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COMMITTEE REPORT

HOUSE

FURTHER: FINANCE

3/25/81

(5)

Date: 5-15-81

Mr. Speaker:

The Committee on STATE AFFAIRS has had HB 388

"An Act relating to the Alaska National Guard and Alaska Naval Militia; 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)
- [X] replace with CS for HB 388 [X] same title [ ] new title
- and recommends CS HB 388 (S.A.) DO PASS
- [ ] AND attaches a "Letter of Intent" [X] New Fiscal Note COMING
- [ ] reports it back without recommendation
- [ ] referred to the \_\_\_\_\_ Committee

MEMBERS SIGNING  
DO PASS

[Signature]

[Signature]

[Signature]

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MEMBERS HAVING  
OTHER RECOMMENDATIONS:

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[Signature]

CHAIRMAN

Changes made 15 May

Introduced: 3/25/81  
Referred: State Affairs and  
Finance

1 IN THE HOUSE

BY MILLER AND DUNCAN

2 HOUSE BILL NO. 388

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 TWELFTH LEGISLATURE - FIRST SESSION

5 A BILL

6 For an Act entitled: "An Act relating to the Alaska National Guard and  
7 Alaska Naval Militia; and providing for an effective  
8 date."

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

10 \* Section 1. AS 14.25.060(c) is amended to read:

11 (c) The total military service claimed may not exceed five years.  
12 The total Alaska National Guard and Alaska Naval Militia service claimed  
13 may not exceed five years. The combined total of outside, [AND] mili-  
14 tary, and Alaska National Guard and Alaska Naval Militia service may  
15 not exceed 10 years, except that, if entry into the armed forces is  
16 immediately preceded by membership service and within one year after  
17 discharge is continued by membership service, that service will not be  
18 counted for purposes of determining the applicability of the 10-year  
19 limitation on the combined total of outside, [AND] military, and Alaska  
20 National Guard and Alaska Naval Militia service. The combined total of  
21 outside, military, Alaska National Guard and Alaska Naval Militia, and  
22 Alaska BIA service may not exceed 15 years.

23 \* Sec. 2. AS 14.25.100(a) is amended to read:

24 (a) A member who served as an active member of the armed forces of  
25 the United States may receive credited [CREDITABLE] service under this  
26 system up to a maximum of five years. Each 12 months of military service  
27 equals one school year, and lesser military periods will be determined  
28 for credit purposes in a proportionate ratio to a year. To receive  
29 credited [CREDITABLE] service under this section, the member must have

1 received a discharge other than dishonorable. Except as provided in (f)  
2 of this section, credit [CREDIT] for service in the armed forces shall  
3 be granted only if the member makes contributions for the service [IN  
4 THE SAME MANNER AS REQUIRED FOR OUTSIDE SERVICE] under AS 14.25.060.  
5 [THE MILITARY SERVICE CREDITED UNDER THIS SECTION SHALL BE INCLUDED IN  
6 THE 10-YEAR LIMITATION OF OUTSIDE SERVICE AS SPECIFIED IN AS 14.25.060,  
7 EXCEPT IF ENTRY INTO THE ARMED FORCES IS IMMEDIATELY PRECEDED BY ALASKA  
8 MEMBERSHIP SERVICE AND FOLLOWING DISCHARGE IS CONTINUED BY ALASKA  
9 MEMBERSHIP SERVICE WITHIN ONE YEAR THEREAFTER, SERVICE MAY NOT BE  
10 COUNTED FOR PURPOSES OF DETERMINING THE APPLICABILITY OF THE 10-YEAR  
11 LIMITATION ON OUTSIDE SERVICE.]

12 \* Sec. 3. AS 14.25.100 is amended by adding a new subsection to read:

13 (f) Notwithstanding AS 14.25.060 and (a) of this section, a  
14 member is not required to make contributions for credit for service in  
15 the armed forces if the member is a member or former member of the  
16 Alaska National Guard or Alaska Naval Militia, or a former member of  
17 the Territorial Guard, and the military service claimed under this  
18 section plus the Alaska National Guard, Alaska Naval Militia or Terri-  
19 torial Guard service equals or exceeds 20 years.

20 \* Sec. 4. AS 14.25 is amended by adding a new section to read:

21 Sec. 14.25.103. CREDIT FOR MEMBERSHIP IN THE ALASKA NATIONAL  
22 GUARD AND ALASKA NAVAL MILITIA. (a) A member who is a member of the  
23 Alaska National Guard or Alaska Naval Militia may receive credited  
24 service under this system for all or a part of his credited service  
25 under the Alaska National Guard and Alaska Naval Militia retirement  
26 system (AS 26.05.222 - 26.05.227) by electing to forgo four months of  
27 credited service under that retirement system for each month of service  
28 credited under this system. Each 12 months of service credited under  
29 this system equals one school year, and lesser periods will be deter-

1 mined for credit purposes in a proportionate ratio to a year.

2 (b) A member who is a former member of the Alaska National Guard  
3 or Alaska Naval Militia with at least six years credited service under  
4 the Alaska National Guard and Alaska Naval Militia retirement system  
5 (AS 26.05.222 - 26.05.227) may receive credited service under (a) of  
6 this section. If the member has received retirement benefits under the  
7 Alaska National Guard and Alaska Naval Militia retirement system and  
8 wishes to claim credited service with respect to the months for which  
9 benefits have been paid, he is indebted to the retirement fund in the  
10 amount of those benefits. Compound interest at the rate prescribed by  
11 regulation adopted by the administrator shall be added to the arrearage  
12 indebtedness beginning on the date the member received the first benefit  
13 for which he is indebted to the retirement fund or July 1, 1980, which-  
14 ever is later, and continuing to the date of payment from the  
15 retirement fund or the date of retirement, whichever occurs first.

