

1 IN THE HOUSE

BY THE RULES COMMITTEE BY
REQUEST OF THE GOVERNOR

2

HOUSE BILL NO. 252

3

IN THE LEGISLATURE OF THE STATE OF ALASKA

4

FIFTEENTH LEGISLATURE - FIRST SESSION

5

A BILL

6 For an Act entitled: "An Act relating to the supplemental benefits system;
7 and providing for an effective date."

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

9 * Section 1. AS 39.30.150(a) is amended to read:

10 (a) Except as provided in (d) of this section, in [IN] place of
11 contributions to the federal social security system that would have
12 been required on behalf of an employee had the participating employer
13 belonged to the social security system, the participating employer
14 shall contribute 12.26 percent of the wages of the employee up to the
15 taxable wage base then in effect in the social security system. All
16 costs of establishing and administering the benefit program estab-
17 lished by AS 39.30.160 shall be paid from the contributions made by
18 the participating employers under this section. The balance of the
19 contributions made by the participating employers shall be paid into
20 special individual employee benefit accounts in the Department of
21 Administration to be used to provide supplemental employee benefits
22 provided in AS 39.30.160.

23 * Sec. 2. AS 39.30.150 is amended by adding a new subsection to read:

24 (d) If a participating employer is required by federal law to
25 participate in the medicare program of the federal social security
26 system, the contributions required by (a) of this section must be
27 reduced by either (1) the amount required to be paid by the employer
28 and employee to the social security system on behalf of the employee,
29 or (2) 12.26 percent, whichever is less.

1 * Sec. 3. The plan administrator of the State of Alaska Supplemental
2 Annuity Plan shall amend the plan in accordance with secs. 1 and 2 of this
3 Act upon obtaining a determination in accordance with federal law and
4 regulations that the amendment will not adversely affect the deferral of
5 taxes.

6 * Sec. 4. Sections 1 and 2 of this Act apply to contributions due the
7 month after a determination is obtained that amendment of the plan in
8 accordance with secs. 1 and 2 will not adversely affect the deferral of
9 taxes.

10 * Sec. 5. This Act takes effect immediately under AS 01.10.070(c).