

1 IN THE SENATE

BY DUNCAN, KERTTULA

2

SENATE BILL NO. 316

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 repurchase of retirement coverage
7 after certain levies."

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

9 * Section 1. AS 14.25.063(a) is amended to read:

10 (a) In [FOR PURPOSES OF] this chapter, a member does not have to
11 be reemployed under this system in order to make indebtedness pay-
12 ments. However, except as provided in (d) of this section, a former
13 member must be reemployed under this system in order to make indebted-
14 ness payments. Payments apply first to accrued interest and then to
15 principal.

16 * Sec. 2. AS 14.25.063 is amended by adding a new subsection to read:

17 (d) A former member who received a total refund of the member's
18 contribution account balance because of a levy under AS 09.38.065 or a
19 federal tax levy may make indebtedness payments under this section.

20 * Sec. 3. AS 22.25.041 is amended by adding a new subsection to read:

21 (b) A justice or judge whose contributions have been involun-
22 tarily refunded because of a levy may repay the amount levied together
23 with accrued interest whether or not the justice or judge is on active
24 service. Repayments shall be made under (a) of this section.

25 * Sec. 4. AS 39.35.350(b) is amended to read:

26 (b) An employee may reinstate credited service associated with a
27 refund by repaying the total amount of the refund. A former member
28 who received a total refund of the former member's contribution ac-
29 count balance because of a levy under AS 09.38.065 or a federal tax

1 levy may reinstate credited service in the same manner as an employee.
2 Interest will accrue from the date of the refund until repayment of
3 the refund or retirement, whichever occurs first. Payments will apply
4 first to accrued interest and then to principal.
5 * Sec. 5. Notwithstanding former AS 39.37.130 and 39.37.140, a former
6 member of the Elected Public Officers Retirement System who received an
7 involuntary refund of the individual's account because of a levy may repay
8 the amount levied together with accrued interest. Upon payment of the full
9 amount owing, the former member regains all rights that were terminated
10 because of the refund.