16 (c) Except as provided in (b) of this section, a member is not  
17 required to make contributions for credited service allowed under this  
18 section.

19 (d) The credited service allowed under this section may not  
20 exceed an aggregate period of five years.

21 (e) A member may not receive credited service under this section  
22 if credit for membership in the Alaska National Guard or Alaska Naval  
23 Militia was granted under the public employees' retirement system  
24 (AS 39.35).

25 (f) In this section, "credited service under the Alaska National  
26 Guard and Alaska Naval Militia retirement system" means the total  
27 number of months that a person included in that system was a member of  
28 the Territorial Guard, Alaska National Guard, or Alaska Naval Militia.

29 \* Sec. 5. AS 14.25.226(10) is amended to read:

1 (10) "credited service" means all membership service as pro-  
2 vided in (20) of this section, plus outside, military, Alaska National  
3 Guard, Alaska Naval Militia, Territorial Guard, and BIA service not  
4 exceeding 15 years, with outside, Alaska National Guard, Alaska Naval  
5 Militia, Territorial Guard, and military service limited to 10 years  
6 except under the conditions set out in AS 14.25.100;

7 \* Sec. 6. AS 23.30 is amended by adding a new section to read:

8 Sec. 23.30.238. MEMBERS OF THE NATIONAL GUARD AND NAVAL MILITIA.  
9 A member of the Alaska National Guard or Alaska Naval Militia while on  
10 active duty for the state and lawfully performing his duties is an  
11 employee of the state for the purposes of this chapter. Weekly compen-  
12 sation for disability or death under this section may not be less than  
13 the initial payment of compensation under AS 23.30.175.

14 \* Sec. 7. AS 26.05.160(a) is amended to read: [Dept want deleted]

15 (a) The adjutant general of the state is appointed by the governor.  
16 The governor shall prescribe the grade of the adjutant general which may  
17 [SHALL] not exceed major general. The governor may appoint the adjutant  
18 general from a list of not less than three eligible persons submitted by  
19 the National Guard Advisory Board. To be eligible for appointment as  
20 adjutant general, a person shall be a citizen of the state, ~~be~~ a member  
21 of the Alaska National Guard with at least five years service, and hold  
22 or have held a federally recognized field-grade commission. An adjutant  
23 general who is appointed after December 1, 1982, before assuming his  
24 duties, shall have completed the command and general staff course or its  
25 equivalent and at least one additional course, either residential or  
26 correspondence, at one of the war colleges operated by the United States  
27 Department of Defense. However, if the person appointed adjutant gen-  
28 eral after December 1, 1982, was a field grade officer of the Alaska  
29 National Guard or Alaska Naval Militia before July 1, 1980, war college

1 study is not required. The adjutant general shall make returns and  
2 reports to the Chief, National Guard Bureau, and to the governor or to  
3 the officers designated by the Chief, National Guard Bureau, and the  
4 governor, at the times and in the form prescribed.

5 \* Sec. ~~8.7~~ AS 26.05 is amended by adding new sections to read:

6 Sec. 26.05.165. NATIONAL GUARD ADVISORY BOARD. ~~165~~ There is  
7 established the National Guard Advisory Board, whose members are ap-  
8 pointed by the governor and serve at his pleasure. The National Guard  
9 Advisory Board is composed of

10 (1) an employee of the Department of Military Affairs who is  
11 a member of the Alaska National Guard or Alaska Naval Militia;

12 (2) an officer in the Alaska Army National Guard, not em-  
13 ployed by the Department of Military Affairs;

14 (3) an enlisted person in the Alaska Army National Guard,  
15 not employed by the Department of Military Affairs;

16 (4) an officer in the Alaska Air National Guard, not employed  
17 by the Department of Military Affairs;

18 (5) an enlisted person in the Alaska Air National Guard, not  
19 employed by the Department of Military Affairs;

20 (6) two public members.

21 ~~(b) Members appointed under (a)(1) - (5) of this section shall be~~  
22 ~~members of the Alaska National Guard Association or one of its subsidi-~~  
23 ~~ary officer or enlisted associations.~~ cut

24 Sec. 26.05.166. TERM OF OFFICE. Members of the National Guard  
25 Advisory Board shall be appointed for overlapping terms of three years.  
26 A person appointed to fill a vacancy on the National Guard Advisory  
27 Board shall serve for the remainder of the unexpired term.

28 Sec. 26.05.167. QUORUM. A majority of the membership of the  
29 National Guard Advisory Board constitutes a quorum to transact the

1 business of the board, but a majority of the members of the board must  
2 approve the list of persons recommended for appointment to the office  
3 of the adjutant general under AS 26.05.160(a).

4 Sec. 26.05.168. TRANSPORTATION AND PER DIEM. Members of the  
5 National Guard Advisory Board receive no compensation for their service  
6 on the board but are entitled to the travel expenses and per diem pro-  
7 vided in AS 39.20.180 when necessary to attend meetings of the board.

