

COMMITTEE REPORT

5/20/75

HOUSE

Mr. Speaker:

Date June 5, 1975

The Committee on FINANCE has had SB 195

under consideration. A Majority of the members of the Committee

- recommends it DO PASS
- recommends it DO NOT PASS
- recommends it DO PASS WITH ATTACHED AMENDMENT(S)
- recommends it BE REPLACED WITH CS FOR _____ AND THAT
CS FOR _____ DO PASS
- "and" recommends it BE REFERRED TO THE _____
COMMITTEE
- reports it back WITHOUT RECOMMENDATION
- "other"

Members signing the Majority report:

[Signature] _____
[Signature] _____
[Signature] _____

Members NOT concurring in the Majority report:

[Signature] recommends: [Signature]
 _____ recommends:
 _____ recommends:
 _____ recommends:
 _____ recommends:

[Signature] Chairman

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Introduced: 2/20/75
Referred: Health, Education
and Social Services and
Finance

1 IN THE SENATE

BY THE COMMERCE COMMITTEE

2

SENATE BILL NO. 195

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IN THE LEGISLATURE OF THE STATE OF ALASKA

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NINTH LEGISLATURE - FIRST SESSION

5

A BILL

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For an Act entitled: "An Act relating to the coverage of correctional

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officers under the Public Employee's Retirement System."

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

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* Section 1. AS 39.35.680(14) is amended to read:

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(14) "peace officer and fireman" means an employee who is

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employed full time in the state as a peace officer, chief of police,

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correctional officer, correctional superintendent, fireman or fire

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chief;

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The Legislature of the State of Alaska
FISCAL NOTE
First Session - Ninth Legislature

I. REQUEST

Bill No. Senate Bill #195 (Revised Fiscal Note)
 Title: An act relating to covering correction officers under PERS
 Requested by: Senate HCSS Date: 4-23-75
 Return Date Requested: As soon as possible
 Agency: Administration - Retirement Program: PERS

II. FISCAL DETAIL

Budget Request Unit(s) Affected: ALL
 A. EXPENDITURES: (Thousands of dollars)

OBJECT	FY 75	FY 76	FY 77	FY 78	FY 79	FY 80
100 PERSONAL SERVICES	0	0	0	0	0	0
200 TRAVEL	0	0	0	0	0	0
300 CONTRACTUAL	0	0	0	0	0	0
400 COMMODITIES	0	0	0	0	0	0
500 EQUIPMENT	0	0	0	0	0	0
600 LAND & STRUCTURES	0	0	0	0	0	0
700 GRANTS, CLAIMS, ETC.	0	0	0	0	0	0
100 BENEFITS	0	280.0	296.8	314.6	333.5	353.5
TOTAL	0	280.0	296.8	314.6	333.5	353.5

B. FUNDING: (Thousands of dollars)

GENERAL FUND	80%	0	224.0	237.4	251.7	266.8	282.8
FEDERAL FUNDS	17%	0	47.6	50.5	53.5	56.7	60.1
OTHER	3%	0	8.4	8.9	9.4	10.0	10.6

C. POSITIONS:

PERMANENT/TEMPORARY	0 / 0	0 / 0	0 / 0	0 / 0	0 / 0	0 / 0
MAN MONTHS (P./T.)	0 / 0	0 / 0	0 / 0	0 / 0	0 / 0	0 / 0

III. ANALYSIS (See Fiscal Note Preparation Instructions, Section III)

1. It is assumed that there are approximately 172 positions involved. Each person has an average annual income of \$15,000.
2. Assume effective date to be 7/1/75.
3. Cost to State contribution rate would be an increase of 20% of an estimated FY 76 payroll of \$140,000,000.
4. It is assumed that the State payroll will increase 6% per annum.

IV. ATTACHMENTS

V. DATE: 4/23/75 PREPARED BY: Robert S. Gates

Robert S. Gates, Director
 Division of Retirement & Benefits
 Department of Administration

Original: Legislative Finance
 cc: Budget and Management
 Prime Sponsor (First Legislator Named)

SENATE JOURNAL

COMMITTEE REPORT

Senate Bill 195 provides an added retirement benefit to correction officers. Correction officers are faced with many hazardous situations and it is the intent of the Senate Health, Education and Social Services Committee, in passing out this bill, to recognize those risks taken and compensate the employees who are constantly faced with potentially dangerous situations.

