

Introduced: 2/7/84
Referred: State Affairs and
Finance

1 IN THE SENATE

BY RAY

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SENATE BILL NO. 415

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IN THE LEGISLATURE OF THE STATE OF ALASKA

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THIRTEENTH LEGISLATURE - SECOND SESSION

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A BILL

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For an Act entitled: "An Act relating to employee benefits under the
Public Employees' Retirement System; and providing
for an effective date."

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

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* Section 1. AS 39.35.150 is repealed and reenacted to read:

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Sec. 39.35.150. REEMPLOYMENT OF RETIRED EMPLOYEES. (a) If a
retired employee subsequently becomes an active member, benefit pay-
ments may not be made during the period of reemployment. During the
period of reemployment, deductions from the employee's salary shall be
made in accordance with AS 39.35.160. Upon subsequent retirement, the
employee's original benefit payments shall resume and the employee
shall receive an additional pension calculated under (b) of this
section.

(b) An additional pension for periods of reemployment after
retirement is equal to the formula benefit for the employee's total
credited service, including the period of reemployment, less the
formula benefit for credited service before the period of reemploy-
ment, including any post-retirement pension adjustments that may have
been granted under AS 39.35.475, plus, in the case of an employee who
retires and is reemployed before the normal retirement age or an
employee who selects a level income option under AS 39.35.460 and is
reemployed before age 65, an actuarially determined increase to re-
flect the effect of the cessation of benefits during the period of
reemployment.

1 (c) An actuarial adjustment to an additional pension under (b) of
2 this section must be made in the case of an early retirement.

3 (d) In this section, "formula benefit" means a retirement bene-
4 fit computed under AS 39.35.370(c) without adjustment for early re-
5 tirement.

6 * Sec. 2. AS 39.35.450(e) is amended to read:

7 (e) If either the employee or contingent beneficiary dies before
8 the employee is appointed to retirement, the election becomes inopera-
9 tive. Once the employee is appointed to retirement, the election is
10 irrevocable. If a retired employee is reemployed and is subsequently
11 reappointed to retirement, those benefits earned during the period of
12 reemployment are subject to AS 39.35.150 [THE INITIAL ELECTION MADE
13 UNDER THIS SECTION, UNLESS THE CONTINGENT BENEFICIARY IS DECEASED. IF
14 THE CONTINGENT BENEFICIARY IS DECEASED, THE BENEFITS EARNED DURING THE
15 PERIOD OF REEMPLOYMENT ARE SUBJECT TO AS 39.35.370] or this section
16 [IF ANOTHER CONTINGENT BENEFICIARY WAS ELECTED DURING THE PERIOD OF
17 REEMPLOYMENT]. All other benefits earned during prior periods of
18 employment are subject to the election at the time the employee was
19 appointed to retirement. If death occurs from nonoccupational causes
20 during the period of reemployment, those benefits earned while reem-
21 ployed are subject to AS 39.35.420(b). [ALL OTHER BENEFITS EARNED
22 DURING PRIOR PERIODS OF EMPLOYMENT ARE SUBJECT TO THE ELECTION AT THE
23 TIME THE EMPLOYEE WAS APPOINTED TO RETIREMENT.] If death occurs from
24 occupational causes during the period of reemployment, all benefits
25 earned during all periods of employment are subject to AS 39.35.430(b)
26 and (c).

27 * Sec. 3. This Act takes effect July 1, 1984.