

SPB

121

STATE OF ALASKA 1987 LEGISLATIVE SESSION
FISCAL NOTE

Bill Version: SB 121
Publish Date: _____

REQUEST _____

Revision Date: Bill/Res No: SB 121
Title: An Act relating to retirement
credited service for temporary service
Sponsor: Duncan
Requestor: Senate State Affairs

Agency Affected: Administration
BRU: Retirement and Benefits
Components: Retirement and Benefits

EXPENDITURES/REVENUES: (Thousands of Dollars)

	FY 87	FY 88	FY 89	FY 90	FY 91	FY 92
OPERATING						
PERSONAL SERVICES	0	0	0	0	0	0
TRAVEL	0	0	0	0	0	0
CONTRACTUAL	0	0	0	0	0	0
SUPPLIES	0	0	0	0	0	0
EQUIPMENT	0	0	0	0	0	0
LAND & STRUCTURES	0	0	0	0	0	0
GRANTS, CLAIMS	0	0	0	0	0	0
MISCELLANEOUS	0	0	0	0	0	0
TOTAL OPERATING	0	0	0	0	0	0
CAPITAL	0	0	0	0	0	0
REVENUE	0	0	0	0	0	0

FUNDING: (Thousands of Dollars)

GENERAL FUND	0	0	0	0	0	0
FEDERAL FUNDS	0	0	0	0	0	0
OTHER I/A & PGM RCPTS	0	0	0	0	0	0
TOTAL	0	0	0	0	0	0

POSITIONS:

FULL-TIME	0	0	0	0	0	0
PART-TIME	0	0	0	0	0	0
TEMPORARY	0	0	0	0	0	0

ANALYSIS: Attach a separate page if necessary

An analysis of the impact of this bill on the actuarial soundness of the Public Employees' Retirement System (PERS) funds is provided in the attached letter to Senator Abood.

Prepared By: John A. Logan *John A. Logan* Phone: (907) 465-4470
Division: Retirement and Benefits Date: February 13, 1987
Approved by Commissioner: Garrey Peska *Garrey Peska* Date: 2/12/87
Agency: Department of Administration

Distribution (by preparer):

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

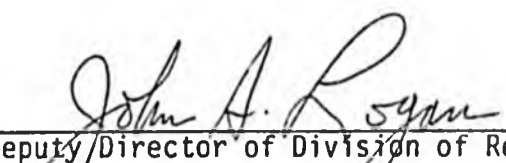
POSITION PAPER

SB 121

This bill removes the requirement for members of the Public Employees' Retirement System (PERS) to claim credit for their temporary service within one year of vesting. It requires those members who wish to receive the credit but do not apply within one year of vesting to pay an additional year's interest on the indebtedness.

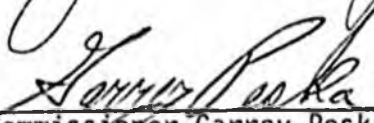
The removal of the deadline for claiming temporary service may eliminate some appeals to the PERS Board by members who missed the deadline. The legislation will have no fiscal impact on the Division of Retirement and Benefits or on the PERS fund.

The department supports this bill.



Deputy Director of Division of Retirement & Benefits

2-13-87
Date



Commissioner Garrey Peska
Department of Administration

2/17/87
Date

STATE OF ALASKA

DEPARTMENT OF ADMINISTRATION

DIVISION OF RETIREMENT & BENEFITS

PLEASE REPLY TO:

P.O. BOX CR
JUNEAU, ALASKA 99811-0203
PHONE: (907)465-4460

2600 DENALI ST. SUITE 401
ANCHORAGE, ALASKA 99503
PHONE (907) 277-7504

Public Employees' Retirement System
Teachers' Retirement System
Judicial Retirement System
Elected Public Officers Retirement System
National Guard Retirement System
Territorial Retirement System
Retirees' Voluntary Dental-Vision Audio Plan
Supplemental Benefits System
Group Health/Life Insurance Benefits
Deferred Compensation Plan
Public Employers Social Security Contributions