8 ~~Sec. 26.05.169. DUTIES. The National Guard Advisory Board shall~~ <sup>may</sup>

9 (1) submit lists of persons for the governor's consideration  
10 under AS 26.05.160(a);

11 ~~(2) recommend to the governor policies concerning the admin-~~ <sup>put</sup>  
12 ~~istration and operation of the Alaska National Guard and the Alaska~~  
13 ~~Naval Militia;~~ <sup>reced to go in ad. Gen. SA</sup>

14 ~~2 (3) recommend to the governor legislation that will enhance~~  
15 ~~the recruitment, retention, and retirement programs for the Alaska~~  
16 ~~National Guard and Alaska Naval Militia;~~

17 ~~3 (4) recommend to the governor basic force requirements and~~ <sup>put</sup>  
18 ~~unit structuring for further recommendation to the National Guard~~  
19 ~~Bureau which will enhance the efficiency of the militia.~~

20 \* Sec. 9. AS 26.05.222 is amended to read:

21 Sec. 26.05.222. CREATION AND ADMINISTRATION OF ALASKA NATIONAL  
22 GUARD AND ALASKA NAVAL MILITIA RETIREMENT SYSTEM. (a) There is estab-  
23 lished an Alaska National Guard and Alaska Naval Militia retirement  
24 system. The commissioner of administration shall administer the Alaska  
25 National Guard and Alaska Naval Militia retirement system.

26 (L) The commissioner of administration may adopt regulations to  
27 implement the Alaska National Guard and Alaska Naval Militia retirement  
28 system. Regulations adopted by the commissioner under this subsection  
29 relate to the internal management of state agencies and their adoption

1 is not subject to the Administrative Procedure Act (AS 44.62).

2 \* Sec. 10. AS 26.05.223 is amended to read:

3 Sec. 26.05.223. COMMENCEMENT OF PARTICIPATION IN SYSTEM. A  
4 member of the Alaska National Guard or Alaska Naval Militia shall be  
5 included in this system upon commencement of membership in the Alaska  
6 National Guard or Alaska Naval Militia [, OR ON JANUARY 1, 1973, WHICH-  
7 EVER IS LATER, OR UPON COMMENCEMENT OF MEMBERSHIP IN THE ALASKA NAVAL  
8 MILITIA OR ON JULY 1, 1980, WHICHEVER IS LATER].

9 \* Sec. 11. AS 26.05.224(a)(1) is amended to read:

10 (1) upon voluntary retirement from the Alaska National Guard  
11 or Alaska Naval Militia after a total of 20 years or more of satisfac-  
12 tory service in the Alaska National Guard, Alaska Naval Militia, or  
13 active military service in the armed forces of the United States, and  
14 the reserves of them, or any combination of service in these components  
15 [IF AT LEAST FIVE YEARS OF THE SERVICE IS IN THE ALASKA NATIONAL GUARD  
16 OR ALASKA NAVAL MILITIA]; or

17 \* Sec. 12. AS 26.05.224(b) is amended to read:

18 (b) The retirement pension is the amount of money that is  
19 payable monthly under the Alaska longevity bonus program (AS 47.45.010).  
20 The retirement pension shall be paid [\$100 A MONTH PAYABLE] for the  
21 total [SAME] number of months that the member participated satisfac-  
22 torily in the Alaska National Guard or Alaska Naval Militia.

23 \* Sec. 13. AS 26.05.224(c) is amended to read:

24 (c) an eligible member or former member may elect to receive his  
25 retirement pension beginning on the first day of the month in which he  
26 becomes eligible for retirement, or the member or former member may  
27 elect to defer payment to a later date. Payment of a deferred retire-  
28 ment benefit may not begin until application for the benefit is filed  
29 with and approved by the Department of Military Affairs. [DEFERRED

1 RETIREMENT PAYMENTS MUST BE MADE MONTHLY AT THE RATE OF \$100.]

2 \* Sec. 14. AS 26.05.226(a) is amended to read:

3 (a) The Department of Military Affairs shall contribute to the  
4 Alaska National Guard and Alaska Naval Militia retirement system the  
5 amounts determined by the commissioner of administration as necessary  
6 to

7 (1) fund the system based on the actuarial requirements of  
8 the system as established by the commissioner of administration; and

9 (2) administer the system.

10 \* Sec. 15. AS 26.05.227(3) is amended to read:

11 (3) "system" means the Alaska National Guard and Alaska  
12 Naval Militia retirement system.

13 \* Sec. 16. AS 26.05.260(c) is amended to read:

14 (c) A member [ENLISTED PERSONS] of the Alaska [ARMY NATIONAL  
15 GUARD, AIR] National Guard or Alaska [AND] Naval Militia shall receive  
16 for each day of active service for the state, under orders of the  
17 governor, pay and allowances equal to those provided by federal laws  
18 and regulations for members [ENLISTED PERSONS] of like grades of the  
19 United States Army, United States Air Force and United States Navy,  
20 plus compensation equal to the per diem allowance payable to a state  
21 officer or employee at the location where the service is performed.

22 [HOWEVER, NO ENLISTED PERSON SHALL RECEIVE PAY AND ALLOWANCES OF LESS  
23 THAN \$6 A DAY.]

24 \* Sec. 17. AS 26.05.260 is amended by adding new subsections to read:

25 (h) A member of the Alaska National Guard or Alaska Naval Militia  
26 who is injured or disabled while on active duty for the state and while  
27 lawfully performing his duties, including transit to and from his home  
28 of record, is entitled to the compensation and benefits available under  
29 the Alaska Workers' Compensation Act (AS 23.30) for the injury or dis-

1 ability.