The cost of enacting this bill would be \$350,000.



George Honman, Chairman
Senate Health, Education and
Social Services Committee



Genie Chance, Vice-Chairman
Senate Health, Education and
Social Services Committee

Date _____

STATE OF ALASKA

DEPARTMENT OF ADMINISTRATION

DIVISION OF ADMINISTRATIVE SERVICES
PUBLIC EMPLOYEES' RETIREMENT & TEACHERS' RETIREMENT SYSTEMS,
HEALTH INSURANCE PROGRAM, GOVERNMENT SOCIAL SECURITY PROGRAM

JAY S. HAMMOND, Governor

POUCH CR - JUNEAU 99801

May 27, 1975

The Honorable Hugh Malone
Chairman
House Finance Committee
Pouch V
State Capitol
Juneau, Alaska 99801

Dear Representative Malone:

I have been requested by Jim Rhode to provide you with information concerning the inclusion of municipal ambulance drivers and their attendants under the peace officers and firemen's provisions of PERS. It is my understanding that this would be included in Senate Bill #195 and accomplished by amending AS 39.35.680 (14) to read as follows:

"peace officer and fireman" means an employee who is employed full time in the state as a peace officer, chief of police, fireman or fire chief, driver or an attendant of a municipal emergency ambulance service;

From the information we have received this would affect approximately 22 individuals who are currently working for the Greater Area Anchorage Borough. The entire cost of providing this increase retirement coverage would be borne by the Anchorage Borough. There would be no fiscal impact on the State of Alaska.

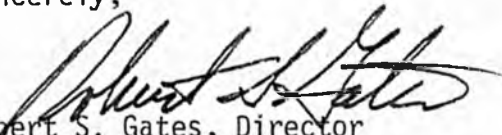
I have previously suggested to various committees that testimony on this subject be obtained from Anchorage Borough officials. From the information I have received, I fail to see justification for including this group of individuals under the peace officers' and firemen's retirement provisions. I have been told that the job description for these ambulance drivers does not require them to expose themselves to hazardous conditions. Apparently the ambulance drivers and attendants are instructed to basically go to the

May 27, 1975

scene of the fire or accident and stand by until such time the injured party has been physically removed from the hazardous area. I have not seen anything in writing to confirm my understanding of this issue so it would be best to varify this information directly with the personnel office at the Anchorage Borough.

Please let me know if I can provide you with any additional information on this subject.

Sincerely,



Robert S. Gates, Director
Division of Retirement & Benefits

RSW/jb

Arguments in Support of

Emergency

CURRENT LAW

*Medical
personnel*

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AS 39.35 describes the manner in which Alaska peace officers and firemen participate in the state personnel retirement system. Essentially peace officers and firemen are eligible for retirement at age 50 while other participating employees are eligible at age 55. The law sets different standards for payment of retirement benefits, occupational disability, death benefits, and survivors benefits. Police and firemen are treated differently under the law and allowed earlier retirement benefits because their duties entail substantially greater risks of serious injury or death than those of other participating employees.

For many years ambulance drivers and attendants have been police or fire department employees and hence eligible for accelerated pension plans. In Anchorage for instance, prior to July 1, 1972, ambulance operators and attendants were employed by the Anchorage Fire Department and covered under the State PERS as firemen. But, after July 1, 1972, ambulance drivers and attendants became employees of the Borough's new Emergency Medical Service and were no longer eligible for early retirement, even though the hazardous nature of their duties remained the same.

Emergency Medical Service employees are daily subjected to serious hazards "which frequently result in serious injury or death." The recent and unfortunate accident in Fairbanks involving an ambulance and other vehicles which resulted in

enjoyed before becoming members of an independent service without creating unnecessary administration difficulties for local governments. Restoration of the retirement benefits under AS 39.35 to EMS employees would serve to recognize the particular hazardous nature of their occupation and the importance of their contribution to the public health and safety.