



COMMITTEE REPORT

HOUSE

4/15

FURTHER: FINANCE

3/23/81

(5)

Date: 4-3-81

Mr. Speaker:

The Committee on STATE AFFAIRS has had HB 379

"An Act providing for retirement credit in the public employees' retirement system for unused sick leave; and providing for an effective date."

under consideration and reports it back as follows:

- do pass  do not pass
- do pass with attached amendments(s)
- replace with CS for \_\_\_\_\_  same title  
 new title
- and recommends \_\_\_\_\_
- AND attaches a "Letter of Intent"  New Fiscal Note
- reports it back without recommendation
- referred to the \_\_\_\_\_ Committee

MEMBERS SIGNING  
DO PASS

*[Handwritten signatures]*

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MEMBERS HAVING  
OTHER RECOMMENDATIONS:

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*[Handwritten signature]*  
CHAIRMAN

asper  
12-1166

Introduced: 3/23/81  
Referred: State Affairs and  
Finance

1 IN THE HOUSE

BY MILLER AND DUNCAN

2 HOUSE BILL NO. 379

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 TWELFTH LEGISLATURE - FIRST SESSION

5 A BILL

6 For an Act entitled: "An Act providing for retirement credit in the public  
7 employees' retirement system for unused sick leave;  
8 and providing for an effective date."

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

10 \* Section 1. AS 39.35 is amended by adding a new section to read:

11 Sec. 39.35.315. CREDIT FOR UNUSED SICK LEAVE. (a) An employee  
12 who is employed on or after July 1, 1980, and who retires after July 1,  
13 1981, may elect to add his unused sick leave or banked medical leave  
14 credit to the total number of years of creditable service under AS 39.-  
15 35.370(c). Unused sick leave or banked medical leave shall be credited  
16 on a day-for-day basis.

17 (b) A retired employee who returns to membership service on or  
18 after July 1, 1981 is eligible for unused sick leave or banked medical  
19 leave credit under this section only for sick leave accrued or medical  
20 leave banked on or after July 1, 1981.

21 (c) Benefits under this section accrue from the first day of the  
22 month after which (1) the employee meets the eligibility requirements  
23 of this section; (2) the employee's written election regarding unused  
24 sick leave is received and verified by the administrator; and (3) a  
25 period of time has elapsed since the date of retirement equal to the  
26 amount of verified unused sick leave. Benefits are payable on the last  
27 day of the month.

28 \* Sec. 2. This Act takes effect July 1, 1981.

**ALASKA STATE LEGISLATURE**

TWELFTH Legislature FIRST Session

HOUSE BILL NO. 379

By MILLER AND DUNCAN

"An Act providing for retirement credit in the public employees' retirement system for unused sick leave; and providing for an effective date."

Unused sick leave for retirement credit/public employees'

Introduced in the House 3/23, 1981

**HISTORY IN THE HOUSE**

19 81	Read first time and referred to Committee on State Affairs and Finance												
Mar. 23	Reported back with recommendation that												
	Read second time and												
	Read third time and												
	<table border="0"> <tr><td>PASS</td><td>Effective Date</td></tr> <tr><td>Yeas</td><td>Yeas</td></tr> <tr><td>Nays</td><td>Nays</td></tr> <tr><td>Absent</td><td>Absent</td></tr> <tr><td>Excused</td><td>Excused</td></tr> </table>	PASS	Effective Date	Yeas	Yeas	Nays	Nays	Absent	Absent	Excused	Excused		
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	Reported correctly engrossed Signed by Speaker Sent to Senate												
CHIEF CLERK OF THE HOUSE													

**HISTORY IN THE SENATE**

19	Read first time and referred to Committee on												
	Reported back with recommendation that												
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	Read third time and												
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	Reported correctly engrossed Signed by President Returned to House												
SECRETARY OF THE SENATE													

**HISTORY IN THE HOUSE**

19	Received from Senate
	Concurred in Senate amendment thus adopting: VOTE
	Failed to concur in Senate amendment; asked Senate to recede VOTE
	Senate receded from amendment VOTE
	Senate failed to recede from amendment VOTE
	CC appointed by House
	CC appointed by Senate
	CC adopted by House VOTE
	CC adopted by Senate VOTE
	To enrolling Reported correctly enrolled Sent to Governor  ..... by Governor
	Filed with Lt. Governor
	Chapter No. ....

Introduced: 3/23/81  
Referred: State Affairs and  
Finance

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BY MILLER AND DUNCAN

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29

HB 379

FISCAL NOTE

I. REQUEST

Bill/Resolution No. House Bill No. 379

Title An Act allowing retirement credit for unused sick leave.