2 (i) If a member of the Alaska National Guard or Alaska Naval  
3 Militia dies as a result of an injury or disability received while on  
4 active duty for the state and while lawfully performing his duties,  
5 including transit to and from his home of record, his designated bene-  
6 ficiaries are entitled to receive death benefits allowed beneficiaries  
7 under the Alaska Workers' Compensation Act (AS 23.30). In addition,  
8 the Department of Military Affairs shall send to the beneficiaries,  
9 within 15 days of receipt by the department of notice of the member's  
10 death, a payment equal to six times the deceased member's monthly  
11 salary as designated in (c) of this section, including special and  
12 incentive pay, applicable on the date of the member's death. This  
13 additional payment will be made only if (1) the death occurs on or  
14 before the 120th day after the member's release from active duty ordered  
15 by the governor, and (2) a state surgeon in the Alaska National Guard  
16 or Alaska Naval Militia determines that the member's death resulted  
17 from an injury or disability received during that active duty period.  
18 The Department of Military Affairs shall also pay to the designated  
19 beneficiaries the pay and allowances accrued but unpaid to the member  
20 at the time of death within 15 days after the date of notice of his  
21 death is received by the department. Persons are considered to be  
22 designated beneficiaries when they are designated as beneficiaries in a  
23 member's military personnel record file. If a member does not  
24 designate a beneficiary, beneficiaries under this subsection shall be  
25 determined in accordance with the Alaska Workers' Compensation Act  
26 (AS 23.30).

27 \* Sec. 18. AS 26.05.265 is amended to read:

28 Sec. 26.05.265. REENLISTMENT BONUS. (a) A bonus shall be paid  
29 to an enlisted [A] person who, at the time his enlistment is completed,

1 reenlists or extends an enlistment in the Alaska National Guard or the  
2 Alaska Naval Militia for six years. The bonus is \$3,000 payable in the  
3 amount of \$1,000 at the satisfactory completion of the second year of  
4 reenlistment or extension, \$1,000 at the satisfactory completion of the  
5 fourth year, and \$1,000 at the satisfactory completion of the sixth  
6 year. [A SUM EQUAL TO 10 DAYS OF BASIC PAY FOR EACH YEAR HE REENLISTS  
7 OR EXTENDS HIS ENLISTMENT, COMPUTED ACCORDING TO A MEMBER'S GRADE AT  
8 THE END OF EACH QUALIFYING YEAR AND PAYABLE AT THAT TIME. PAYMENT OF A  
9 BONUS IS CONTINGENT UPON THE MEMBER SATISFACTORILY PARTICIPATING IN  
10 UNIT TRAINING ACTIVITIES FOR THE YEAR FOR WHICH PAYMENT IS TO BE MADE.]

11 (b) A person who has a break in service of more than 30 days for-  
12 feits his eligibility for a reenlistment bonus.

13 \* Sec. 19. AS 26.05.296(a) is amended to read:

14 (a) To the extent funds are available, the adjutant general shall  
15 authorize the payment of not more than 75 [50] percent of the cost of  
16 tuition, books, and required fees for each active and retired [MALE OR  
17 FEMALE] member of the Alaska National Guard or the Alaska Naval Militia  
18 who attends an educational, vocational, or technical training school in  
19 Alaska. Payments authorized under this section continue so long as (1)  
20 the active member participates satisfactorily in unit training activi-  
21 ties or the retired member is on the retired member list; and (2) the  
22 member pursues the course of study in a manner acceptable to the school.

23 \* Sec. 20. AS 26.05 is amended by adding a new section to read:

24 Sec. 26.05.297. ALASKA SENIOR RESERVE OFFICERS' TRAINING CORPS  
25 SCHOLARSHIP PROGRAM (a) There is established in the Department of  
26 Military Affairs an Alaska Senior Reserve Officers' Training Corps  
27 scholarship program.

28 (b) Persons meeting the eligibility requirements of (c) of this  
29 section may receive a scholarship equal to the cost of resident tuition,

1 fees, and books at the University of Alaska for each semester to the  
2 extent money is available.

3 (c) To be eligible for a scholarship, a person must

4 (1) be enrolled as a full-time student at the University of  
5 Alaska and qualify for resident tuition status;

6 (2) be participating in the Senior Reserve Officers' Training  
7 Corps program at the University of Alaska for that semester;

8 (3) be a member of the Alaska National Guard or Alaska Naval  
9 Militia;

10 (4) maintain a satisfactory standard of academic achievements  
11 as prescribed by the adjutant general;

12 (5) meet all federal requirements for appointment as an  
13 officer in the Alaska National Guard;

14 (6) agree in writing that he will accept an appointment, if  
15 offered, as a commissioned officer in the Alaska National Guard or  
16 Alaska Naval Militia and that he will serve in the Alaska National  
17 Guard or Alaska Naval Militia for a period of time prescribed by the  
18 adjutant general.

19 (d) A person receiving a scholarship under this section is ineli-  
20 gible for benefits under AS 26.05.295 or 26.05.296.

21 \* Sec. 21. AS 39.35.340 is amended by adding a new subsection to read:

22 (1) An employee is not required to make contributions for credited  
23 service under this section if the employee is a member or former member  
24 of the Alaska National Guard, Alaska Naval Militia, or the Territorial  
25 Guard, with a total period of credited service of at least 20 years  
26 when added to the military service claimed.

27 \* Sec. 22. AS 39.35 is amended by adding a new section to read:

28 Sec. 39.35.345. CREDIT FOR MEMBERSHIP IN THE ALASKA NATIONAL  
29 GUARD AND ALASKA NAVAL MILITIA. (a) A vested member who is a member

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1 of the Alaska National Guard or Alaska Naval Militia may receive  
2 credited service under this system for all or any part of his credited  
3 service under the Alaska National Guard and Alaska Naval Militia retire-  
4 ment system (AS 26.05.222 - 26.05.227) by electing to forgo four months  
5 of credited service under that retirement system for each month of  
6 service credited under this system.

