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THE LEGISLATURE OF THE STATE OF ALASKA  
ELEVENTH LEGISLATURE

FISCAL NOTE

I. REQUEST

Bill/Resolution No. Senate Bill 472  
Title An Act providing that territorial employees can become members of PERS  
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 02-96-8-01-01 (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 80	FY 81	FY 82	FY 83	FY 84	FY 85
100 PERSONAL SERVICES						
200 TRAVEL						
300 CONTRACTUAL						
400 COMMODITIES						
500 EQUIPMENT						
600 LAND & STRUCTURES						
700 STATE TRS MATCHING						
100 BENEFITS		33.0	33.0	33.0	33.0	33.0
TOTAL	-0-	33.0	33.0	33.0	33.0	33.0

FUNDING (Thousands of Dollars)

		27.0	27.0	27.0	27.0	27.0
GENERAL FUND						
FEDERAL FUNDS		1.5	1.5	1.5	1.5	1.5
VETERAN'S FUND		.1	.1	.1	.1	.1
WILDERNESS & GAME FUND		.2	.2	.2	.2	.2
HIGHWAY FUND		.4	.4	.4	.4	.4
AIRPORT FUND		1.0	1.0	1.0	1.0	1.0
CAPITAL FUND		2.8	2.8	2.8	2.8	2.8
PERS						
TRS						

POSITIONS NONE

FULL TIME						
PART TIME						
TEMPORARY						

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

1. Estimate that approximately 5 people could qualify for benefits under this bill.
2. Estimate that approximately 15 years service will be claimed by each member.
3. Assume that those qualifying for service credit under this bill could receive benefits immediately.

IV. DATE 4/20/81 PREPARED BY Paul B. Arnoldt, Director  
AGENCY Division of Retirement & Benefits  
PHONE 465-4460

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

*Earl Albrecht*

Introduced: 4/20/81  
Referred: State Affairs, Judiciary and Finance

1 IN THE SENATE

BY KERTTULA BY REQUEST

2 SENATE BILL NO. 472

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 TWELFTH LEGISLATURE - FIRST SESSION

5 A BILL

6 For an Act entitled: "An Act providing that territorial employees can  
7 become members of the public employees' retirement  
8 system; and providing for an effective date."

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

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

11 Sec. 39.35.362. TERRITORIAL SERVICE. (a) A person employed by  
12 the Territory of Alaska for 10 or more years who has not been employed  
13 by the state after January 1, 1961, may claim credited service for  
14 service rendered as an employee of the Territory of Alaska. The  
15 retirement benefits payable to an employee under this subsection shall  
16 be reduced by the amount of the retirement pension benefits paid to him  
17 by the United States government for the same period of service.

18 (b) Notwithstanding AS 39.35.360(b), an employee who claims  
19 retroactive credited service for employment under this section is  
20 indebted to the system and must contribute to the system in order to  
21 receive the credited service claimed. The amount of the indebtedness  
22 is 4.25 percent of the salary the employee received during the period  
23 of employment with the territory for which contributions are made.  
24 Benefits are not payable on credited service claimed under this section  
25 unless the employee makes retroactive contributions to the system to  
26 discharge his indebtedness.

27 \* Sec. 2. AS 39.35.680(21)(B) is amended by adding a new subparagraph to  
28 read:

29 (viii) territorial service member;

1 \* Sec. 3. AS 39.35.680 is amended by adding a new paragraph to read:

2 (39) "territorial service member" means a person who was  
3 employed by the territory for 10 or more years, who qualifies for a  
4 benefit under AS 39.35.362(a) and claims the benefit as required by  
5 AS 39.35.362(b).

6 \* Sec. 4. AS 39.35 is amended by adding a new section to read:

7 Sec. 39.35.387. TERRITORIAL SERVICE MEMBER BENEFITS. A Terri-  
8 torial service member is eligible for a normal retirement benefit at  
9 age 55 with at least 10 years of credited service. The monthly amount  
10 of the retirement benefit shall be computed in accordance with AS 39.-  
11 35.370(c), and is payable in accordance with AS 39.35.370(e).

12 \* Sec. 5. This Act takes effect immediately in accordance with AS 01.10.-  
13 070(c).