

Original sponsor: Rules/Governor

1 IN THE SENATE BY THE RULES COMMITTEE
 2 CS FOR SENATE BILL NO. 253 (Rules)
 3 IN THE LEGISLATURE OF THE STATE OF ALASKA
 4 FIFTEENTH LEGISLATURE - SECOND SESSION
 5 A BILL

6 For an Act entitled: "An Act relating to retirement credited service and
 7 benefits; making technical changes to retirement
 8 statutes; and providing for an effective date."

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

10 * Section 1. AS 14.25.030 is amended to read:

11 Sec. 14.25.030. DUTIES OF THE ADMINISTRATOR. The administrator
 12 shall

13 (1) establish and maintain an adequate system of accounts
 14 for the system [RETIREMENT FUND];

15 (2) approve or disapprove claims for retirement benefits;

16 (3) serve as secretary of the Alaska Teachers' Retirement
 17 Board and keep an official record of all proceedings;

18 (4) publish annually a report showing the financial condi-
 19 tion of the system [RETIREMENT FUND]; and

20 (5) do whatever else may be necessary to carry out the
 21 purposes of this chapter.

22 * Sec. 2. AS 14.25.035(g) is amended to read:

23 (g) Expenses for the board and its operation shall be paid from
 24 the [TEACHER'S] retirement fund.

25 * Sec. 3. AS 14.25.045(a) is amended to read:

26 (a) An employee or former employee of the National Education
 27 Association of Alaska may participate in the system [RETIREMENT FUND]
 28 under this chapter if

29 (1) the employee or former employee possesses or is

1 eligible to possess a teacher certificate under AS 14.20.020 and

2 (2) the employee or former employee of the National Educa-
3 tion Association of Alaska pays all retroactive contributions required
4 to be made under this chapter.

5 * Sec. 4. AS 14.25.050 is amended to read:

6 Sec. 14.25.050. CONTRIBUTIONS BY TEACHERS. (a) Beginning
7 July 1, 1970, each teacher shall contribute to the system [RETIREMENT
8 FUND] an amount equal to seven percent of the teacher's base salary
9 accrued from July 1 to the following June 30. The employer shall
10 deduct the contribution from the teacher's salary [SHALL BE DEDUCTED
11 BY THE EMPLOYER] at the end of each payroll period.

12 (b) Each teacher is entitled to receive credit for unrefunded
13 contributions paid into the retirement system [FUND] of 1945.

14 * Sec. 5. AS 14.25.060(a) is amended to read:

15 (a) If a member has military service or Alaska Bureau of Indian
16 Affairs (BIA) service, or if a member joined the system before Ju-
17 ly 1, 1978, and has creditable outside service, the member is indebted
18 to the system [RETIREMENT FUND] as follows:

19 (1) At the time of first becoming a member of the system,
20 the arrearage indebtedness is seven percent of the base salary multi-
21 plied by the total number of years of creditable outside, military,
22 and Alaska BIA service. The administrator shall add compound interest
23 at the rate prescribed by regulation to the arrearage indebtedness
24 beginning July 1, 1963, or at the time the member first becomes eligi-
25 ble to claim the service, whichever is later, to the date of payment
26 or the date of retirement, whichever occurs first.

27 (2) If a member terminates from the system and is subse-
28 quently reemployed as a member, the arrearage indebtedness to the
29 system [RETIREMENT FUND] for outside, military, or Alaska BIA service

1 accumulated in the interim is seven percent of the base salary upon
2 reentering membership service, multiplied by the number of years of
3 interim outside, military, and Alaska BIA service. Compound interest
4 at the rate prescribed by regulation shall be added to the arrearage
5 indebtedness beginning July 1, 1963, or the date of reemployment as a
6 member, whichever is later, to the date of payment or the date of
7 retirement, whichever occurs first.

8 * Sec. 6. AS 14.25.060(b) is amended to read:

9 (b) If a member joins the system on or after July 1, 1978, and
10 has creditable outside service, the member may claim this service. If
11 claimed, the member is indebted to the system [RETIREMENT FUND] as
12 follows:

13 (1) The arrearage indebtedness is the full actuarial cost
14 of providing benefits for the service being claimed. Compound inter-
15 est at the rate prescribed by regulation shall be added to the arrear-
16 age indebtedness beginning the date the actuarial cost is established
17 to the date of payment or the date of retirement, whichever occurs
18 first.