7 (b) A vested member who is a former member of the Alaska National  
8 Guard or Alaska Naval Militia with at least six years credited service  
9 under the Alaska National Guard and Alaska Naval Militia retirement  
10 system (AS 26.05.222 - 26.05.227) may receive credited service under  
11 (a) of this section. If the vested member has received retirement  
12 pension benefits under the Alaska National Guard and Alaska Naval  
13 Militia retirement system and wishes to claim credited service with  
14 respect to months for which benefits have been paid, he is indebted to  
15 this system in the amount of those benefits. Interest as prescribed by  
16 regulation adopted by the administrator accrues on this indebtedness  
17 beginning on the date the vested member received the first benefit for  
18 which he is indebted to this system or July 1, 1980, whichever is  
19 later. Any outstanding indebtedness which exists at the time a person  
20 is appointed to retirement will necessitate an actuarial adjustment to  
21 the benefits payable under this section.

22 (c) Except as provided in (b) of this section, an employee is not  
23 required to make contributions for credited service allowed under this  
24 section.

25 (d) The credited service allowed under this section may not  
26 exceed an aggregate period of five years and may not be used to satisfy  
27 the credited service requirements for normal or early retirement.

28 (e) An employee may not receive credited service under this sec-  
29 tion if credit for membership in the Alaska National Guard or Alaska

1 Naval Militia was granted under AS 14.25.

2 (f) As used in this section, "credited service under the Alaska  
3 National Guard and Alaska Naval Militia retirement system" means the  
4 total number of months that a person included in that system was a  
5 member of the Territorial Guard, Alaska National Guard, or Alaska Naval  
6 Militia.

7 \* Sec. 23. AS 26.05.260(b), (d), (e), (f), and (g) are repealed.

8 \* Sec. 24. A person described in AS 14.25.100(f) added by sec. 3 of this  
9 Act or in AS 39.35.340(1) added by sec. 21 of this Act who made contributions  
10 for military service credit before the effective date of this Act is entitled  
11 to a refund of those contributions.

12 \* Sec. 25. The first appointees to the National Guard Advisory Board  
13 established in AS 26.05.165 added by sec. 8 of this Act shall serve the  
14 following terms: two for one-year terms; two for two-year terms; and three  
15 for three-year terms.

16 \* Sec. 26. A retired member or a deferred vested member on July 1, 1981,  
17 is eligible for any increase in benefits resulting from the amendments to  
18 AS 14.25 (teachers' retirement system) in secs. 1 - 5 of this Act.

19 \* Sec. 27. A retired member or deferred vested member on July 1, 1981,  
20 is eligible for any increase in benefits resulting from the amendments to  
21 AS 39.35 (public employees' retirement system) in secs. 21 and 22 of this  
22 Act.

23 \* Sec. 28. A retired member of the Alaska National Guard or Alaska Naval  
24 Militia on July 1, 1981, is eligible for any increase in the retirement  
25 pension payable under AS 26.05.222 - 26.05.227 resulting from the amendments  
26 to AS 26.05 (Alaska National Guard and Alaska Naval Militia retirement  
27 system) in secs. 9 - 13 of this Act.

28 \* Sec. 29. If a retired or former member eligible for a credit or refund  
29 under secs. 4, 22, or 24 of this Act dies before June 30, 1981, his bene-

1 ficiary on July 1, 1981 shall receive those accrued benefits not received by  
2 the deceased.

3 \* Sec. 30. The amendments made to AS 26.05.265 in sec. 18 of this Act do  
4 not apply to a person who was receiving state reenlistment bonus payments  
5 under AS 26.05.265 for a reenlistment or extension approved before July 1,  
6 1981.

7 \* Sec. 31. This Act takes effect July 1, 1981.  
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THE LEGISLATURE OF THE STATE OF ALASKA  
TWELFTH LEGISLATURE

FISCAL NOTE

I. REQUEST

Bill/Resolution No. House Bill 388  
Title An Act Relating to the Alaska National Guard  
Requested by Representative Miller Date 5-13-81

II. FISCAL DETAIL

Agency Affected Administration - Division of Retirement and 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						
200 TRAVEL						
300 CONTRACTUAL						
400 COMMODITIES						
500 EQUIPMENT						
600 LAND & STRUCTURES						
700 STATE TRS MATCHING						
100 BENEFITS		3,114.4	3,425.8	3,768.4	4,145.2	4,559.7
TOTAL	0	3,114.4	3,425.8	3,768.4	4,145.2	4,559.7

FUNDING (Thousands of Dollars)

GENERAL FUND		2,550.6	2,805.6	3,086.3	3,395.0	3,734.4
FEDERAL FUNDS		143.3	157.6	173.3	190.7	209.7
VETERAN'S FUND		6.3	6.9	7.5	8.3	9.1
FISH & GAME FUND		18.7	20.5	22.6	24.8	27.4
HIGHWAY FUND		40.5	44.5	49.0	53.9	59.3
AIRPORT FUND		90.3	99.3	109.3	120.2	132.2
CAPITAL FUND		264.7	291.2	320.2	352.3	387.6
PERS						
TRS						

POSITIONS NONE

FULL TIME						
PART TIME						
TEMPORARY						

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

1. Estimate that approximately 50 PERS members have 20 years of military and Alaska National Guard service.
2. Estimate that approximately 200 PERS members have over 6 years of Alaska National Guard service.
3. To fund this bill, the State contribution rate would be increased by 1.05% of the FY82 covered payroll.
4. Estimate that the FY82 covered State PERS payroll to be \$296,614,000 increasing 10% annually.
5. The cost to political subdivisions is estimated to be approximately as follows:

FY 82	FY 83	FY 84	FY 85	FY 86
\$2673.9	\$2941.3	\$3235.4	\$3559.0	\$3914.9

IV. DATE 5-14-81 PREPARED BY Paul R. Arnoldt, Director  
AGENCY Division of Retirement & Benefits  
PHONE 465-4460

Original: Legislative Finance  
cc: Budget and Management  
Prime Sponsor (First Legislator Named) Representative Miller  
Office of the Governor (Keith Specking)

