

Offered: 4/18/84
Referred: Rules

Original sponsors: Bussell, Barnes,
Clocksin, et al

1 IN THE HOUSE BY THE FINANCE COMMITTEE

2 CS FOR HOUSE BILL NO. 279 (Finance)

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 THIRTEENTH LEGISLATURE - SECOND SESSION

5 A BILL

6 For an Act entitled: "An Act authorizing participation by magistrates in
7 the judicial retirement system; and providing for an
8 effective date."

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

10 * Section 1. AS 22.25.010 is amended by adding a new subsection to
11 read:

12 (h) A magistrate may voluntarily retire at any time and has a
13 vested right to accrued retirement pay if the magistrate has served
14 five or more years as a magistrate. Retirement pay may not begin
15 until the magistrate has reached the age of 55, except that an
16 actuarially equivalent retirement pay may begin after the magistrate
17 has reached the age of 50. In order to retire under this subsection a
18 magistrate shall file an application for retirement with the
19 commissioner of administration. If a magistrate is eligible to
20 receive retirement pay at the time of retirement, the retirement pay
21 begins on the first day of the month following the date the
22 application for retirement is received by the commissioner of
23 administration.

24 * Sec. 2. AS 22.25.011 is amended to read:

25 Sec. 22.25.011. CONTRIBUTIONS. Each justice and judge appointed
26 after July 1, 1978, shall contribute seven percent of the base annual
27 salary received by the justice or judge to the judicial retirement
28 system. Contributions shall be made for all creditable service under
29 this chapter up to a maximum of 15 years, except that a magistrate

1 shall make contributions for all creditable service under this chapter
2 up to a maximum of 25 years. This contribution is made in the form of
3 a deduction from compensation, and is made even if the compensation
4 paid in cash to the justice or judge is reduced below the minimum
5 prescribed by law. Each justice and judge is considered to consent to
6 the deduction from compensation. Payment of compensation less the
7 deduction constitutes a full discharge of all claims and demands for
8 the services rendered by the justice or judge during the period
9 covered by the payment, except as to the benefits provided for under
10 this chapter. The contributions shall be credited to the judicial
11 retirement fund established in accordance with AS 22.25.048.

12 * Sec. 3. AS 22.25.020 is amended by adding a new subsection to read:

13 (b) A retired magistrate eligible for retirement pay shall
14 receive from the date of appointment to retirement, a benefit equal to
15 three percent of the average monthly compensation for each year of
16 credited service, to a maximum of 75 percent of the average monthly
17 compensation.

18 * Sec. 4. AS 22.25 is amended by adding a new section to read:

19 Sec. 22.25.021. POST RETIREMENT PENSION ADJUSTMENT. When a post
20 retirement pension adjustment is granted under AS 39.35.475, a post
21 retirement pension adjustment in the same amount is payable under this
22 chapter to retired magistrates in accordance with AS 39.35.475 and
23 Public Employees' Retirement System regulations.

24 * Sec. 5. AS 22.25.030(a) is amended to read:

25 (a) Upon the death of a justice or judge who has served for at
26 least two years, the surviving spouse is entitled to receive monthly
27 compensation equal to one-half of the month's retirement pay the
28 justice or judge would thereafter have been entitled to receive if
29 retired at the time of death. If at death the justice or judge was

1 not yet entitled to retirement pay, or was or would have been entitled
2 to less than 60 percent of the monthly salary authorized for the
3 office, or, in the case of a magistrate, was or would have been en-
4 titled to less than 60 percent of the magistrate's average monthly
5 compensation, the surviving spouse is entitled to monthly compensation
6 equal to 30 percent of the salary authorized for justices or judges,
7 respectively, at the time each monthly payment is made, or, in the
8 case of a magistrate, monthly compensation equal to 30 percent of the
9 magistrate's average monthly compensation. The surviving spouse of a
10 magistrate is entitled to benefits under AS 22.25.021.

