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262

THE LEGISLATURE OF THE STATE OF ALASKA
TWELFTH LEGISLATURE

FISCAL NOTE

I. REQUEST

Bill/Resolution No. Senate Bill 262
Title Alaska National Guard and Naval Militia Benefits
Requested by Senators Bradley, Hohman, and Kelley Date April 13, 1981

II. FISCAL DETAIL

Agency Affected Administration, Division of Retirement and Military Affairs
Program Category Affected Public Protection
BRU, Program, or Subprogram(s) Affected _____

(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.	N/A	9.0	13.5	18.0	22.5	22.5
TOTAL		9.0	13.5	18.0	22.5	22.5

FUNDING (Thousands of Dollars)

GENERAL FUND		9.0	13.5	18.0	22.5	22.5
FEDERAL FUNDS						
OTHER (Specify Fund Source)						

POSITIONS

FULL TIME						
PART TIME						
TEMPORARY						

(Section 7 only)

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

Total tuition, fees, and books is \$900.00 per year, per student. Assuming 10 students the first year and 5 additional students each year for the next 3 years. Then sustain 25 students per year thereafter.

IV. DATE 13 Apr 1981 PREPARED BY LTC Henry A. Condon
AGENCY Military Affairs
PHONE 243-0656
Original: Legislative Finance
cc: Budget and Management
Prime Sponsor (First Legislator Named)

LBG, COUNCIL, survey of NGAR members

QUESTION	ANCHORAGE	JUNEAU	FIRST BCOOP BATTALION	SECOND BCOOP BATTALION	THIRD BCOOP BATTALION	KODIAK	FAIRBANKS	HEALY	SITKA	VALDEZ	NO UNIT DESIGNATION	RETIRED	OFFICERS	TOTALS BY QUESTION
Place of employment														
State Agency	43	11	5	25		0	4	1	1	1	7	0	1	100
City Borough	16	3	3	19	7	0	1	2	0	0	1	4	1	57
Federal	192	9	4	18	4	0	5	0	0	1	6	0	1	240
Private	75	7	6	19	1	1	5	5	1	1	6	1	5	133
Other	55	45	27	78	20	0	6	1	1	1	8	0	0	242
1. Time in Guard?														
Less than 6 years	217	22	10	80	16	1	13	10	2	2	13	0	7	393
6-12 years	80	4	7	29	9	0	5	0	0	0	10	0	1	153
13-20 years	46	5	5	27	4	0	3	0	0	0	3	0	0	92
Over 20 years	26	3	9	37	4	0	0	0	0	1	2	3	0	85
2. Will you stay in Guard?														
Yes	356	32	24	142	31	1	20	3	2	5	26	0	7	653
No	8	2	5	15	1	0	0	2	0	1	1	3	1	39
3. Have you been advised of Guard benefits?														
Yes	302	30	10	87	19	1	13	8	1	3	18	0	2	503
No	72	4	19	65	14	0	8	3	2	1	10	0	0	200
4. Have you been advised of changes in State Guard program?														
By Military Dept.														
Yes	224	31	3	74	20	0	10	6	1	4	10	0	7	396
No	144	3	20	79	11	1	10	5	2	0	17	0	1	297
By others														
Yes	100	13	1	24	3	0	6	5	0	1	4	1	3	161
No	76	3	8	17	4	0	7	2	0	0	9	1	0	127
5. Do you believe that better benefits for Guardsmen would help recruitment & retention?														
Yes	360	34	24	139	28	0	21	9	3	3	27	5	8	666
No	17	0	3	16	4	0	0	2	0	1	0	0	0	41
5a - Recruitment Bonuses	286	20	22	125	23	0	15	7	2	2	19	3	5	489
5b - Federal Retirement	201	16	15	99	9	0	10	6	1	2	17	1	5	382
5c - State Retirement	223	24	13	98	17	0	12	5	1	2	18	3	7	423
5d - Other	186	6	4	32	5	0	9	6	2	2	14	2	3	271
6. Do you support the Permanent program (SB 1) etc.?														
Yes	367	33	22	137	29	1	19	11	3	4	28	3	8	667
No	7	1	10	19	4	0	0	0	0	0	0	0	0	41
7. Would you favor an increase in the National Guard Retirement now at \$50 per month to be tied to the longevity bonus at \$135 per month?														
Yes	312	31	31	153	33	1	10	10	3	4	22	3	6	629
No	27	1	0	4	0	0	3	0	0	0	2	0	1	38
8. Does the agency you work for belong to the State Public Employees' Retirement System or the Teachers' Retirement System?														
Yes	44	19	6	47	15	0	4	2	2	1	1	4	2	142
No	309	21	18	93	13	1	15	6	1	3	23	1	6	510
9. Would you favor being able to get credit toward these retirement systems on the basis of one year credited service for four in the Guard?														
Yes	243	29	26	133	28	1	15	9	2	4	19	5	8	522
No	83	4	5	19	5	0	4	2	1	0	4	0	0	127
10. If Yes, would you be willing to talk to your legislators about legislation to do this?														
Yes	250	34	28	132	29	1	19	10	3	3	20	5	8	542
No	36	2	0	16	2	0	0	0	0	1	3	0	0	60
11. Education aid is outlined in a current state law for those who have completed their first enlistment (6 years) at an amount equal to the Federal G.I. Bill. If funded, do you believe it could serve as a retention factor?														
Yes	347	33	27	150	31	1	19	10	3	4	23	5	8	661
No	25	1	4	7	2	0	0	1	0	0	4	0	0	44
12. Would you try to further your education if aid was available?														
Yes	319	27	30	155	33	1	20	11	3	4	24	5	8	640
No	15	5	2	3	0	0	1	0	0	0	2	0	0	58
13. From S.B. 74 introduced in 1979, please indicate your support or non-support for the following provisions.														
13a - An option is granted to convert Guard Retirement on a basis of 4 years for 1 year in either the Public or Teachers' Retirement System.														
Support	232	30	20	144	29	1	16	8	2	2	18	4	5	511
Non-Support	101	3	9	14	3	0	3	1	1	2	1	0	1	147
13b - The creation of a National Guard Advisory Board to the Governor consisting of a majority of enlisted/officer members who are not employees of the Military Department.														
Support	206	30	26	110	30	1	14	9	3	1	17	3	7	539
Non-Support	65	3	3	36	2	0	7	2	0	1	6	2	1	128
13c - The recognition of a Statewide Alaska National Guard Association consisting of enlisted, officers and retired former Guard members.														
Support	310	34	25	176	31	1	20	9	3	4	20	5	7	615
Non-Support	43	0	3	0	2	0	1	2	0	0	3	0	0	62
13d - The requirement that the next Adjutant General have a minimum of 5 years Alaska National Guard experience (about 10 states have this requirement).														
Support	280	32	20	143	30	1	10	11	3	3	20	5	7	573
Non-Support	86	2	8	11	3	0	3	0	0	1	5	0	1	120
14. I support the bill in general.	294	33	25	134	30	0	16	11	2	4	20	5	7	581
15. I do not support the bill in general.	26	0	2	5	0	0	1	0	0	0	0	0	0	34