Requested by \_\_\_\_\_ Date \_\_\_\_\_

II. FISCAL DETAIL

Agency Affected Administration - Division of Retirement & Benefits

Program Category Affected Labor Services

BRU, Program, or Subprogram(s) Affected 02-96-8-01-01 (PERS)

(Note: If more than one budget component is affected, separate line-item amounts and funding for each component in the analysis section.)

EXPENDITURES (Thousands of Dollars)

	FY 81	FY 82	FY 83	FY 84	FY 85	FY 86
100 PERSONAL SERVICES		28.3	30.0	31.8	33.8	35.8
200 TRAVEL						
300 CONTRACTUAL		23.7				
400 COMMODITIES		0.2	0.2	0.2	0.2	0.2
500 EQUIPMENT		1.8				
600 LAND & STRUCTURES						
700 STATE TRS MATCHING						
100 BENEFITS		796.4	876.0	963.6	1,060.0	1,166.0
TOTAL		850.4	906.2	995.6	1,094.0	1,202.0

FUNDING (Thousands of Dollars)

GENERAL FUND	652.2	717.3	789.3	868.1	955.0
FEDERAL FUNDS	36.6	40.3	44.3	48.8	53.6
VETERAN'S FUND	1.6	1.8	1.9	2.1	2.3
FISH & GAME FUND	4.3	5.3	5.8	6.4	7.0
HIGHWAY FUND	10.4	11.4	12.5	13.8	15.2
AIRPORT FUND	23.1	25.4	27.9	30.7	33.8
CAPITAL FUND	67.7	74.5	81.9	90.1	99.1
PERS	53.0	30.2	32.0	34.0	36.0
TRS					

POSITIONS

FULL TIME	1	1	1	1	1
PART TIME					
TEMPORARY					

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

1. Assumes current retirees will not be affected by this bill.
2. Estimate that the average employee will receive an additional 4.7 days (unused medical leave) of service credit for each year of employment under PERS.
3. Estimate FY 82 State covered payroll to be \$276,614,000; increasing 10% annually.
4. Increase in State contribution rate would be .2685% of covered payroll.
5. Estimate Personal Service to increase at 6% per year.
6. Estimate costs for data processing system modifications (one time only) to be \$20.0.
7. The costs to political subdivisions is estimated to be \$693.8 in FY82.

IV. DATE 3/24/81

PREPARED BY Paul B. Arnoldt, Director

AGENCY Division of Retirement & Benefits

PHONE 465-4460

Original: Legislative Finance

cc: Budget and Management

Prime Sponsor (First Legislator Named) Representative Smith  
Office of the Governor (Keith Specking)

1	POSITION TITLE Retirement and Benefits Technician				RANGE/STEP 12B	BARG. UNIT. G	LOCATION	GOV.	APPROV.	DIGAPP.
2	TYPE OF POSITION PFT	STAFF MONTHS 12	RP No.	PCN No.	PRIORITY		FORM 12 PAGE/LINE	LEG.		
3	TYPE OF EXPENDITURE			AMOUNT		JUSTIFICATION:				
	1	2	3							
4	PERSONAL SERVICES:									
	SALARY	\$1,814/month	\$21,768							
5	BENEFITS	15.79%	3,437							
6	FICA	SBS 6.13%	1,334							
7	HEALTH INS.	\$150/month	1,900							
8	TOTAL PERSONAL SERVICES		01	\$28,339						
9	TRAVEL		02							
10	CONTRACTUAL		03	3,700						
11	COMMODITIES		04	200						
12	EQUIPMENT		05	1,800						
13	OTHER									
14	TOTAL COST			\$33,039						
	CODE	FUNDING SOURCE								
15		FED RCPTS.	1002							
16		GF MATCH.	1003							
17		GEN. FUND	1004							
18		I-A RCPTS.	1005							
19		PGM RCPTS	1028							
20		OTHER	PERS	\$33,039						
21	CONTINUATION									
22	ADDITION			FOR B&M USE ONLY						
4A KEY NUMBER _____ COLUMN NO. _____										

This employee will be responsible for verifying and recording the additional credited service granted for unused sick leave, for calculating the additional benefit, and for handling correspondence.

It is estimated that approximately 30% or 4,400 members of the current PERS political subdivision membership will ultimately retire and will require crediting of unused sick leave under this bill.

Contractual amount includes space and telephone.

House Bill No. 379

AGENCY Administration PROGRAM Labor Services

BRU Retirement & Benefits

COMPONENT PERS

**13** REQUEST FOR NEW POSITION.

Page 2 of 2

REVISED DATE \_\_\_\_\_

**FY 82**