19 (2) If a member terminates from the system and is subse-
20 quently reemployed as a member, the arrearage indebtedness for outside
21 service during the interim is the full actuarial cost of providing
22 benefits for the interim service being claimed. Compound interest at
23 the rate prescribed by regulation shall be added to the arrearage
24 indebtedness beginning the date the actuarial cost is established to
25 the date of payment or the date of retirement, whichever occurs first.

26 [(3) REPEALED]

27 * Sec. 7. AS 14.25.061(a) is amended to read:

28 (a) A member who was not subject to the provisions of this
29 chapter, but who becomes subject to them because of a legislative

1 change, may elect to receive credit for retroactive membership service
2 by contributing to the system [RETIREMENT FUND] an amount equal to the
3 contributions the member would have made had the member been subject
4 to the provisions of this chapter for those years of retroactive
5 service after June 30, 1955. Retroactive contributions are not re-
6 quired for retroactive membership service before July 1, 1955. Com-
7 pound interest at the rate prescribed by regulation shall be added to
8 the retroactive indebtedness from July 1, 1966, or the time of first
9 becoming eligible under this chapter, whichever is later, to the date
10 of payment or the date of retirement, whichever occurs first.

11 * Sec. 8. AS 14.25.062 is amended to read:

12 Sec. 14.25.062. REINSTATEMENT INDEBTEDNESS. A teacher who has
13 received a refund of contributions in accordance with AS 14.25.150 is
14 indebted to the system [RETIREMENT FUND] in the amount of the total
15 refund. Compound interest at the rate prescribed by regulation shall
16 be added to the reinstatement indebtedness from the date of the refund
17 to the date of repayment or the date of retirement, whichever occurs
18 first.

19 * Sec. 9. AS 14.25.065 is amended to read:

20 Sec. 14.25.065. TRANSMITTAL OF CONTRIBUTIONS. (a) All contri-
21 butions deducted in accordance with AS 14.25.050 and 14.25.055 shall
22 be transmitted to the system for deposit in the retirement fund no
23 later than 15 days following the close of the payroll period, with the
24 final contributions due for any school year transmitted no later than
25 July 15.

26 (b) The contributions of employers under AS 14.25.070 must be
27 transmitted to the system for deposit in the retirement fund [ADMINIS-
28 TRATOR] at the close of each pay period. If the contributions are not
29 submitted within 15 days of the close of each payroll period, interest

1 must be assessed on the outstanding contributions at one and one-half
2 times the most recent actuarially determined rate of earnings for the
3 system from the date that contributions were originally due. In
4 addition, the amount of the contributions and interest may be deducted
5 by the Department of Education from the state funds due the school
6 district and the amount so deducted transmitted to the system [ADMIN-
7 ISTRATOR] for deposit in the retirement fund. Amounts due from the
8 University of Alaska and interest as prescribed in this section may be
9 deducted by the commissioner of administration from any state funds
10 due the University of Alaska and the amount deducted transmitted to
11 the administrator for deposit in the retirement fund.

12 * Sec. 10. AS 14.25.070 is amended to read:

13 Sec. 14.25.070. CONTRIBUTIONS BY EMPLOYER. An employer shall
14 contribute to the system [RETIREMENT FUND] an amount equal to the
15 percentage, as certified by the administrator, of the sum total of the
16 base salaries of all teachers that is required in addition to teacher
17 contributions to provide the benefits of this chapter times the sum
18 total of the base salaries paid to teachers by the employer.

19 * Sec. 11. AS 14.25.143(a) is amended to read:

20 (a) When the administrator determines that the cost of living
21 has increased and that the financial condition of the system [RETIRE-
22 MENT FUND] permits, the administrator shall increase benefit payments
23 to persons receiving benefits under this system.

24 * Sec. 12. AS 14.25.160(b) is amended to read:

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

29 (1) the member contribution account;

- 1 (2) \$100 times the years of membership service;
2 (3) \$1,000; and
3 (4) \$500 if the deceased member is survived by one or more
4 dependent children at the time of death and if the designated benefi-
5 ciary is a dependent child of the member or is the parent or guardian
6 of the dependent child of the member.