ANALYSIS OF QUESTIONNAIRES RELATING TO S.B. 74

This questionnaire was sent out to the approximately 2,900 members of the Alaska National Guard. The membership included all Guard members, including Army, Air, Naval Militia and a few retired Guard members.

The questionnaires were sent out by the Legislative Council, in groups, to the various National Guard Units in the State. It appears, due to the number of completed questionnaires returned, that the distribution methods used by the various units varied in that some units had a high response rate, while others had as few as one response.

In the future, time could be set aside for completing this type of survey, especially if it could affect the various members of the Alaska National Guard.

In spite of the foregoing, a statistically sufficient number of completed questionnaires were returned to indicate attitudes of Guardsmen toward S.B. 74 and related matters.

Following is a synopsis of the questionnaires by question:

The first question asked was not numbered.
Place of employment?

Anchorage - 381 responded, listing places of employment as follows:

State Agency 43; City/Borough 16; Federal 192 (it appears the majority of these Federal employees are full-time technicians with the National Guard); Private Business 75 and Other 55.

Juneau - 34 responded, listing places of employment as follows:

State Agency 11; City/Borough 3; Federal 9; Private Business 7 and Other 45.

First Scout Battalion - 33 responded, listing places of employment as follows:

State Agency 5; City/Borough 3; Federal 4; Private Business 6 and Other 27.

Second Scout Battalion - 159 responded, listing places of employment as follows:

State Agency 25; City/Borough 19; Federal 18; Private Business 19 and Other 78.

Third Scout Battalion - 33 responded, listing places of employment as follows:

State Agency 1; City/Borough 7; Federal 4; Private Business 1 and Other 20.

Kodiak - 1 responded, listing place of employment as Private Business.

Fairbanks - 21 responded, listing places of employment as follows:

State Agency 4; City/Borough 1; Federal 5; Private Business 5 and Other 6.

Kenai - 9 responded, listing places of employment as follows:

State Agency 1; City/Borough 0; Federal 0; Private Business 1 and Other 1.

Sitka - 3 responded, listing places of employment as follows:

State Agency 1; City/Borough 0; Federal 0; Private Business 1 and Other 1.

Palmer - 4 responded, listing places of employment as follows:

State Agency 1; City/Borough 0; Federal 1; Private Business 1 and Other 1.

Ketchikan - 8 responded, listing places of employment as follows:

State Agency 1; City/Borough 1; Federal 1; Private Business 5 and Other 0.

A number of questionnaires listed no unit or community with designation - 28 responded, listing places of employment as follows:

State Agency 7; City/Borough 1; Federal 6; Private Business 6 and Other 8.

5 retired Guard members responded, listing places of employment as follows:

State Agency 0; City/Borough 4; Federal 0; Private Business 1 and Other 0.

In the following questions, there are differences in the figures, due mainly to the fact that some respondents did not answer all questions.

The total number of respondents to the first question (unnumbered) was 772, with the following breakdown:

State Agency 100; City/Borough 57; Federal 240; Private Business 133 and Other 242.

Question Number 1, "Time in the Guard", had 723 respondents with the following breakdown: less than six years in the Guard 393; Seven to 12 years in the Guard 153; 12 to 20 years in the Guard 92 and over 20 years in the Guard 85.

Question Number 2, "Will you stay in the Guard", had 692 respondents with the following breakdown: Yes 653; No 39.

Conclusions:

In looking at the first question, it appears that a large number of the responding group are federal full-time employees of the Guard.

Questions Number 1 and 2 taken together, indicate that about half of the members have been in the Guard for at least seven years which indicates that the Guard program is well accepted from the members point of view. Also, the first six years are critical in this type of program, and retention for more than six years appears to be fairly good in the Alaska Guard, which keeps the more seasoned, better trained individuals in the system, and judging from responses to Question 2, will continue. Since training is probably the single most expensive part of the Guard Program, retention makes the program cost effective.

Questions Number 3 and 4 indicate that information on various Guard programs is disseminated to "The Field" in a highly satisfactory manner. Emphasis has been placed on this part of the Guard program by the Adjutant Generals Office and the Recruitment and Retention Section of the Department of Military Affairs.

