in benefits resulting from the amendments
22 to AS 39.35 in secs. 12 and 13 of this Act.

23 * Sec. 17. This Act takes effect July 1, 1981.
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