7 * Sec. 13. AS 14.25.162(b) is amended to read:

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

10 (1) an allowance of 10 percent of the member's base salary
11 immediately before the member's death, retirement, or disability shall
12 be paid for each dependent child; if there are four or more dependent
13 children, the total amount paid to those children is 40 percent of the
14 member's base salary before the member's death, retirement, or dis-
15 ability, paid in equal amounts to each child; the allowance shall be
16 recomputed for the month in which the number of dependent children is
17 less than four and the benefits shall be decreased accordingly; the
18 adoption of a dependent child does not terminate the survivor's allow-
19 ance payable under this section;

20 (2) an allowance of 35 percent of the member's base salary
21 shall be paid to the member's surviving spouse as long as there is an
22 eligible dependent child, as determined under (b)(1) of this section,
23 for whom the surviving spouse is legally responsible; if there is no
24 surviving spouse, an allowance of 10 percent of the member's base
25 salary shall be paid to each court-appointed guardian, not to exceed
26 one allowance for each child or for each group of children who have
27 the same guardian or joint guardians;

28 (3) when no further benefits are payable under this sec-
29 tion, the difference between the amount that would have been paid

1 under AS 14.25.160 and any payments made to the member, spouse, guard-
2 ian, or dependant children under this section shall be paid to those
3 beneficiaries described in AS 14.25.166 [AS 14.25.160(a)];

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

6 * Sec. 14. AS 14.25.164(b) is amended to read:

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

8 (1) a spouse's pension is equal to 50 percent of the re-
9 tirement benefit that the deceased member was receiving; if the member
10 was not receiving a retirement benefit, the spouse's pension is equal
11 to 50 percent of the amount the member would have received, based on
12 the member's average base salary and credited service to the date of
13 the member's death and assuming that the member would have been eligi-
14 ble for a normal retirement benefit as of that date;

15 (2) in the event of the death of a member's spouse who is
16 receiving a spouse's pension, the difference between the amount that
17 would have been paid under AS 14.25.160 and any payments made to the
18 member, spouse, guardian, or dependent children shall be paid to those
19 beneficiaries described in AS 14.25.166 [AS 14.25.160];

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

22 * Sec. 15. AS 14.25.190 is amended to read:

23 Sec. 14.25.190. ACTUARIAL EVALUATIONS OF THE SYSTEM [RETIREMENT
24 FUND]. Actuarial evaluations of the system [RETIREMENT FUND] shall be
25 made at intervals of not more than five years and on the basis of the
26 reevaluations the administrator may recommend any necessary readjust-
27 ment to the legislature. Actuarial and financial experience analyses
28 shall be prepared and certified by a member of the American Academy of
29 Actuaries.

1 * Sec. 16. AS 14.25.200 is amended to read:

2 Sec. 14.25.200. EXEMPTION FROM TAXATION AND PROCESS. (a)

3 Member contributions and other amounts held in the system [RETIREMENT
4 FUND] on behalf of a member or other person who is or may become
5 eligible for benefits under the system are exempt from Alaska state
6 and municipal taxes and are not subject to anticipation, alienation,
7 sale, transfer, assignment, pledge, encumbrance, or charge of any
8 kind, either voluntary or involuntary, before they are received by the
9 person entitled to the amount under the terms of the system, and any
10 attempt to anticipate, alienate, sell, transfer, assign, pledge,
11 encumber, charge, or otherwise dispose of any right to amounts accrued
12 in the system [RETIREMENT FUND] is void. However, a member's right to
13 receive benefits may be assigned under a qualified domestic relations
14 order.

15 (b) Member contributions and other amounts held in the system
16 [RETIREMENT FUND] and benefits payable under this chapter are exempt
17 from garnishment, execution, or levy as provided in AS 09.38 (exemp-
18 tions).

19 * Sec. 17. AS 14.25.220(35) is repealed and reenacted to read:

20 (35) "retirement fund" or "fund" means the fund in which the
21 assets of the system are deposited and held;

22 * Sec. 18. AS 22.25.030 is amended by adding a new subsection to read:

23 (g) If there is no surviving spouse or surviving dependent child
24 entitled to benefits under this section or if after payment of all
25 survivors' benefits due under this section, less than the amount of
26 contributions made by the justice or judge to the system under AS 22.-
27 25.011 and interest credited has been paid, the difference between the
28 amount of contributions and the amount of benefits paid shall be paid
29 to the designated beneficiary of the justice or judge. If there is no