Question 5, which is made up of five parts, indicates that better benefits are a definite consideration in retention. The main consideration appears to be reenlistment bonuses which give an individual a lump sum payment for "Contracting" to remain in the Guard for a specified amount of time beyond their obligation, in various increments.

The second major concern appears to be a better state retirement for Guardsmen. Since the Guard belongs to its respective state until needed for national emergencies, the Guard can be and has been of great benefit to Alaska, such as in the cases of the 1964 Earthquake, the Fairbanks Flood, the Juneau Alaska Airlines Crash and a number of civic programs too numerous to list, this is an area in which the State can reward its National Guardsmen for giving up weekends and other sacrifices they make to the benefit of Alaska.

In addition, since the beginning of our nation, the National Guard, or Minutemen/Militia has been utilized in time of national need such as the Revolutionary War, World War II, Korea and so on.

Question 5d, Other, covered many areas that Guardsmen wanted in addition to those specified. The main need spoken to was for better loan programs, including home loans for Guardsmen. This was followed by a free ferry trip a year, then free license plates for Guardsmen.

Question 6 indicates that most Guardsmen support the Permanent Fund, specifically in the form of SB 1.

Question 7 indicates that the majority of Guardsmen favor tying the State Guard Retirement, now available, to the Longevity Bonus Program, which would provide for periodic increases without having to request special legislation from time to time. The current Alaska Guard

Retirement Program provides that a member that completes 20 years of Alaska National Guard service, is eligible to receive \$50 per month for each year they spent in the Guard.

Questions 8, 9 and 10 are directly related and will be analyzed together. These questions cover a major portion of SB 74 which deals with credit for years of Guard service toward the Public Employees' or Teachers' Retirement Systems. The Bill provides that in lieu of the State Guard Retirement, a member may opt to receive one year of credited service for each four years in the Guard by relinquishing their Guard Retirement. Actuarially, this could be of benefit to the State, while providing a good retirement option to the Guardsmen. Under the existing Guard Retirement Program, a Guardsman completing 20 years of Alaska Guard Service, would be eligible to receive fifty dollars per month for 20 years, for a total of \$12,000. Under SB 74, if a Guardsman chooses to take the 4 to 1 credit towards Public Employees' or Teachers' Retirement, they must relinquish this \$12,000. The average State employee or teacher contributes approximately \$1,000 per year into the system, which means that under the proposal, the Guardsmen will be paying three times the average for each year of credited service.

Although only about twenty percent of the respondents are presently members of the Public Employees' or Teachers' Retirement Systems, about eighty percent favor this concept, with the majority of comments to these questions stating that they would prefer one year of credited service for each two years in the Guard, which while doubling the credit, would still actuarially give the Retirement System double the average contribution.

Although few respondents now belong to the Public Employees' or Teachers' Retirement Systems, it is logical to assume that given the dynamic conditions in Alaska and the emergence of new boroughs and municipalities, it is highly conceivable that in the future, more and more Guardsmen could become members. In addition, the training that they receive, at federal expense, in leadership and a multitude of administrative areas could make them highly desirable state or municipal employees with a great deal of valuable training and experience.

Most respondents indicated that they would be willing to talk to their legislators in favor of SB 74.

Question 11, indicates that the majority of respondents favor special educational assistance for Guardsmen, and feel that this type of program would enhance retention and recruitment in the Guard.

Question 12, which is related to question 11, indicates that most Guardsmen would further their education if assistance were available.

Question 13 is made up of four parts, a through d.

Question 13a, again indicates strong support for the retirement option of one year credited service for each four years in the Guard, with main comments again stating that credit should be one year credited services

for each two years in the Guard. Again, responses overwhelmingly support this plan, although only 20 percent of the respondents now belong to the Public Employees' or Teachers' Retirement Systems.

Question 13b, overwhelmingly supports the concept of a National Guard Advisory Board to the Governor consisting of officer and enlisted Guardsmen who are not employees of the Department of Military Affairs.

Question 13c, supports the recognition of a statewide National Guard Association comprised of officers, enlisted and former Guard members.

Question 13d, overwhelmingly supports the concept that the next Adjutant General have a minimum of five years in the Alaska National Guard. The consensus of the comments indicate that since this is Alaska's National Guard, an Alaskan Guardsman should head it.

Question 14, shows 581 of the respondents support SB 74 in general, and Question 15 shows 34 respondents do not support the Bill in general.

Finally, SB 74 was the result of many years of input from present and past Guardsmen, and according to the results of the questionnaire, reflects the needs and wishes of the 2,900 members of the Alaska National Guard and their families.

Telecom
Barrow Bob Dupere
And. Jon A. Seimish

X sec 10
X sec ~~11~~ 13

Introduced: 4/2/81
Referred: State Affairs and Finance

1 IN THE SENATE BY BRADLEY, HOHMAN AND KELLY
2 SPONSOR SUBSTITUTE FOR SENATE BILL NO. 262
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 26.05.223 is amended to read:

11 Sec. 26.05.223. COMMENCEMENT OF PARTICIPATION IN SYSTEM. A
12 member of the Alaska National Guard or Alaska Naval Militia shall be
13 included in this system upon commencement of membership in the Alaska
14 National Guard [,] or [ON JANUARY 1, 1973, WHICHEVER IS LATER, OR UPON
15 COMMENCEMENT OF MEMBERSHIP IN THE] Alaska Naval Militia [OR ON JULY 1,
16 1980, WHICHEVER IS LATER].

