

1/28

COMMITTEE REPORT

SENATE

Mr. President:

Date 3/11/36

The Committee on FINANCE has had SB 20
(permanent part-time employment in state service)

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:

| | | |
|-------|-------|-------|
| _____ | _____ | _____ |
| _____ | _____ | _____ |
| _____ | _____ | _____ |
| _____ | _____ | _____ |

Members NOT concurring in the Majority report:

_____ recommends:

_____ recommends:

_____ recommends:

_____ recommends:

_____ recommends:

Chairman

A M E N D M E N T

Offered in the SENATE

By _____

To: _____ SENATE BILL NO. _____

_____ HOUSE BILL NO. _____

AMENDMENT: Page _____ Line _____ through _____

Strike Section 1000 (1) and insert a new section (1) as follows:

(1) I request that the members of the Senate be notified of the fact that the bill is being introduced in the Senate and that the bill is being introduced in the House as a concurrent bill also.

COPY - CHANCE

STATE OF ALASKA

JAY S. HAMMOND, GOVERNOR

DEPARTMENT OF ADMINISTRATION

DIVISION OF RETIREMENT & BENEFITS PUBLIC EMPLOYEES' &
TEACHERS' RETIREMENT SYSTEMS, HEALTH INSURANCE, DEFERRED
COMPENSATION, GOVERNMENT SOCIAL SECURITY PROGRAM

POUCH CR - JUNEAU 99811
PHONE (907) 465-4410

January 29, 1976

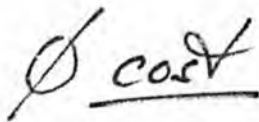
The Honorable Bill Ray
Chairman
Senate Finance Committee
Pouch V
Juneau, Alaska 99811

Dear Senator Ray:

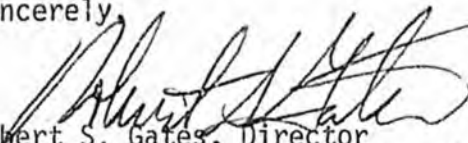
Mr. Jim Fennel of your office has requested that I provide you with some information concerning employee benefits which are available to permanent part-time employees.

At the present time a regular employee who works less than 30 hours per week is considered to be a permanent part-time employee. Individuals occupying those positions accrue all of the various benefits made available to a regular full-time employee with the exception of group health insurance and retirement benefits. The other benefits granted to them such as sick and annual leave are provided on an prorated basis according to the number of hours worked. Senate Bill number 20 which was introduced during the last legislative session provides that the employer would pay one-half of the group medical insurance costs and the employee would mandatorially pay the other half. In so far as retirement benefits are concerned the employee would be granted service credit. I am enclosing a copy of a letter to you dated May 16, 1975 in which I recommended that an amendment be made to the section pertaining to retirement credit where the individual would receive prorata credit rather than one-half credit.

I hope this provides you with the information you need. If you have any additional questions I would appreciate hearing from you.



Sincerely,


Robert S. Gates, Director
Division of Retirement & Benefits

RSG/jal
Enclosure

COPY - CHANCE

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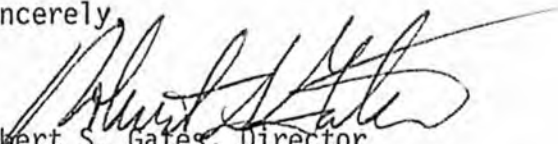
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I hope this provides you with the information you need. If you have any additional questions I would appreciate hearing from you.

Scott

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Robert S. Gates, Director
Division of Retirement & Benefits

RSG/jal
Enclosure

May 16, 1975

The Honorable Bill Ray
Chairman
Senate Finance Committee
Pouch V
State Capitol
Juneau, Alaska 99801

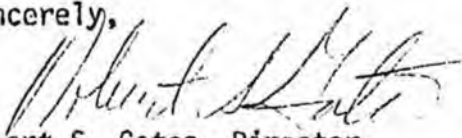
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I have reviewed the fiscal note which I prepared on Senate Bill #20 on February 3, 1975 and find that an erroneous assumption was used in estimating the cost impact. The \$169,800 for FY 76 was based on the assumption that new positions would be created. In reviewing the language contained in the bill it would appear that in all likelihood existing authorized positions would be reclassified so that two permanent part-time employees would occupy a single position. If that is the intent of this legislation then there would be no fiscal impact to the State of Alaska by virtue of these statutory changes.