1 designated beneficiary or if no designated beneficiary survives the
2 justice or judge, the balance of the contributions and interest cred-
3 ited shall be paid to the

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

5 (2) surviving children in equal parts; or, if there is none
6 surviving,

7 (3) surviving parents in equal parts; or, if there is none
8 surviving,

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

10 * Sec. 19. AS 22.25 is amended by adding a new section to read:

11 Sec. 22.25.033. CLAIM FOR SURVIVOR'S BENEFITS. A person claim-
12 ing entitlement to benefits payable under this chapter as a conse-
13 quence of a justice's or judge's death shall provide the commissioner
14 of administration with a marriage certificate, divorce or dissolution
15 judgment, or other evidence of entitlement. Documents establishing
16 entitlement may be filed with the commissioner immediately after a
17 change in the justice's or judge's marital status. If the commission-
18 er does not receive notification of a claim before the date 10 days
19 after the justice's or judge's death, the person claiming entitlement
20 is not entitled to receive from the Department of Administration any
21 benefit already paid by the commissioner under this chapter.

22 * Sec. 20. AS 22.25.035 is amended to read:

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

29 * Sec. 21. AS 39.35.060 is amended to read:

1 **Sec. 39.35.060. DUTIES OF THE ADMINISTRATOR.** The administrator
2 shall

3 (1) with the assistance of a technical actuarial advisor,
4 submit to the board the required actuarial tables and the statistical
5 data necessary for periodic actuarial surveys of the operating experi-
6 ence of the system;

7 (2) maintain records of the employees included in the
8 system that are necessary for the proper administration of the system
9 and furnish information requested by the actuary for preparing valua-
10 tions and periodic experience analyses;

11 (3) attend meetings of the board and serve as secretary of
12 the board;

13 (4) certify to the appropriate division of the Department
14 of Administration the payments made under this chapter;

15 (5) remit to the [APPROPRIATE DIVISION OF THE] Department
16 of Revenue, for deposit in the pension fund, assets [NAME OF THE
17 SYSTEM, MONEY] received for the account of the system;

18 (6) formulate and recommend to the board regulations to
19 govern the operation of the system;

20 (7) formulate and recommend to the board regulations to
21 govern the operation of the supplemental employee benefit program
22 (AS 39.30.150 - 39.30.180).

23 * **Sec. 22.** AS 39.35.330(b) is amended to read:

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

28 * **Sec. 23.** AS 39.35.345(b) is amended to read:

29 (b) To obtain credited service under this section, an employee

1 must elect to do so and must verify the period of temporary service
2 [BEFORE JULY 1, 1981, OR WITHIN ONE YEAR FOLLOWING THE DATE WHEN THE
3 EMPLOYEE FIRST BECOMES VESTED UNDER THIS CHAPTER, IF LATER]. When
4 eligibility for temporary service credit has been established, an
5 indebtedness shall be determined as provided in (a) of this section.
6 [INTEREST AS PRESCRIBED BY REGULATION ACCRUES ON THAT INDEBTEDNESS
7 BEGINNING JULY 1, 1981, OR ONE YEAR FOLLOWING THE DATE AN EMPLOYEE
8 FIRST BECOMES VESTED, WHICHEVER IS LATER.] Any outstanding indebted-
9 ness existing at the time an employee retires will require an actuari-
10 al adjustment to the benefits payable based on the temporary service.
11 Interest as prescribed by regulation accrues on the indebtedness
12 beginning

13 (1) July 1, 1981, or one year following the date the em-
14 ployee first becomes vested, whichever is later, for an employee who
15 claims temporary service credit no more than one year after the em-
16 ployee becomes vested;

17 (2) the date of vesting, for an employee who becomes vested
18 after June 30, 1980, who is claiming temporary service credit more
19 than one year after vesting for service performed before the employee
20 vested;

21 (3) July 1, 1980, for an employee who became vested before
22 July 1, 1980, who is claiming temporary service credit after June 30,
23 1981, for service performed before July 1, 1980;

24 (4) one year after completing the temporary service, for an
25 employee who was vested on the last day of employment as a temporary
26 employee and who claims the temporary service no more than one year
27 after completing the service;

28 (5) on the date of completing the temporary service, for an
29 employee who was vested on the last day of employment as a temporary

1 employee and who claims temporary service more than one year after
2 completing the service.