17 * Sec. 2. AS 26.05.224(a) is amended to read:

18 (a) A [AN ACTIVE] member of the Alaska National Guard [, OR A
19 FORMER MEMBER WHO WAS AN ACTIVE MEMBER] on or after January 1, 1971
20 [1969], or a member of the Alaska Naval Militia on or after July 1,
21 1979, with at least five years of service in the Alaska National Guard
22 or Naval Militia [1980], is eligible for a retirement pension

23 (1) upon voluntary retirement from the Alaska National Guard
24 or Alaska Naval Militia after a total of 20 years or more of satis-
25 factory service in the Alaska National Guard, Alaska Naval Militia, or
26 active service in the armed forces of the United States [, AND THE
27 RESERVES OF THEM, OR ANY COMBINATION OF SERVICE IN THESE COMPONENTS IF
28 AT LEAST FIVE YEARS OF THE SERVICE IS IN THE ALASKA NATIONAL GUARD OR
29 ALASKA NAVAL MILITIA]; or

1 (2) upon involuntary retirement because of federal standards
2 imposed on the Alaska National Guard or Alaska Naval Militia, regard-
3 less of length of service.

4 * Sec. 3. AS 26.05.224(d) is amended to read:

5 (d) A retirement benefit payable to a member at the time of the
6 death of the member shall be paid in a lump sum to the designated
7 beneficiary of the member. The member may change or revoke the desig-
8 nation of a beneficiary without notice to the beneficiary at any time.
9 If a member designates more than one beneficiary, each shall share
10 equally unless the member specifies a different allocation. The desig-
11 nation of a beneficiary and a change or revocation of a beneficiary
12 shall be made on a form provided by the Department of Military Affairs
13 and is not effective until filed with the Department of Military
14 Affairs. If a member fails to designate a beneficiary or if no desig-
15 nated beneficiary survives the member, the death benefit under this
16 subsection shall be paid to his estate regardless of whether he filed
17 an application for payment of retirement benefits.

18 * Sec. 4. AS 26.05.225 is amended to read:

19 Sec. 26.05.225. EARLIER SERVICE. A person who was a member of
20 the Alaska National Guard [ON OR AFTER JANUARY 1, 1969,] is entitled to
21 credit for his service to the state and former territory of Alaska as a
22 member of the [NATIONAL GUARD AND] Territorial Guard [BEFORE AND AFTER
23 JANUARY 1, 1969,] in determining eligibility for retirement benefits
24 under AS 26.05.224.

25 * Sec. 5. AS 26.05.260(c) is amended to read:

26 (c) A member [ENLISTED PERSONS] of the Alaska [ARMY NATIONAL
27 GUARD, AIR] National Guard and Alaska Naval Militia shall receive for
28 each day of active service for the state, under orders of the governor,
29 pay and allowances equal to those provided by federal laws and regula-

1 tions for members [ENLISTED PERSONS] of like grades of the United
2 States Army, United States Air Force and United States Navy, plus com-
3 compensation equivalent to the per diem allowance payable to state
4 officers and employees for the locale at which the duty is being
5 performed. [HOWEVER, NO ENLISTED PERSON SHALL RECEIVED PAY AND ALLOW-
6 ANCES OF LESS THAN \$6 A DAY.]

7 * Sec. 6. AS 26.05.260 is amended by adding new subsections to read:

8 (h) A member of the Alaska National Guard or Alaska Naval Militia,
9 while on active duty for the state and lawfully performing his duties,
10 including transit to and from his home of record, who is injured or
11 suffers a disability while performing those duties is entitled to all
12 compensation and benefits available under the Alaska Workers' Compens-
13 ation Act (AS 23.30) for the injury or disability.

14 (i) The designated beneficiary of a member of the Alaska National
15 Guard or Alaska Naval Militia who dies as a result of an injury or
16 disability received while on active duty for the state and lawfully
17 performing his duties, including transit to and from his home of record,
18 is entitled to receive death benefits allowed beneficiaries under the
19 Alaska Workers' Compensation Act (AS 23.30). In addition, the member's
20 beneficiaries shall be sent, within 15 days of receipt of notice of the
21 member's death, payment in an amount equal to six times the member's
22 monthly salary as designated in (c) of this section, including special
23 and incentive pay, applicable at the date of the member's death. This
24 additional payment will be made only if the death occurs on or before
25 the 120th day after the member's release from state active duty, and
26 only if the state surgeon in the Alaska National Guard or Alaska Naval
27 Militia first determines that the member's death resulted from an
28 injury or disability received during that active duty period. Desig-
29 nated beneficiaries shall be paid the pay and allowances accrued but

1 unpaid to the member at the time of death within 15 days after the date
2 of notice of his death is received. Beneficiaries are considered
3 designated when they are designated as beneficiaries in the member's
4 military personnel record file. If the member does not designate a
5 beneficiary, the beneficiary under this subsection shall be determined
6 in accordance with the Alaska Workers' Compensation Act (AS 23.30).

7 * Sec. 7. AS 26.05 is amended by adding new sections to read:

8 Sec. 26.05.297. ALASKA NATIONAL GUARD SENIOR ROTC SCHOLARSHIP
9 PROGRAM. (a) There is established within the Department of Military
10 Affairs an Alaska National Guard Senior ROTC scholarship program under
11 which eligible persons will receive a grant equivalent to the current
12 cost of resident tuition, fees, and books at the University of Alaska
13 for each eligible semester to the extent funds are available and sub-
14 ject to the projected officer needs of the Alaska National Guard and
15 the Alaska Naval Militia.

16 (b) To be eligible for a scholarship under this section, a person
17 must

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

20 (2) be enrolled and participating in the Senior ROTC program
21 at the University of Alaska for the qualifying semester;

22 (3) be a satisfactory participating member of the Alaska
23 National Guard or Alaska Naval Militia;

24 (4) maintain a satisfactory standard of academic achieve-
25 ment;

26 (5) meet all current federal requirements for appointment as
27 an officer in the Alaska National Guard or Alaska Naval Militia; and

28 (6) be selected by the adjutant general.