I am concerned about some inequities which may result with the language contained in this piece of legislation. Under Section 4, AS 39.35.300 (b) a person working more than half time but less than full time would only receive half time credit. To provide equity among members, I would recommend that the following language be used "A permanent part-time employee of the state receives service credit on a pro rata basis to that which would have been earned as a permanent full time employee." If this language is used then a person would receive service credit based on the hours of work performed rather than only on a half time basis.

I regret that the error contained in the original fiscal note was not detected sooner. I trust that this letter will serve as a replacement for the fiscal note originally submitted. If you have any additional questions on this matter I would appreciate hearing from you.

Sincerely,



Robert S. Gates, Director
Division of Retirement & Benefits

RSG/jb
cc: Senator Genie Chance

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 93801

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Juneau, Alaska 99801

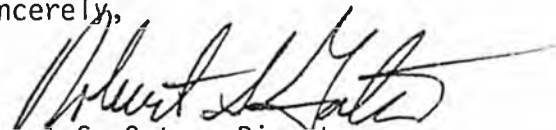
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RSG/jb
cc: Senator Genie Chance

STATE OF ALASKA

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DEPARTMENT OF ADMINISTRATION

DIVISION OF RETIREMENT & BENEFITS PUBLIC EMPLOYEES' &
TEACHERS' RETIREMENT SYSTEMS, HEALTH INSURANCE, DEFERRED
COMPENSATION, GOVERNMENT SOCIAL SECURITY PROGRAM

POUCH CR - JUNEAU 99811
PHONE (907) 465-4410

January 5, 1976

Mr. James D. Fennel
Staff Assistant
Senate Finance Committee
Pouch V
Juneau, Alaska 99811

Dear Jim:


You requested us to review the fiscal note dated February 3, 1975 which was prepared for Senate Bill 20 and House Bill 22. I am enclosing a letter which was sent to Senator Ray dated May 16, 1975 which expresses our position on this piece of legislation.

The main suggestion that I have on this bill would be to amend the present language so prorated credit is given under AS 39.35.300 rather than one-half credit. This change would assure equity among all members by granting service credit in direct relationship to the amount of time worked. Our data processing systems can presently accommodate granting such prorated credit.

If you have any questions I would appreciate hearing from you.

Cost

Sincerely,



Robert S. Gates, Director
Division of Retirement & Benefits

RSG/jal
Enclosure

May 16, 1975

The Honorable Bill Ray
Chairman
Senate Finance Committee
Pouch V
State Capitol
Juneau, Alaska 99801


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Sincerely,


Robert S. Gates, Director
Division of Retirement & Benefits

RSG/jb
cc: Senator Genie Chance

The Legislature of the State of Alaska
FISCAL NOTE

First Session - Ninth Legislature

I. REQUEST

Bill No. Senate Bill 20 and House Bill 22

Title: Permanent Part-time Employment

Requested by: Senate State Affairs

Date: January 24, 1975

Return Date Requested: ASAP

Agency: Administration - Retirement

Program: Health Insurance

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 | 169.8 | 186.8 | 205.4 | 226.0 | 248.6 | 273.5 |
| TOTAL | 169.8 | 186.8 | 205.4 | 226.0 | 248.6 | 273.5 |

B. FUNDING: (Thousands of dollars)

| | | | | | | |
|---------------|-------|-------|-------|-------|-------|-------|
| GENERAL FUND | 169.8 | 186.8 | 205.4 | 226.0 | 248.6 | 273.5 |
| FEDERAL FUNDS | -0- | -0- | -0- | -0- | -0- | -0- |
| OTHER | -0- | -0- | -0- | -0- | -0- | -0- |

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)

Cost per month for each employee - \$28.30

Estimated number of employees involved = 500 (does not include U. of A.)

Cost per month - \$14.2

Annual Cost - \$169.8

It is assumed that medical insurance premiums will increase 10% each year.

The inclusion of this group would have no administrative cost impact.

