

1 IN THE SENATE

BY THE RULES COMMITTEE BY
REQUEST OF THE GOVERNOR

2 SENATE BILL NO. 253

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 retirement benefits; and provid-
7 ing for an effective date."

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

9 * Section 1. AS 14.25.160(b) is amended to read:

10 (b) Upon the death of an active member who meets the conditions
11 specified in (a) of this section, the amount of the death benefit is
12 the sum of the following less any retirement benefit previously re-
13 ceived by the member:

- 14 (1) the member contribution account;
- 15 (2) \$100 times the years of membership service;
- 16 (3) \$1,000; and
- 17 (4) \$500 if the deceased member is survived by one or more
18 dependent children at the time of death and if the designated benefi-
19 ciary is a dependent child of the member or is the parent or guardian
20 of the dependent child of the member.

21 * Sec. 2. AS 14.25.162(b) is amended to read:

22 (b) A survivor's allowance is payable under this section as
23 follows:

- 24 (1) an allowance of 10 percent of the member's base salary
25 immediately before the member's death, retirement, or disability shall
26 be paid for each dependant child; if there are four or more dependent
27 children, the total amount paid to those children is 40 percent of the
28 member's base salary before the member's death, retirement, or dis-
29 ability, paid in equal amounts to each child; the allowance shall be

1 recomputed for the month in which the number of dependant children is
2 loss than four and the benefits shall be decreased accordingly; the
3 adoption of a dependant child does not terminate the survivor's allow-
4 ance payable under this section;

5 (2) an allowance of 35 percent of the member's base salary
6 shall be paid to the member's surviving spouse as long as there is an
7 eligible dependent child, as determined under (b)(1) of this section,
8 for whom the surviving spouse is legally responsible; if there is no
9 surviving spouse, an allowance of 10 percent of the member's base sal-
10 ary shall be paid to each court-appointed guardian, not to exceed one
11 allowance for each child or for each group of children who have the
12 same guardian or joint guardians;

13 (3) when no further benefits are payable under this sec-
14 tion, the difference between the amount that would have been paid
15 under AS 14.25.160 and any payments made to the member, spouse, guar-
16 dian, or dependent children under this section shall be paid to those
17 beneficiaries described in AS 14.25.166 [AS 14.25.160(a)];

18 (4) benefits are not payable under this section if benefits
19 are payable under AS 14.25.155, 14.25.157, 14.25.164, or 14.25.167.

20 * Sec. 3. AS 14.25.164(b) is amended to read:

21 (b) A spouse's pension is payable under this section as follows:

22 (1) a spouse's pension is equal to 50 percent of the re-
23 tirement benefit that the deceased member was receiving; if the member
24 was not receiving a retirement benefit, the spouse's pension is equal
25 to 50 percent of the amount the member would have received, based on
26 the member's average base salary and credited service to the date of
27 the member's death and assuming that the member would have been elig-
28 ible for a normal retirement benefit as of that date;

29 (2) in the event of the death of a member's spouse who is

1 receiving a spouse's pension, the difference between the amount that
2 would have been paid under AS 14.25.160 and any payments made to the
3 member, spouse, guardian, or dependent children shall be paid to those
4 beneficiaries described in AS 14.25.166 [AS 14.25.160];

5 (3) benefits are not payable under this section if benefits
6 are payable under AS 14.25.155, 14.25.157, 14.25.162, or 14.25.167.

7 * Sec. 4. AS 22.25.030 is amended by adding a new subsection to read:

8 (g) If there is no surviving spouse or surviving dependent child
9 entitled to benefits under this section or if after payment of all
10 survivors' benefits due under this section, less than the amount of
11 contributions made by the justice or judge to the system under AS 22.-
12 25.011 and interest credited has been paid, the difference between the
13 amount of contributions and the amount of benefits paid shall be paid
14 to the designated beneficiary of the justice or judge. If there is no
15 designated beneficiary or if no designated beneficiary survives the
16 justice or judge, the balance of the contributions and interest cred-
17 ited shall be paid to the

18 (1) surviving spouse; or, if there is none surviving,

19 (2) surviving children in equal parts; or, if there is none
20 surviving,

21 (3) surviving parents in equal parts; or, if there is none
22 surviving,

23 (4) justice's or judge's estate.

24 * Sec. 5. AS 22.25 is amended by adding a new section to read:

25 Sec. 22.25.033. CLAIM FOR SURVIVOR'S BENEFITS. A person claim-
26 ing entitlement to benefits payable under this chapter as a conse-
27 quence of a justice's or judge's death shall provide the commissioner
28 of administration with a marriage certificate, divorce or dissolution
29 judgment, or other evidence of entitlement. Documents establishing

1 entitlement may be filed with the commissioner immediately after a
2 change in the justice's or judge's marital status. If the commission-
3 er does not receive notification of a claim before the date 10 days
4 after the justice's or judge's death, the person claiming entitlement
5 is not entitled to receive from the Department of Administration any
6 benefit already paid by the commissioner under this chapter.

7 * Sec. 6. AS 22.25.035 is amended to read:

8 Sec. 22.25.035. RIGHTS UNDER A QUALIFIED DOMESTIC RELATIONS
9 ORDER. A former spouse who was married to a justice or judge for at
10 least one year [AND WHO HAS NOT REMARRIED] shall be treated as a
11 spouse or surviving spouse under this chapter to the extent required
12 by a qualified domestic relations order. Rights under the order do
13 not take effect until the order is filed with the administrator.

14 * Sec. 7. AS 39.35.330(b) is amended to read:

15 (b) A leave or leaves of absence without pay exceeding [THAT
16 EXCEEDS] 10 accumulated working days in any calendar year or layoff
17 status authorized by an employer will be considered as an interruption
18 of employment and no credited service will be granted.

19 * Sec. 8. Notwithstanding former AS 39.37.060 and sec. 51, ch. 117, SLA
20 1986, the surviving spouse of an elected public officer who has retirement
21 rights under the Elected Public Officers' Retirement System is eligible to
22 continue receiving survivors' benefits upon remarriage. If there is no
23 surviving spouse or surviving dependent child entitled to benefits under
24 former AS 39.37.060 or if, after payment of all survivors' benefits due
25 under former AS 39.37.060, less than the amount of contributions made by
26 the elected public officer under former AS 39.37.070 and interest credited
27 has been paid, the difference between the amount of contributions and the
28 amount of benefits paid shall be paid to the designated beneficiary of the
29 elected public officer. If there is no designated beneficiary or if no

1 designated beneficiary survives the elected public officer, the balance of
2 the contributions and interest credited shall be paid to the

3 (1) surviving spouse; or, if there is none surviving,

4 (2) surviving children in equal parts; or, if there is none sur-
5 viving,

6 (3) surviving parents in equal parts; or, if there is none sur-
7 viving,

8 (4) elected public officer's estate.

9 * Sec. 9. Sec. 57, ch. 82, SLA 1986 is amended to read:

10 Sec. 57. Sections 16, 22, ~~23~~, 25 -- 27, 42, 44, 45 [42 --
11 45], and 50 of this Act apply only to members first hired under the
12 Public Employees' Retirement System after June 30, 1986. Changes in
13 the Public Employees' Retirement System enacted in this Act that re-
14 quire a reduction in benefits to members of the retirement system
15 apply only to members who are first hired under the retirement system
16 after June 30, 1986. Other sections of this Act apply to all members
17 of the Public Employees' Retirement System, regardless of the date of
18 hire.

19 * Sec. 10. AS 39.35.525 is repealed.

20 * Sec. 11. This Act takes effect immediately under AS 01.10.070(c).