29 (c) Scholarship benefits under this section may be awarded in

1 addition to any assistance granted under AS 26.05.295 or 26.05.296.

2 Sec. 26.05.346. DEFINITION. As used in this chapter, "member of
3 the Alaska National Guard or Alaska Naval Militia" means a commissioned
4 or warrant officer or enlisted person in the Alaska National Guard or
5 Alaska Naval Militia.

6 * Sec. 8. AS 14.25.100(a) is amended to read:

7 (a) A member who served as an active member of the armed forces
8 of the United States after December 31, 1939 may receive creditable
9 service under this system up to a maximum of five years. Each 12
10 months of military service equals one school year, and lesser military
11 periods will be determined for credit purposes in a proportionate ratio
12 to a year. To receive creditable service under this section, the
13 member must have received a discharge other than dishonorable. Except
14 as provided in (f) of this section, credit [CREDIT] for service in the
15 armed forces shall be granted only if the member makes contributions
16 for the service [IN THE SAME MANNER AS REQUIRED FOR OUTSIDE SERVICE]
17 under AS 14.25.060. [THE MILITARY SERVICE CREDITED UNDER THIS SECTION
18 SHALL BE INCLUDED IN THE 10-YEAR LIMITATION OF OUTSIDE SERVICE AS
19 SPECIFIED IN AS 14.25.060, EXCEPT IF ENTRY INTO THE ARMED FORCES IS
20 IMMEDIATELY PRECEDED BY ALASKA MEMBERSHIP SERVICE AND FOLLOWING DIS-
21 CHARGE IS CONTINUED BY ALASKA MEMBERSHIP SERVICE WITHIN ONE YEAR THERE-
22 AFTER, SERVICE MAY NOT BE COUNTED FOR PURPOSES OF DETERMINING THE
23 APPLICABILITY OF THE 10-YEAR LIMITATION ON OUTSIDE SERVICE.]

24 * Sec. 9. AS 14.25.100 is amended by adding a new subsection to read:

25 (f) Notwithstanding AS 14.25.060, a member is not required to
26 make contributions for credit for service in the armed forces if the
27 member is a member or former member of the Alaska National Guard, or
28 Alaska Naval Militia, or a former member of the Territorial Guard, with
29 a total period of membership in those organizations of at least 20

1 years when added to the armed force military service claimed. Such a
2 member who has made contributions for military service credit is en-
3 titled to a refund of those contributions.

4 * **PERS** Sec. 14.25 is amended by adding a new section to read:

5 Sec. 14.25.103. CREDIT FOR MEMBERSHIP IN THE ALASKA NATIONAL
6 GUARD AND ALASKA NAVAL MILITIA. (a) A teacher who is a member of the
7 Alaska National Guard or Alaska Naval Militia may receive creditable
8 service under this system for all or any part of his credited service
9 under the Alaska National Guard retirement system (AS 26.05.222 -
10 26.05.226) by electing to forgo four months of credited service under
11 the National Guard retirement system for each month of service to be
12 credited under this system. Each 12 months of service credited under
13 this section equals one school year, and lesser periods of service
14 credit will be determined in a proportionate ratio to a year.

15 (b) A teacher who is a former member of the Alaska National Guard
16 or Alaska Naval Militia with a least six years credited service under
17 the Alaska National Guard retirement system may receive creditable
18 service under (a) of this section. If the teacher has received retire-
19 ment pension benefits under the Alaska National Guard retirement system
20 and wishes to claim creditable service with respect to months for which
21 benefits have been paid, he is indebted to the retirement fund in the
22 amount of those benefits. Compound interest at the rate prescribed by
23 regulation shall be added to the arrearage indebtedness beginning the
24 date the teacher received the first benefit for which he is indebted to
25 the retirement fund or July 1, 1979, whichever is later, and continuing
26 to the date of payment or the date of retirement, whichever occurs
27 first.

28 (c) Except as provided in (b) of this section, a teacher is not
29 required to make contributions for creditable service allowed under

1 this section.

2 (d) The creditable service allowed under this section may not
3 exceed an aggregate period of five years.

4 (e) A teacher may not receive creditable service under this sec-
5 tion if credit for membership in the Alaska National Guard or Alaska
6 Naval Militia was granted under the public employees' retirement system
7 (AS 39.35).

8 (f) As used in this section, "credited service under the Alaska
9 National Guard retirement system" means the total number of months that
10 a person included in that system was a member of the Territorial Guard,
11 Alaska National Guard, or Alaska Naval Militia.

12 * Sec. 11. AS 14.25.060(c) is amended to read:

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

25 * Sec. 12. AS 39.35.340 is amended by adding a new subsection to read:

26 (i) An employee is not required to make contributions for
27 credited service under this section for his service as a member or
28 former member of the Alaska National Guard or Alaska Naval Militia, or
29 a former member of the Territorial Guard, with a total period of

1 membership of at least 20 years when added to the military service
2 claimed. Such an employee who has made contributions for credited
3 service under this section is entitled to a refund of those contri-
4 butions. The deadlines for verifying military service set out in (a),
5 (b), (c), and (e) of this section do not apply to an employee eligible
6 for credited service under this subsection.

