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498

STATE OF ALASKA 1984 LEGISLATIVE SESSION
FISCAL NOTE

Revision Date: _____

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REQUEST

FISCAL DETAIL

Bill/Resolution No.: HB 498

Agency Affected: Dept. of Military Affairs

Title: An act relating to Military Benefits

Program Category Affected: NGRS

Sponsor: Fuller and Martin

BRU, Program or Subprogram(s) Affected: _____

Requestor: _____

Date of Request: _____

EXPENDITURES/REVENUES: (Thousands of Dollars)

Operating	FY 84	FY 85	FY 86	FY 87	FY 88	FY 89
100 Personal Svcs						
100 Rtmnt & Bnfts		79.3	79.3	79.3	79.3	79.3
200 Travel						
300 Contractual						
400 Supplies						
500 Equipment						
600 Land & Struct						
700 Grants, Claims						
700 TRS Match						
TOTAL OPERATING	-0-	79.3	79.3	79.3	79.3	79.3

CAPITAL						
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REVENUE						
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FUNDING: (Thousands of Dollars)

General Fund	-0-	79.3	79.3	79.3	79.3	79.3
Federal Funds						
Other						
Total						

POSITIONS:

Full-Time						
Part-Time						
Temporary						

SOURCE OF FUNDS TO OFFSET IMPACT OF BILL:

ANALYSIS: Attach a separate page for analysis

Prepared By: J.K. Humphreys Phone: 465-4460
Division: Retirement & Benefits Date: 1-16-84

Approved by Commissioner: Lisa Rudd Date: 1/16/84
Agency: Administration

Distribution (by Agency preparing fiscal note):

- Legislative Finance
- Legislative Sponsor
- Requestor
- Office of Management and Budget
- Impacted Agency(ies)

Fiscal Note / Admin 1/16/84

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House Bill 498
Fiscal Note Analysis
Prepared by the Division of Retirement & Benefits
Department of Administration

January 16, 1984

IV Analysis: The passage of this bill will provide for a lump-sum death benefit in the Alaska National Guard and Alaska Naval Militia for those members having five or more years of service. The passage of this bill will increase the cost of the National Guard Retirement System by \$79,309.00 each year over the next 25 years. The present value of the unfunded liability is \$441,396.00.

Position Paper

HB 498

The passage of this bill would provide for a lump-sum death benefit in the Alaska National Guard and Alaska Naval Militia Retirement System (NGRS) for those members having five or more years of service. The Department of Administration, like the Department of Military Affairs, supports this bill. This bill would help to alleviate an inequity in the system without a substantial fiscal impact.

J. K. Humphreys

J.K. Humphreys, Director, Division of Retirement & Benefits

1/23/84

Date

Lisa Rudd

Lisa Rudd, Commissioner, Department of Administration

1/24/84

Date

Position Paper / Admin 1/24/84

INTRODUCTION OF BILLS (House)

HB 496, (cont'd)

Does not provide for an effective date (becomes law 90 days following Governor's signature).

Introduced January 9 and referred to Health, Education & Social Services, Judiciary.

School Boards
(labor negotiations)

HOUSE BILL NO. 497, by Rep. Flood. Amends current law relating to labor negotiations by school boards with certificated employees (AS 14.20.550) to read: "Each city, borough and regional school board, shall negotiate with its certificated employees in good faith on matters pertaining to their employment and the fulfillment of their professional duties including class size, teacher load, and pupil-teacher ratio." (underlined language added by Flood's bill). Does not provide for an effective date (becomes effective 90 days following Governor's signature).

Introduced January 9 and referred to Labor & Commerce, Finance.

Military Retirement
(benefits)

HOUSE BILL NO. 498, by Reps. Fuller and Martin. Amends section of the Military Code of Alaska relating to retirement benefits. Provides an active member of the Alaska National Guard, or a former member who was active on or after 1/1/69, or a member of the Alaska Naval Militia on or after July 1, 1980 is eligible for a retirement pension ". . . (2) upon involuntary separation [retirement] because of federal standards imposed on the Alaska National Guard or Alaska Naval Militia, regardless of length of service, unless the separation occurs as a result of the member's own misconduct, misrepresentation, or unwillingness to satisfy established standards for continued participation." (underlined language added, bracketed language deleted).

Also adds a new section relating to retirement benefits stating: "(e) Upon the death of an active member of the Alaska National Guard or Alaska Naval Militia, that member's designated beneficiary is entitled to a lump sum payment in accordance with (b) and (d) of this section if the member has served at least five years in the Alaska National Guard or Alaska Naval Militia or in a combination of these two components, but has served fewer than 20 years in the armed forces of the United States."

Provides Act takes effect July 1, 1984.

Introduced January 9 and referred to State Affairs, Finance.

Nat. Guard Retirement Benefits
(amounts)

HOUSE BILL NO. 499, by Reps. Fuller and Martin. Would raise the retirement pension for Alaska National Guard and Naval Militia members to \$200 a month, payable for the same number of months that the member participated satisfactorily. Adds language stating that the pension for a member who was an officer in the U.S. armed forces with a grade of O7 or above as of July 1, 1983, or who had 20 years or more of active duty service with the armed forces of the U.S. before June 2, 1983, is \$100 a month, payable for the same number of months that the member participated satisfactorily in the Guard or Militia. Provides Act takes effect July 1, 1984.

DRAFT

PROPOSED CSHB 498

1 IN THE HOUSE

BY THE RULES COMMITTEE BY
REQUEST OF THE GOVERNOR

2 CS HOUSE BILL NO. 498

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 THIRTEENTH LEGISLATURE - SECOND SESSION

5 A BILL

6 For an Act entitled: "An Act relating to military retirement benefits."

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

8 * Section 1. AS 26.05.224(a)(2) is amended to read: *Same as Original Bill*

9 (2) upon involuntary separation [RETIREMENT] because of
10 federal standards imposed on the Alaska National Guard or Alaska Naval
11 Militia, regardless of length of service, unless the involuntary
12 separation is the direct result of the member's own misconduct, mis-
13 representation, or unwillingness to satisfy known standards for con-
14 tinued participation.

15 * Sec. 2. AS 26.05.224(d) is amended to read: *Same provisions as original bill, but put into existing section(d)*

16 (d) Upon the death of an active member who has at least five
17 years' service in the Alaska National Guard or Alaska Naval Militia or
18 a combination of these components, the member's designated beneficiary
19 is entitled to a lump sum benefit calculated in accordance with (b) of
20 this section. Upon the death of a former member who has at least 20
21 years' service, the former member's designated beneficiary is entitled
22 to a lump sum benefit calculated in accordance with (b) of this sec-
23 tion less any retirement benefits previously paid. [A RETIREMENT
24 BENEFIT PAYABLE TO A MEMBER AT THE TIME OF THE DEATH OF THE MEMBER
25 SHALL BE PAID IN A LUMP SUM TO THE DESIGNATED BENEFICIARY OF THE
26 MEMBER.] The member may change or revoke the designation of a benefi-
27 ciary without notice to the beneficiary at any time. If a member

1 beneficiary and a change or revocation of a beneficiary shall be made
2 on a form provided by the Department of Military Affairs and is not
3 effective until filed with the Department of Military Affairs. If a
4 member fails to designate a beneficiary or if no designated benefi-
5 ciary survives the member, the death benefit under this subsection
6 shall be paid to that person's [HIS] estate.
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