11 * Sec. 6. AS 22.25 is amended by adding a new section to read:

12 Sec. 22.25.100. DEFINITIONS. In this chapter, unless the con-
13 text otherwise requires,

14 (1) "average monthly compensation" means the result ob-
15 tained by dividing the compensation earned by a magistrate during a
16 considered period by the number of months, including fractional
17 months, for which compensation was earned; the considered period
18 consists of the three consecutive calendar years during the period of
19 credited service that yield the highest average compensation or, if
20 the magistrate does not have three consecutive calendar years, the
21 period of credited service; a magistrate must have at least 115 days
22 of credited service in the last calendar year in order to have that
23 year be used as one of the three consecutive years;

24 (2) "judge" means a judge of the court of appeals, a
25 superior court judge, a district court judge or a magistrate;

26 (3) "justice" means a supreme court justice.

27 * Sec. 7. AS 39.35.680(21) is amended to read:

28 (21) "member" or "employee"

29 (A) means a person eligible to participate in the

- 1 system and who is covered by the system;
- 2 (B) includes
- 3 (i) active member;
- 4 (ii) inactive member;
- 5 (iii) vested member;
- 6 (iv) deferred vested member;
- 7 (v) non-vested member;
- 8 (vi) disabled member;
- 9 (vii) retired member;
- 10 (C) does not include
- 11 (i) former members;
- 12 (ii) persons compensated on a contractual or fee
- 13 basis;
- 14 (iii) casual or emergency workers or nonpermanent
- 15 employees as defined in AS 39.25.200;
- 16 (iv) persons covered by the Alaska Teachers'
- 17 Retirement System;
- 18 (v) employees of the division of marine trans-
- 19 portation engaged in operating the state ferry system who
- 20 are covered by a union or group retirement system to which
- 21 the state makes contributions;
- 22 (vi) justices of the supreme court or judges of
- 23 the court of appeals or of the superior or district courts
- 24 or magistrates of the district courts of Alaska;
- 25 (vii) the administrative director of courts ap-
- 26 pointed under art. IV, sec. 16 of the state constitution
- 27 unless the director [HE] becomes a member under AS 39.35.-
- 28 158; and
- 29 (viii) members of the elected public officers'

1 retirement system (former AS 39.37);

2 * Sec. 8. Notwithstanding AS 39.35.240, a person serving as a magis-
3 trate on July 1, 1984, may withdraw from the public employees' retirement
4 system (AS 39.35) and receive a refund of the balance of the employee
5 contribution account and employee savings account.

6 * Sec. 9. A person who is serving as a magistrate on July 1, 1984, may
7 receive prior service credit under AS 22.25 for service rendered as a
8 magistrate of the Alaska court system before the effective date of this Act
9 if the magistrate (1) withdraws from the public employees' retirement
10 system (AS 39.35); (2) receives a refund of all contributions made under
11 AS 39.35; (3) elects to receive service credit under AS 22.25 for prior
12 service as a magistrate; and (4) makes retroactive contributions for ser-
13 vice as a magistrate after January 3, 1959, including service before
14 July 1, 1978. Retroactive contributions under this section shall be at the
15 rate of seven percent of the salary the magistrate received during the
16 period for which the contributions are made. To be effective, an election
17 under (3) of this section must be made on or before June 30, 1985.

18 * Sec. 10. Notwithstanding the amendment to AS 39.35.680(21) made in
19 sec. 7 of this Act, a person serving as a magistrate on July 1, 1984, may
20 receive retirement benefits from the public employees' retirement system
21 for covered service before July 1, 1984, if a refund of public employees'
22 retirement system contributions is not made to the magistrate.

23 * Sec. 11. The amendments to AS 22.25 and AS 39.35.680(21) made in this
24 Act apply only to a magistrate who retires from state service after
25 June 30, 1984.

26 * Sec. 12. AS 22.25.010(g) is repealed.

27 * Sec. 13. This Act takes effect July 1, 1984.

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