7 * Sec. 13. AS 39.35 is amended by adding a new section to read:

8 Sec. 39.35.343. CREDIT FOR MEMBERSHIP IN THE ALASKA NATIONAL
9 GUARD AND ALASKA NAVAL MILITIA. (a) A vested employee who is a member
10 of the Alaska National Guard or Alaska Naval Militia may receive cre-
11 dited service under this system for all or any part of his credited
12 service under the Alaska National Guard and Alaska Naval Militia
13 retirement plan (AS 26.05.222 - 26.05.226) by electing to forgo four
14 months of credited service under that retirement plan for each month of
15 service to be credited under this system.

16 (b) A vested employee who is a former member of the Alaska
17 National Guard or Alaska Naval Militia with at least six years credited
18 service under the Alaska National Guard and Alaska Naval Militia
19 retirement plan may receive credited service under (a) of this section.
20 If the employee has received retirement pension benefits under the
21 Alaska National Guard and Alaska Naval Militia retirement plan and
22 wishes to claim credited service with respect to months for which
23 benefits have been paid, he is indebted to this system in the amount of
24 those benefits. Interest as prescribed by regulation accrues on this
25 indebtedness commencing on the date the employee received the first
26 benefit for which he is indebted to this system or July 1, 1981,
27 whichever is later. Any outstanding indebtedness which exists at the
28 time a person is appointed to retirement will necessitate an actuarial
29 adjustment to the benefits payable under this section.

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

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

7 (e) An employee may not receive credited service under this sec-
8 tion if credit for membership in the Alaska National Guard or Alaska
9 Naval Militia was granted under AS 14.25.

10 (f) As used in this section, "credited service under the Alaska
11 National Guard and Alaska Naval Militia retirement plan" means the
12 total number of months that a person included in that plan was a member
13 of the Territorial Guard, Alaska National Guard, or Alaska Naval
14 Militia.

15 * Sec. 14. The following laws are repealed: AS 26.05.227, and 26.05.-
16 260(b), (d), (e), (f), and (g).

17 * Sec. 15. A retired teacher or teacher on deferred vested status on
18 July 1, 1981 is eligible for any increase in benefits resulting from the
19 amendments to AS 14.25 in secs. 8 - 16 of this Act.

20 * Sec. 16. A retired employee or deferred vested employee on July 1,
21 1981, is eligible for any increase in benefits resulting from the amendments
22 to AS 39.35 in secs. 12 and 13 of this Act.

23 * Sec. 17. This Act takes effect July 1, 1981.
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Col. [unclear] Dept of Mil Affs
Charlie Smith
Arch. Jon A. Simish - AK. NG office [unclear]

Introduced: 3/10/81
Referred: State Affairs and Finance

1 IN THE SENATE BY BRADLEY, HOHMAN AND KELLY

2 SENATE BILL NO. 262

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 26.05.223 is amended to read:

11 Sec. 26.05.223. COMMENCEMENT OF PARTICIPATION IN SYSTEM. A
12 member of the Alaska National Guard or Alaska Naval Militia shall be
13 included in this system upon commencement of membership in the Alaska
14 National Guard [,] or [ON JANUARY 1, 1973, WHICHEVER IS LATER, OR UPON
15 COMMENCEMENT OF MEMBERSHIP IN THE] Alaska Naval Militia [OR ON JULY 1,
16 1980, WHICHEVER IS LATER].

17 * Sec. 2. AS 26.05.224 is amended to read:

18 Sec. 26.05.224. RETIREMENT BENEFITS. (a) A [AN ACTIVE] member
19 of the Alaska National Guard [, OR A FORMER MEMBER WHO WAS AN ACTIVE
20 MEMBER] on or after January 1, 1971 [1969], or a member of the Alaska
21 Naval Militia on or after July 1, 1979 [1980], is eligible for a retire-
22 ment pension

23 (1) upon voluntary retirement from the Alaska National Guard
24 or Alaska Naval Militia after a total of 20 years or more of [SATISFAC-
25 TORY] service in the Alaska National Guard, Alaska Naval Militia, or
26 active service in the armed forces of the United States [, AND THE
27 RESERVES OF THEM, OR ANY COMBINATION OF SERVICE IN THESE COMPONENTS IF
28 AT LEAST FIVE YEARS OF THE SERVICE IS IN THE ALASKA NATIONAL GUARD OR
29 ALASKA NAVAL MILITIA]; or

1 (2) upon involuntary retirement because of federal standards
2 imposed on the Alaska National Guard or Alaska Naval Militia, regardless
3 of length of service.

4 (b) The retirement pension is \$100 a month, payable for the same
5 number of months that the member participated [SATISFACTORILY] in the
6 Alaska National Guard or Alaska Naval Militia.

7 (c) In the case of voluntary retirement an [AN] eligible member
8 or former member may elect to receive his retirement pension beginning
9 on the first day of the month following his 55th birthday or separation
10 from the Alaska National Guard or Alaska Naval Militia, whichever is
11 later. In the case of involuntary retirement because of federal stan-
12 dards an eligible member or former member may receive his retirement
13 pension on the first day of the first month after his separation from
14 the Alaska National Guard or Alaska Naval Militia. The [IN WHICH HE
15 BECOMES ELIGIBLE FOR RETIREMENT, OR THE] member or former member may
16 elect to defer payment to a later date. Payment of a deferred retire-
17 ment benefit may not begin until application for the benefit is filed
18 with and approved by the Department of Military Affairs. [DEFERRED
19 RETIREMENT PAYMENTS MUST BE MADE MONTHLY AT THE RATE OF \$100.]

