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JUNEAU, ALASKA

Alaska State Legislature

BLUE RIBBON COMMISSION ON THE
STATE PERSONNEL ACT
Pouch AG/Mail Stop 0123
Juneau, Alaska 99811
(907) 465-4442

Senator Bill Ray
Chairman

MEMORANDUM

April 3, 1981

TO: Senate State Affairs Committee

FROM: Teresa B. Cramer *TBC*
Administrative Assistant

SUBJECT: SB 197 Applying the Administrative Procedure Act (AS 44.62)
to Adoption of Regulations by State Retirement Systems.

This bill amends the law to require that both the Public Employees Retirement Board and the Teachers Retirement System administrators comply with the Administrative Procedure Act when adopting regulations. Both retirement systems are presently exempted from the APA. The Blue Ribbon Commission recommends the change because of concern that regulations have been adopted in the past without adequate opportunity for public comment. Although rule-making under the APA may be more time-consuming than rule-making under the present methods of the retirement systems, the improved public notice requirements outweigh that disadvantage. In instances in which either retirement system is faced with a need for immediate change in regulations, the APA provides for emergency rule-making. AS 44.62.250.

Section 1 of the bill amends the Public Employees Retirement System statute to make the PERS subject to the APA rule-making requirements.

Section 2 amends the Teachers Retirement System statute to make the TRS subject to the APA rule-making requirements.

TBC:lmk

FISCAL NOTE

I. REQUEST

Bill/Resolution No. _____ Senate Bill No. 197
 Title An Act Applying the Administrative Procedure Act (AS 44.62) to Adoption of Regulation
 Requested by Senator Vic Fischer Date _____

II. FISCAL DETAIL

Agency Affected Administration - Division of Retirement and Benefits
 Program Category Affected Labor Services
 BRU, Program, or Subprogram(s) Affected 02-96-8-01-01 (PEPS)
 (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						
TOTAL	-0-	-0-	-0-	-0-	-0-	-0-

FUNDING (Thousands of Dollars)

GENERAL FUND						
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)

IV. DATE 4/02/81 PREPARED BY Ken Humphreys, for Paul B. Arnold, Director
 AGENCY Division of Retirement & Benefits
 PHONE 465-4460
 Original: Legislative Finance
 cc: Budget and Management
 Prime Sponsor (First Legislator Named) Senator Ray
 Office of the Governor (Keith Specking)

REPORT OF THE
BLUE RIBBON COMMISSION ON THE
STATE PERSONNEL ACT

TO THE
TWELFTH ALASKA STATE LEGISLATURE
FIRST SESSION

Senator Bill Ray
Chairman

February, 1981

SB 197

SENATE BILL 197: APPLYING THE ADMINISTRATIVE PROCEDURE
ACT (AS 44.62) TO ADOPTION OF REGULATIONS
BY STATE RETIREMENT SYSTEMS.

PURPOSE

This bill amends the law to require that both the Public Employees Retirement Board and the Teachers Retirement System administrators comply with the Administrative Procedure Act when adopting regulations. Both retirement systems are presently exempted from the APA. The commission recommends the change because of concern that regulations have been adopted in the past without adequate opportunity for public comment. Although rule-making under the APA may be more time-consuming than rule-making under the present methods of the retirement systems, the improved public notice requirements outweigh that disadvantage. In instances in which either retirement system is faced with a need for immediate change in regulations, the APA provides for emergency rule-making. AS 44.62.250.

SECTION BY SECTION ANALYSIS

Section 1. AS 39.35.042 is repealed and reenacted to read:

Sec. 39.35.042. REGULATIONS. Adoption of regulations under this chapter is subject to the Administrative Procedure Act (AS 44.62).

Comment

Section 1 of the bill amends the Public Employees Retirement System statute to make the PERS subject to the APA rule-making requirements.

Sec. 2. AS 14.25.022 is repealed and reenacted to read:

Sec. 14.25.022. REGULATIONS. Adoption of regulation by the administrator under this chapter is subject to the Administrative Procedure Act (AS 44.62).

Comment

Section 2 amends the Teachers Retirement System statute to make the TRS subject to the AFA rule-making requirements.