3 * Sec. 24. AS 39.35.345(c) is amended to read:

4 (c) A deferred vested employee on July 1, 1980, is eligible to
5 claim credited service under (a) of this section. To obtain credited
6 service under this section, a deferred vested employee must elect to
7 do so and must verify the period of temporary service [BEFORE JULY 1,
8 1981]. When eligibility for temporary service credit has been estab-
9 lished, an indebtedness shall be determined as provided in (a) of this
10 section. Interest as prescribed by regulation accrues on that indebt-
11 edness beginning July 1, 1981. Any outstanding indebtedness existing
12 at the time a deferred vested employee retires will require an actu-
13 arial adjustment to the benefits payable based on the temporary ser-
14 vice.

15 * Sec. 25. AS 39.35.360(a) is amended to read:

16 (a) An employee [EMPLOYED BEFORE JANUARY 1, 1980,] who completes
17 three years of credited service with the state after January 1, 1961,
18 for which the employee makes contributions required by this chapter is
19 entitled to credited service for service rendered (1) before Janu-
20 ary 1, 1961, as an employee of the state and former Territory of
21 Alaska; (2) before January 1, 1961, as an employee of the United
22 States government in Alaska, excluding service in the armed forces of
23 the United States; [OR] (3) after January 1, 1961, as a peace officer,
24 correctional officer, or fireman of a participating political subdivi-
25 sion of the state if the employee is vested and is an active peace
26 officer, correctional officer, or fireman in the system on or before
27 January 1, 1983; or (4) after January 1, 1961, as a special officer
28 commissioned by the state troopers if the employee has not otherwise
29 received credit for the service and if the employee was employed on or

1 before January 1, 1983, is vested, and has been an active special
2 officer, peace officer, correctional officer, or fireman in the system
3 [AS OF JULY 1, 1980]. The retirement benefits payable to an employee
4 under this section shall be reduced by the amount of the retirement
5 pension benefits paid to the employee by the United States government
6 for the same period of service.

7 * Sec. 26. AS 39.35.360(k) is amended to read:

8 (k) A [PEACE OFFICER OR FIREMAN EMPLOYED BY A MUNICIPALITY WHO
9 IS A] vested member is eligible to receive credited service for em-
10 ployment after January 1, 1961, [AND BEFORE JANUARY 1, 1976,] as a
11 peace officer or fireman in a municipality that is an employer under
12 this system but that was not an employer at the time of the employ-
13 ment. A vested member who claims retroactive credited service on or
14 after July 1, 1988, is indebted to the system. The amount of the
15 indebtedness is the full actuarial cost of providing benefits for the
16 credited service claimed [TO RECEIVE RETROACTIVE CREDIT, THE MEMBER
17 MUST CLAIM THE SERVICE BEFORE JULY 1, 1988. WHEN THE MEMBER CLAIMS
18 RETROACTIVE CREDITED SERVICE, AN INDEBTEDNESS OF THE MEMBER TO THE
19 SYSTEM SHALL BE ESTABLISHED. THE AMOUNT OF THIS INDEBTEDNESS IS EQUAL
20 TO THE CONTRIBUTIONS THE PEACE OFFICER OR FIREMAN WOULD HAVE MADE IF
21 THE OFFICER OR FIREMAN HAD BEEN ELIGIBLE FOR MEMBERSHIP IN THE SYS-
22 TEM]. Interest as established by regulation accrues on the indebt-
23 edness under this subsection beginning the first of the month follow-
24 ing establishment of the indebtedness [JANUARY 1, 1976]. Any out-
25 standing indebtedness that exists at the time the officer or fireman
26 retires will require an actuarial adjustment to the benefits that are
27 based on retroactive credited service under this subsection.

28 * Sec. 27. AS 39.35 is amended by adding a new section to read:

29 Sec. 39.35.389. ALTERNATE BENEFITS FOR EPORS MEMBERS. (a)

1 Notwithstanding former AS 39.37.050, a former member of the Alaska
2 Territorial Legislature who is currently receiving a benefit under the
3 Elected Public Officers Retirement System and who has at least 30
4 years of credited service in the territorial and state legislatures
5 may elect a benefit under this subsection instead of the benefit under
6 former AS 39.37.050. The monthly amount of a benefit under this sub-
7 section is the greater of the member's years of credited service
8 multiplied by

9 (1) the member's average monthly compensation and that
10 amount multiplied by two percent; or

11 (2) \$100.