20 (d) A retirement benefit payable to a member at the time of the
21 death of the member shall be paid in a lump sum to the designated
22 beneficiary of the member. The member may change or revoke the desig-
23 nation of a beneficiary without notice to the beneficiary at any time.
24 If a member designates more than one beneficiary, each shall share
25 equally unless the member specifies a different allocation. The desig-
26 nation of a beneficiary and a change or revocation of a beneficiary
27 shall be made on a form provided by the Department of Military Affairs
28 and is not effective until filed with the Department of Military
29 Affairs. If a member fails to designate a beneficiary or if no desig-

1 nated beneficiary survives the member, the death benefit under this
2 subsection shall be paid to his estate regardless of whether he filed an
3 application for payment of retirement benefits.

4 * Sec. 3. AS 26.05.225 is amended to read:

5 Sec. 26.05.225. EARLIER SERVICE. A person who was a member of
6 the Alaska National Guard [ON OR AFTER JANUARY 1, 1969,] is entitled to
7 credit for his service to the state and former territory of Alaska as a
8 member of the [NATIONAL GUARD AND] Territorial Guard [BEFORE AND AFTER
9 JANUARY 1, 1969,] in determining eligibility for retirement benefits
10 under AS 26.05.224.

11 * Sec. 4. AS 26.05.260(c) is amended to read:

12 (c) A member [ENLISTED PERSONS] of the Alaska [ARMY NATIONAL
13 GUARD, AIR] National Guard and Alaska Naval Militia shall receive for
14 each day of active service for the state, under orders of the governor,
15 pay and allowances equal to those provided by federal laws and regula-
16 tions for members [ENLISTED PERSONS] of like grades of the United
17 States Army, United States Air Force and United States Navy, plus com-
18 pen-sation equivalent to the per diem allowance payable to state officers
19 and employees for the locale at which the duty is being performed.

20 [HOWEVER, NO ENLISTED PERSON SHALL RECEIVED PAY AND ALLOWANCES OF LESS
21 THAN \$6 A DAY.]

22 * Sec. 5. AS 26.05.260 is amended by adding new subsections to read:

23 (h) A member of the Alaska National Guard or Alaska Naval Militia,
24 while on active duty for the state and lawfully performing his duties,
25 including transit to and from his home of record, who is injured or
26 suffers a disability while performing those duties is entitled to all
27 compensation and benefits available under the Alaska Workers' Compem-
28 sation Act (AS 23.30) for the injury or disability.

29 (i) The designated beneficiary of a member of the Alaska National

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

22 * Sec. 5. AS 26.05. is amended by adding new sections to read:

23 Sec. 26.05.297. ALASKA NATIONAL GUARD SENIOR ROTC SCHOLARSHIP
24 PROGRAM. (a) There is established within the Department of Military
25 Affairs an Alaska National Guard Senior ROTC scholarship program under
26 which eligible persons will receive a grant equivalent to the current
27 cost of resident tuition, fees, and books at the University of Alaska
28 for each eligible semester to the extent funds are available and subject
29 to the projected officer needs of the Alaska National Guard and the

1 Alaska Naval Militia.

2 (b) To be eligible for a scholarship under this section, a person
3 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 enrolled and participating in the Senior ROTC program
7 at the University of Alaska for the qualifying semester;

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

10 (4) maintain a satisfactory standard of academic achievement;

11 (5) meet all current federal requirements for appointment as
12 an officer in the Alaska National Guard or Alaska Naval Militia; and

13 (6) be selected by the adjutant general.

14 (c) Scholarship benefits under this section may be awarded in
15 addition to any assistance granted under AS 26.05.295 or 26.05.296.

16 Sec. 26.05.346. DEFINITION. As used in this chapter, "member of
17 the Alaska National Guard or Alaska Naval Militia" means a commissioned
18 or warrant officer or enlisted person in the Alaska National Guard or
19 Alaska Naval Militia.

20 * Sec. 7. AS 14.25.100(a) is amended to read:

21 (a) A member who served as an active member of the armed forces
22 of the United States after December 31, 1939 may receive creditable
23 service under this system up to a maximum of five years. Each 12
24 months of military service equals one school year, and lesser military
25 periods will be determined for credit purposes in a proportionate ratio
26 to a year. To receive creditable service under this section, the
27 member must have received a discharge other than dishonorable. Except
28 as provided in (f) of this section, credit [CREDIT] for service in the
29 armed forces shall be granted only if the member makes contributions

1 for the service [IN THE SAME MANNER AS REQUIRED FOR OUTSIDE SERVICE]
2 under AS 14.25.060. [THE MILITARY SERVICE CREDITED UNDER THIS SECTION
3 SHALL BE INCLUDED IN THE 10-YEAR LIMITATION OF OUTSIDE SERVICE AS
4 SPECIFIED IN AS 14.25.060, EXCEPT IF ENTRY INTO THE ARMED FORCES IS
5 IMMEDIATELY PRECEDED BY ALASKA MEMBERSHIP SERVICE AND FOLLOWING DIS-
6 CHARGE IS CONTINUED BY ALASKA MEMBERSHIP SERVICE WITHIN ONE YEAR THERE-
7 AFTER, SERVICE MAY NOT BE COUNTED FOR PURPOSES OF DETERMINING THE
8 APPLICABILITY OF THE 10-YEAR LIMITATION ON OUTSIDE SERVICE.]

9 * Sec. 8. AS 14.25.100 is amended by adding a new subsection to read:

10 (f) Notwithstanding AS 14.25.060, a member is not required to
11 make contributions for credit for service in the armed forces if the
12 member is a member or former member of the Alaska National Guard, or
13 Alaska Naval Militia, or a former member of the Territorial Guard, with
14 a total period of membership in those organizations of at least 20
15 years when added to the armed forces military service claimed. Such a
16 member who has made contributions for military service credit is en-
17 titled to a refund of those contributions.