FISCAL NOTE

I. REQUEST

Bill/Resolution No. House Bill 388

Title An Act Relating to the Alaska National Guard

Requested by Representative Miller

Date 5-13-81

II. FISCAL DETAIL

Agency Affected Administration - Division of Retirement & Benefits

Program Category Affected Labor Services and Elementary & Secondary Education

BRU, Program, or Subprogram(s) Affected 02-96-8-01-01-02 (TRS) 02-11-8-02-01-00 (TRS MATCH)

(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						
200 TRAVEL						
300 CONTRACTUAL						
400 COMMODITIES						
500 EQUIPMENT						
600 LAND & STRUCTURES						
700 STATE TRS MATCHING		301.1	331.2	364.3	400.7	440.8
100 BENEFITS		53.4	58.7	64.6	71.1	78.2
TOTAL	0	354.5	389.9	428.9	471.8	519.0

FUNDING (Thousands of Dollars)

	FY 81	FY 82	FY 83	FY 84	FY 85	FY 86
GENERAL FUND		354.5	389.9	428.9	471.8	519.0
FEDERAL FUNDS						
VETERAN'S FUND						
FISH & GAME FUND						
HIGHWAY FUND						
AIRPORT FUND						
CAPITAL FUND						
PERS						
TRS						

POSITIONS NONE

FULL TIME						
PART TIME						
TEMPORARY						

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

1. Estimate 5 teachers having 20 years of military or Alaska National Guard service.
2. Estimate 20 teachers having over 6 years of National Guard service.
3. To fund this bill, the TRS contribution rate would be increased by .23% of covered payroll (the TRS contribution rate is split 50/50 between the state matching contribution and the school district contribution).
4. Estimate FY 82 TRS covered payroll to be \$261,775,000 increasing 10% annually.

IV. DATE 5-14-81

PREPARED BY

*Paul B. Arnoldt*  
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 Miller

Office of the Governor (Keith Specking)



THE LEGISLATURE OF THE STATE OF ALASKA  
 TWELFTH LEGISLATURE

FISCAL NOTE

I. REQUEST

Bill/Resolution No. House Bill 388  
 Title An Act Relating to the Alaska National Guard  
 Requested by Representative Miller Date 5-13-81

II. FISCAL DETAIL

Agency Affected Administration - Division of Retirement & Benefits  
 Program Category Affected Labor Services  
 BRU, Program, or Subprogram(s) Affected 02-96-8-01-02-08 (NGRS)

(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						
200 TRAVEL						
300 CONTRACTUAL						
400 COMMODITIES						
500 EQUIPMENT						
600 LAND & STRUCTURES						
700 GRANTS, CLAIMS, ETC.						
100 BENEFITS		1,202.2	1,202.2	1,202.2	1,202.2	1,202.2
TOTAL	0	1,202.2	1,202.2	1,202.2	1,202.2	1,202.2

FUNDING (Thousands of Dollars)

GENERAL FUND		1,202.2	1,202.2	1,202.2	1,202.2	1,202.2
FEDERAL FUNDS						
OTHER (Specify Fund Source)						

POSITIONS NONE

FULL TIME						
PART TIME						
TEMPORARY						

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

IV. DATE 5-14-81 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 Miller  
 Office of the Governor

*John A. Logan*  
*CB*

# STATE OF ALASKA

## DEPARTMENT OF MILITARY AFFAIRS

OFFICE OF THE ADJUTANT GENERAL

JAY S. HAMMOND, Governor

ROOM 610 MACKAY BUILDING  
338 DENALI STREET  
ANCHORAGE, ALASKA 99501  
PHONE: (907) 243-0656 AUTOVON: 862-7210  
Pouch L, Juneau, AK 99811

14 May 1981

Honorable Mike Miller, Chairman  
House State Affairs Committee  
Alaska House of Representatives  
Juneau, Alaska 99801

Subject: House Bill 388

Dear Mr. Miller,

This is a position paper from the Department of Military Affairs - House Bill 388. Although this is not a Department Bill, we support legislation that will benefit Guard members. We have analyzed this bill and have addressed it by section in stating the Department's position.

Sections 1 through 6 pertain to the conversion of Alaska National Guard Service for retirement credit for school teachers. We have no objection to this proposal.

Section 7 imposes undue restrictions on the Governor's appointment of his Adjutant General. The Department strongly opposes this section as it would inhibit the Governor's prerogative to appoint the best qualified person. Our State Constitution is clear on this point and to alter it at this time would be an injustice to the Governor.

Section 8 proposes that a National Guard Advisory Board be established. The Department of Military Affairs also vigorously opposes this section as it would restrict the Governor, acting as the Commander-in-Chief, and the Adjutant General serving as his military commander, to handle the day-to-day affairs of the Department of Military Affairs.

Sections 9 - 11 became law in the last session of the Legislature.

Section 12 proposes that the retirement pension shall be the same amount as that paid under the Alaska Longevity program. We have no objection to this section.

Section 13 & 14 became law in the last session of the Legislature.

Section 15 is administrative in nature. We have no objection.

Honorable Mike Miller  
Page 2

Section 16. We have no objection. It proposes that all members who are called to State Duty shall receive the applicable per diem, in addition to their military pay and allowances.

Section 17 proposes that all members of the Guard or Naval Militia called to State Duty would be covered by the Alaska Workmen's Compensation Act. We support this section. It appears in House Bill 243 and Senate Bill 54. Both are now in the House Finance Committee for approval.

Section 18. We support and is also found in House Bill 243 and Senate Bill 54.