12 (b) Notwithstanding former AS 39.37.060, a surviving spouse
13 receiving a benefit under the Elected Public Officers Retirement
14 System whose spouse met the requirements of (a) of this section at the
15 time of the spouse's death may elect a benefit under this subsection
16 instead of the benefit under former AS 39.37.060. The amount of a
17 benefit under this subsection is 50 percent of the amount calculated
18 for the deceased spouse under (a) of this section.

19 (c) Benefits payable under this section accrue from the first
20 day of the month following receipt of an application for benefits
21 under this section and are payable on the last day of the month.

22 * Sec. 28. AS 39.35.500 is amended to read:

23 Sec. 39.35.500. SAFEGUARD OF EMPLOYEE FUNDS HELD BY THE SYSTEM.
24 Employee contributions and other amounts held in the system [PENSION
25 FUND] are exempt from Alaska state and local taxes. Amounts held on
26 behalf of, or payable to, any employee or other person who is or may
27 become eligible for benefits under the system are not subject to
28 anticipation, alienation, sale, transfer, assignment, pledge, encum-
29 brance, or charge of any kind, either voluntary or involuntary, before

1 being received by the person entitled to the amount under the terms of
2 the system. An attempt to anticipate, alienate, sell, transfer,
3 assign, pledge, encumber, charge, or otherwise dispose of a right to
4 amounts held under the system is void. However, an employee's right
5 to receive benefits may be assigned under a qualified domestic rela-
6 tions order.

7 * Sec. 29. AS 39.35.505 is amended to read:

8 Sec. 39.35.505. EXEMPTION OF EMPLOYEE FUNDS AND BENEFITS.
9 Employee contributions and other amounts held in the system [PENSION
10 FUND] and retirement benefits payable under this chapter are exempt
11 from levy to enforce the collection of a debt as provided in AS 09.38
12 (exemptions).

13 * Sec. 30. AS 39.35.650 is amended to read:

14 Sec. 39.35.650. REFUNDS TO EMPLOYERS. An [IN NO EVENT MAY AN]
15 employer may not receive an amount from the system [PENSION FUND],
16 except as provided under AS 39.35.615(e) and 39.35.620(g).

17 * Sec. 31. AS 39.35.680(29) is repealed and reenacted to read:

18 (29) "pension fund" or "fund" means the fund in which the
19 assets of the system are deposited and held;

20 * Sec. 32. Section 57, ch. 82, SLA 1986, is amended to read:

21 Sec. 57. Sections 16, 22 - 23, 25 - 27, 42, 44, 45 [42 - 45],
22 and 50 of this Act apply only to members first hired under the Public
23 Employees' Retirement System after June 30, 1986. Changes in the
24 Public Employees' Retirement System enacted in this Act that require a
25 reduction in benefits to members of the retirement system apply only
26 to members who are first hired under the retirement system after
27 June 30, 1986. Other sections of this Act apply to all members of the
28 Public Employees' Retirement System, regardless of the date of hire.

29 * Sec. 33. EPORS SURVIVORS BENEFITS. Notwithstanding former

1 AS 39.37.060 and sec. 51, ch. 117, SLA 1986, the surviving spouse of an
2 elected public officer who has retirement rights under the Elected Public
3 Officers' Retirement System is eligible to continue receiving survivors'
4 benefits upon remarriage. If there is no surviving spouse or surviving
5 dependent child entitled to benefits under former AS 39.37.060 or if, after
6 payment of all survivors' benefits due under former AS 39.37.060, less than
7 the amount of contributions made by the elected public officer under former
8 AS 39.37.070 and interest credited has been paid, the difference between
9 the amount of contributions and the amount of benefits paid shall be paid
10 to the designated beneficiary of the elected public officer. If there is
11 no designated beneficiary or if no designated beneficiary survives the
12 elected public officer, the balance of the contributions and interest
13 credited shall be paid to the

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

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

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

19 (4) elected public officer's estate.

20 * Sec. 34. AS 39.35.525 is repealed.

21 * Sec. 35. Section 26 of this Act takes effect July 1, 1988.

22 * Sec. 36. Except for sec. 26, this Act takes effect immediately under
23 AS 01.10.070(c).