18 * Sec. 9. AS 14.25 is amended by adding a new section to read:

19 Sec. 14.25.103. CREDIT FOR MEMBERSHIP IN THE ALASKA NATIONAL
20 GUARD AND ALASKA NAVAL MILITIA. (a) A teacher who is a member of the
21 Alaska National Guard or Alaska Naval Militia may receive creditable
22 service under this system for all or any part of his credited service
23 under the Alaska National Guard retirement system (AS 26.05.222 -
24 26.05.226) by electing to forgo four months of credited service under
25 the National Guard retirement system for each month of service to be
26 credited under this system. Each 12 months of service credited under
27 this section equals one school year, and lesser periods of service
28 credit will be determined in a proportionate ratio to a year.

20 (b) A teacher who is a former member of the Alaska National Guard

1 or Alaska Naval Militia with a least six years credited service under
2 the Alaska National Guard retirement system may receive creditable
3 service under (a) of this section. If the teacher has received retire-
4 ment pension benefits under the Alaska National Guard retirement system
5 and wishes to claim creditable service with respect to months for which
6 benefits have been paid, he is indebted to the retirement fund in the
7 amount of those benefits. Compound interest at the rate prescribed by
8 regulation shall be added to the arrearage indebtedness beginning the
9 date the teacher received the first benefit for which he is indebted to
10 the retirement fund or July 1, 1979, whichever is later, and continuing
11 to the date of payment or the date of retirement, whichever occurs
12 first.

13 (c) Except as provided in (b) of this section, a teacher is not
14 required to make contributions for creditable service allowed under
15 this section.

16 (d) The creditable service allowed under this section may not
17 exceed an aggregate period of five years.

18 (e) A teacher may not receive creditable service under this sec-
19 tion if credit for membership in the Alaska National Guard or Alaska
20 Naval Militia was granted under the public employees' retirement system
21 (AS 39.35).

22 (f) As used in this section, "credited service under the Alaska
23 National Guard retirement system" means the total number of months that
24 a person included in that system was a member of the Territorial Guard,
25 Alaska National Guard, or Alaska Naval Militia.

26 * Sec. 10. AS 14.25.060(c) is amended to read:

27 (c) The total military service claimed may not exceed five years.
28 The total Alaska National Guard and Alaska Naval Militia service claimed
29 may not exceed five years. The combined total of outside, [AND] mili-

1 tary, and Alaska National Guard and Alaska Naval Militia service may
2 not exceed 10 years, except that, if entry into the armed forces is
3 immediately preceded by membership service and within one year after
4 discharge is continued by membership service, that service will not be
5 counted for purposes of determining the applicability of the 10-year
6 limitation on the combined total of outside, [AND] military, and Alaska
7 National Guard and Alaska Naval Militia service. The combined total of
8 outside, military, Alaska National Guard and Alaska Naval Militia, and
9 Alaska BIA service may not exceed 15 years.

10 * Sec. 11. AS 39.35.340 is amended by adding a new subsection to read:

11 (i) An employee is not required to make contributions for credited
12 service under this section for his service as a member or former member
13 of the Alaska National Guard or Alaska Naval Militia, or a former
14 member of the Territorial Guard, with a total period of membership of
15 at least 20 years when added to the military service claimed. Such an
16 employee who has made contributions for credited service under this
17 section is entitled to a refund of those contributions. The deadlines
18 for verifying military service set out in (a), (b), (c), and (e) of
19 this section do not apply to an employee eligible for credited service
20 under this subsection.

21 * Sec. 12. AS 39.35 is amended by adding a new section to read:

22 **PERS**
23 Sec. 39.35.343. CREDIT FOR MEMBERSHIP IN THE ALASKA NATIONAL
24 GUARD AND ALASKA NAVAL MILITIA. (a) A vested employee who is a member
25 of the Alaska National Guard or Alaska Naval Militia may receive cre-
26 dited service under this system for all or any part of his credited
27 service under the Alaska National Guard and Alaska Naval Militia retire-
28 ment plan (AS 26.05.222 - 26.05.226) by electing to forgo four months
29 of credited service under that retirement plan for each month of service
to be credited under this system.

1 (b) A vested employee who is a former member of the Alaska
2 National Guard or Alaska Naval Militia with at least six years credited
3 service under the Alaska National Guard and Alaska Naval Militia retire-
4 ment plan may receive credited service under (a) of this section. If
5 the employee has received retirement pension benefits under the Alaska
6 National Guard and Alaska Naval Militia retirement plan and wishes to
7 claim credited service with respect to months for which benefits have
8 been paid, he is indebted to this system in the amount of those bene-
9 fits. Interest as prescribed by regulation accrues on this indebtedness
10 commencing on the date the employee received the first benefit for
11 which he is indebted to this system or July 1, 1981, whichever is
12 later. Any outstanding indebtedness which exists at the time a person
13 is appointed to retirement will necessitate an actuarial adjustment to
14 the benefits payable under this section.

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

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

21 (e) An employee may not receive credited service under this sec-
22 tion if credit for membership in the Alaska National Guard or Alaska
23 Naval Militia was granted under AS 14.25.

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

29 * Sec. 13. The following laws are repealed: AS 26.05.227, and 26.05.-

1 260(b), (d), (e), (f), and (g).

2 * Sec. 14. A retired teacher or teacher on deferred vested status on
3 July 1, 1981 is eligible for any increase in benefits resulting from the
4 amendments to AS 14.25 in secs. 7 - 9 of this Act.

5 * Sec. 15. A retired employee or deferred vested employee on July 1,
6 1981, is eligible for any increase in benefits resulting from the amendments
7 to AS 39.35 in secs. 11 and 12 of this Act.

8 * Sec. 16. This Act takes effect July 1, 1981.
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