Section 19 proposes to increase the tuition reimbursement program from 50% to 75%. We have no objection to this section.

Section 20. We have sponsored similiar legislation in the past and have no objection, and strongly support it.

Sections 21 - 27. We have no objection to these sections, as with sections 1 - 6.

Section 28 is administrative in nature. We have no objection.

Section 29. We have no objection.

Section 30. We support and is identical to our Department Bill 54, now in the House Finance Committee.

Sincerely yours,

*Richard P. Compton*  
For LTC Henry A. Compton, Director  
Recruiting & Retention Division  
Department of Military Affairs

I. REQUEST

Bill/Resolution No. CS for House Bill No. 388 (State Affairs)  
 Title An Act Relating to the Alaska National Guard and Alaska Naval Militia  
 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						
200 TRAVEL						
300 CONTRACTUAL						
400 COMMODITIES						
500 EQUIPMENT						
600 LAND & STRUCTURES						
700 STATE TRS MATCHING						
100 BENEFITS		3,114.4	3,425.8	3,768.4	4,145.2	4,559.7
TOTAL	0	3,114.4	3,425.8	3,768.4	4,145.2	4,559.7

FUNDING (Thousands of Dollars)

GENERAL FUND		2,550.6	2,805.6	3,086.3	3,395.0	3,734.4
FEDERAL FUNDS		143.3	157.6	173.3	190.7	209.7
VETERAN'S FUND		6.3	6.9	7.5	8.3	9.1
FISH & GAME FUND		18.7	20.5	22.6	24.8	27.4
HIGHWAY FUND		40.5	44.5	49.0	53.9	59.3
AIRPORT FUND		90.3	99.3	109.3	120.2	132.2
CAPITAL FUND		264.7	291.2	320.2	352.3	387.6
PERS						
TRS						

POSITIONS NONE

FULL TIME						
PART TIME						
TEMPORARY						

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

1. Estimate that approximately 50 PERS members have 20 years of military and Alaska National Guard service.
2. Estimate that approximately 200 PERS members have over 6 years of Alaska National Guard service.
3. To fund this bill, the State contribution rate would be increased by 1.05% of the FY 82 covered payroll.
4. Estimate that the FY 82 covered State PERS payroll to be \$296,614,000 increasing 10% annually.
5. The cost to political subdivisions is estimated to be approximately as follows:

FY 82	FY 83	FY 84	FY 85	FY 86
\$2673.9	\$2941.3	\$3235.4	\$3559.0	\$3914.9

*Paul B. Arnoldt* *AP*

IV. DATE 06-04-81 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 Miller  
 Office of the Governor (Keith Specking)

THE LEGISLATURE OF THE STATE OF ALASKA  
TWELFTH LEGISLATURE

FISCAL NOTE

I. REQUEST

Bill/Resolution No. CS for House Bill No. 388 (State Affairs)  
 Title An Act Relating to the Alaska National Guard and Alaska Naval Militia  
 Requested by \_\_\_\_\_ Date \_\_\_\_\_

II. FISCAL DETAIL

Agency Affected Administration - Division of Retirement & Benefits  
 Program Category Affected Labor Services and Elementary & Secondary Education  
 BRU, Program, or Subprogram(s) Affected 02-96-8-01-01-02 (TRS) 02-11-8-02-01-00 (TRS MATCH)  
 (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						
200 TRAVEL						
300 CONTRACTUAL						
400 COMMODITIES						
500 EQUIPMENT						
600 LAND & STRUCTURES						
700 STATE TRS MATCHING		301.1	331.2	364.3	400.7	440.8
100 BENEFITS		53.4	58.7	64.6	71.1	78.2
TOTAL	0	354.5	389.9	428.9	471.8	519.0

FUNDING (Thousands of Dollars)

GENERAL FUND		354.5	389.9	428.9	471.8	519.0
FEDERAL FUNDS						
VETERAN'S FUND						
FISH & GAME FUND						
HIGHWAY FUND						
AIRPORT FUND						
CAPITAL FUND						
PERS						
TRS						

POSITIONS NONE

FULL TIME						
PART TIME						
TEMPORARY						

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

1. Estimate 5 teachers having 20 years of military or Alaska National Guard service.
2. Estimate 20 teachers having over 6 years of National Guard service.
3. To fund this bill, the TRS contribution rate would be increased by .23% of covered payroll (the TRS contribution rate is split 50/50 between the state matching contribution and the school district contribution).
4. Estimate FY 82 TRS covered payroll to be \$261,775,000 increasing 10% annually.



IV. DATE 06-04-81 PREPARED BY Paul E. Arnoldt, Director  
 AGENCY Division of Retirement & Benefits  
 PHONE 455-4460

Original: Legislative Finance  
 cc: Budget and Management  
 Prime Sponsor (First Legislator Named) Representative Miller  
 Office of the Governor (Keith Specking)

## ATTACHMENT

Bill/Resolution No. CSHB No. 388  
(State Affairs)

ASSUMPTIONS:

1. Estimated FY82 Payroll (Total System)	=	\$261,775,000
2. State Contribution Rate to Fund Bill	=	.115%
3. State TRS Matching Rate to Fund Bill	=	.115%
4. School District Rate to Fund Bill	=	.115%

COST ANALYSIS:

<u>Employer</u>	<u>Payroll</u>		<u>Rate</u>	<u>Cost</u>	<u>Appropriation</u>
1. Department of Education	\$ 4,712,000	X	.115%	\$ 5.4	To Their Budget
2. University of Alaska	\$ 42,617,000	X	.115%	\$ 49.0	To Their Budget
				<u>\$ 53.4</u>	
3. State TRS Matching	\$261,775,000	X	.115	\$ 301.1	To TRS Match
4. State TRS Regular Budget:					
Personal Services				\$ -0-	To Personal
Travel				\$ -0-	To Travel
Contractual				\$ -0-	To Contractual
Commodities				\$ -0-	To Commodities
Equipment				<u>\$ -0-</u>	To Equipment
				<u>\$354.5</u>	
5. All School Districts	\$214,446,000	X	.115	<u>\$246.6</u>	
				<u>\$601.1</u>	