IV. ATTACHMENTS

V. DATE:

2/3/75

PREPARED BY:

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

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

The Legislature of the State of Alaska
FISCAL YEAR

First Session - Ninth Legislature

I. REQUEST

Bill No. Senate Bill 20 and House Bill 22

Title: Permanent Part-Time Employment

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Date: January 24, 1975

Return Date Requested: ASAP

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| 400 COMMODITIES | -0- | -0- | -0- | -0- | -0- | -0- |
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| | | | | | | |
|---------------------|-----|-----|-----|-----|-----|-----|
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V. DATE: 2/3/75

PREPARED BY:

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

Original: Legislative Finance
Budget and Management

Prime Sponsor (First Legislator Named)

1 IN THE SENATE

BY CHANCE

2 SENATE BILL NO. 20

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 NINTH LEGISLATURE - FIRST SESSION

5 A BILL

6 For an Act entitled: "An Act relating to permanent part-time employment in
7 state service; and providing for an effective date."

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

9 * Section 1. AS 39.25.150 is amended by adding a new paragraph to read:

10 (24) the employment of persons in permanent positions on a
11 part-time basis of 15 hours or more a week, including the employment of
12 two persons to fill one permanent full-time position; these employees
13 shall be designated as permanent part-time employees.

14 * Sec. 2. AS 39.30.090 is amended by adding a new paragraph to read:

15 (14) For each permanent part-time employee the state shall
16 contribute one-half the state contribution rate for permanent full-time
17 state employees and the permanent part-time employee, as a condition of
18 employment, shall contribute the other one-half.

19 * Sec. 3. AS 39.30.100(1)(A) is amended to read:

20 (A) an employee who has served in permanent full-time or
21 part-time employment with the same governmental unit for 30 days or
22 more, except an [A PART-TIME,] emergency or temporary employee, and

23 * Sec. 4. AS 39.35.300 is amended by adding a new subsection to read:

24 (b) A permanent part-time employee of the state receives service
25 credit equal to one-half the service credit which would have been earned
26 as a permanent full-time employee.

27 * Sec. 5. AS 39.35.680(5)(A) is amended to read:

28 (A) means a person who receives remuneration for
29 permanent full-time or permanent part-time personal services

1 regularly rendered to an employer or who would receive remuneration
2 except for an authorized leave of absence;

3 * Sec. 6. AS 39.35.680(5)(C)(ii) is amended to read:

4 (ii) casual [OR PART-TIME] workers in a position having
5 duties which will not permit at least six months of service during
6 a calendar year,

7 * Sec. 7. This Act takes effect on January 1, 1976.
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Introduced: 1/20/75
Referred: State Affairs and
Finance

1 IN THE SENATE

BY CHANCE

2 SENATE BILL NO. 20 am

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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

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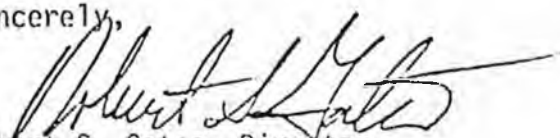
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Robert S. Gates, Director
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RSG/jb
cc: Senator Genie Chance

First Session - Ninth Legislature

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Bill No. Senate Bill 20 and House Bill 22
 Title: Permanent Part-time Employment
 Requested By: Senate State Affairs Date: January 21, 1975
 Return Date Requested: ASAP
 Agency: Administration - Retirement Program: Health Insurance

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- |
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| 300 COMMODITIES | -0- | -0- | -0- | -0- | -0- | -0- |
| 400 COMMODITIES | -0- | -0- | -0- | -0- | -0- | -0- |
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| TOTAL | 169.8 | 186.8 | 205.4 | 226.0 | 248.6 | 273.5 |

B. FUNDING: (Thousands of dollars)

| GENERAL FUND | 169.8 | 186.8 | 205.4 | 226.0 | 248.6 | 273.5 |
|---------------|-------|-------|-------|-------|-------|-------|
| FEDERAL FUNDS | -0- | -0- | -0- | -0- | -0- | -0- |
| OTHER | -0- | -0- | -0- | -0- | -0- | -0- |

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)

Cost per month for each employee - \$28.30
 Estimated number of employees involved = 500 (does not include U. of A.)
 Cost per month - \$14.2
 Annual Cost - \$169.8

It is assumed that medical insurance premiums will increase 10% each year.

The inclusion of this group would have no administrative cost impact.

IV. ATTACHMENTS

V. DATE: 2/3/75 PREPARED BY: [Signature]

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

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