REMARKS:

THE LEGISLATURE OF THE STATE OF ALASKA  
TWELFTH LEGISLATURE

FISCAL NOTE

Page 4 of 4

I. REQUEST

Bill/Resolution No. CS for House Bill No. 388 (State Affairs)  
Title An Act Relating to the Alaska National Guard and Alaska Naval Militia  
Requested by \_\_\_\_\_ Date \_\_\_\_\_

II. FISCAL DETAIL

Agency Affected Administration - Division of Retirement and Benefits  
Program Category Affected Labor Services  
BRU. Program. or Subprogram(s) Affected 02-96-8-01-02-08 (NGRS)  
(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						
200 TRAVEL						
300 CONTRACTUAL						
400 COMMODITIES						
500 EQUIPMENT						
600 LAND & STRUCTURES						
700 GRANTS, CLAIMS, ETC.						
100 BENEFITS		1,803.0	1,803.0	1,803.0	1,803.0	1,803.0
TOTAL	0	1,803.0	1,803.0	1,803.0	1,803.0	1,803.0

FUNDING (Thousands of Dollars)

GENERAL FUND		1,803.0	1,803.0	1,803.0	1,803.0	1,803.0
FEDERAL FUNDS						
OTHER (Specify Fund Source)						

POSITIONS NONE

FULL TIME						
PART TIME						
TEMPORARY						

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

1. Additional costs are the result of increasing retirement benefits for National Guard retirees from \$100 per month to \$250 per month which is the amount currently payable under the Alaska longevity bonus program.

*Paul B. Arnoldt*

IV. DATE 06-04-81 PREPARED BY Paul B. Arnoldt, Director  
AGENCY Division of Retirement and Benefits  
PHONE 465-4460  
Original: Legislative Finance  
cc: Budget and Management  
Prime Sponsor (First Legislator Named) Representative Miller

Duncan & Miller HB 388	Survey on SB 74	Bradley, Hohman, Kelley SB 262	Governor's & Fuller's Bill HB 243 & SB 54	
Sec. 1-5; 26-29 Option 4 years for 1 Teacher's Retirement Sec. 21-22; Sec. 23 Repealers Ditto Public Employees	For 511 Against 142 ----- Member of Retirement System 142 Non-members 510	Sec. 8 compares to Sec. 2 except adds "after 31 Dec 39"  Sec. 9 same as Sec. 3 Sec. 10 " " Sec. 4 Sec. 11 " " Sec. 1 Sec. 12 " " Sec. 21 Sec. 13 " " Sec. 22 Except interest from 1981 versus 1980 Sec. 14 " " Sec. 23	Not Covered      Sec. 8 same as Sec. 23 Repealers	
Sec. 6. State Active Duty Status Add employee for disability and death benefits	Not specific in survey		Sec. 2 same as Sec. 6	
Sec. 7. Require Adjutant General upon appointment: <del>5 yrs Alaska Guard</del> Hold Federal Grade Complete C&G Staff and War College	For 573 Against 120			
Sec. 8; 25 National Guard Advisory Board Established	For 615 Against 62			
Sec. 9,10,11,14,15 Adds Naval Militia to definition retirement	In old Bill SB 74	Sec. 1, Sec. 2 change 69 to 71? Balance same as Sec. 11	Sec. 4 same as Sec. 15	
Sec. 12 & 13 Index monthly retirement program to Alaska Longevity Bonus	For 629 Against 38 Stated as an increase to \$125	Do not index to AS 47.45.010 per Sec. 12		

<p>Sec. 16: Pay basic Fed Pay &amp; Allowances plus state per diem area where state active duty performed</p>	<p>In old bill SB 74</p>	<p>Sec. 5 same as 16 Sec. HB 388</p>	<p>Sec. 1 just basic Fed Pay &amp; Allowances not less than \$65.00 indexed: Note lowest state per diem is now \$60.00</p>	
<p>Sec. 17 provides Alaska's Workmen's Compensation (AS 23.30) for injury or disability to and from Active duty</p>	<p>In old bill SB 74</p>	<p>Sec. 6 same as Sec. 17</p>	<p>Sec. 2 &amp; 3 (Abbreviated)</p>	
<p>Sec. 18, 30 State Dept. Reenlistment Bonus Program</p>			<p>Sec. 5 same as Sec. 18 Sec. 7 same as Sec. 30</p>	
<p>Sec. 19 Ed support 75% (Increase from 50%) Includes books add retired members</p>	<p>Better Benefits For 666 Against 43</p>		<p>Sec. 6 only adds retired members</p>	
<p>Sec. 20 establish Senior ROTC Program</p>		<p>Sec. 7 same as Sec. 20</p>		
<p>Sec. 29 provides benefits to survivors under Sec. 26, 27, 28, 29</p>		<p>Sec. 15 same as Sec. 26 Sec. 16 " " Sec. 27 Omits survivors of persons died Sec. 29</p>		
		<p>Sec. 1 definition same Sec. 3 Aids "regardless of whether he filed an application - etc AS 26.05.224 (d) Sec. 4. Earlier service covers all former guardsmen eliminates Jan 1, 69 restriction</p>		

Sec. 24 provides refund to those who bought in military

Omitted

For SB 74 in general 581  
Against " " " 34