STEVE COWPER, GOVERNOR

February 13, 1987

The Honorable Mitch Abood
Chairman, Senate State Affairs Committee
Alaska State Legislature
P.O. Box V
Juneau, AK 99811

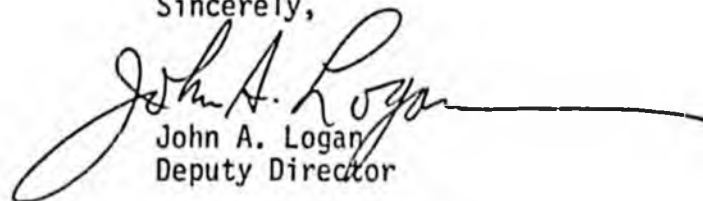
Dear Senator Abood:

Re: Senate Bill 121

In accordance with AS 24.08.036, I am providing the analysis below on Senate Bill 121. The analysis includes the long-term and short-term costs to the state if the bill is adopted and the impact the bill will have on the actuarial soundness of the Public Employees' Retirement System (PERS) funds. Required changes to the appropriation for the Division of Retirement and Benefits are discussed in a separate fiscal note.

This bill makes no changes to the PERS which would result in long-term or short-term costs to the state. There will not be any impact on the actuarial soundness of the PERS fund if this bill becomes law.

Sincerely,


John A. Logan
Deputy Director

JAL/cam/7

FISCAL NOTE

REQUEST:

Revision Date: _____ Agency Affected: Administration
 Title: Relating to retirement credited BRU: Retirement and Benefits
service for temporary service
 Sponsor: Duncan Components: Retirement and Benefits
 Requestor: _____

RECEIVED
FEB 5 1988

EXPENDITURES/REVENUES: (Thousands of Dollars)

OPERATING	FY 88	FY 89	FY 90	FY 91	FY 92	FY 93
PERSONAL SERVICES	0	0	0	0	0	0
TRAVEL	0	0	0	0	0	0
CONTRACTUAL	0	0	0	0	0	0
SUPPLIES	0	0	0	0	0	0
EQUIPMENT	0	0	0	0	0	0
LAND & STRUCTURES	0	0	0	0	0	0
GRANTS, CLAIMS	0	0	0	0	0	0
MISCELLANEOUS	0	0	0	0	0	0
TOTAL OPERATING	0	0	0	0	0	0
CAPITAL	0	0	0	0	0	0
REVENUE	0	0	0	0	0	0

FUNDING: (Thousands of Dollars)

GENERAL FUND	0	0	0	0	0	0
FEDERAL FUNDS	0	0	0	0	0	0
OTHER	0	0	0	0	0	0
TOTAL	0	0	0	0	0	0

POSITIONS:

FULL-TIME	0	0	0	0	0	0
PART-TIME	0	0	0	0	0	0
TEMPORARY	0	0	0	0	0	0

ANALYSIS: (Attach a separate page if necessary)

Prepared By: Robert F. Stalnaker Phone: 465-4470
 Division: Retirement and Benefits Date: 01/28/88

Approved by Commissioner: John M. Andrews Date: 2/3/88
 Agency: Department of Administration

Distribution (by preparer):
 Legislative Finance
 Legislative Sponsor
 Requestor
 Office of Management and Budget
 Impacted Agency(ies)

POSITION PAPER

SB 121

This bill removes the requirement for members of the Public Employees' Retirement System (PERS) to claim credit for their temporary service within one year of vesting. It requires those members who wish to receive the credit but do not apply within one year of vesting to pay an additional year's interest on the indebtedness.

The removal of the deadline for claiming temporary service may eliminate some appeals to the PERS Board by members who missed the deadline. The legislation will have no fiscal impact on the Division of Retirement and Benefits or on the PERS fund.

The department supports this bill.

John A. Ryan
Deputy Director of Division of Retirement & Benefits

2-13-87
Date

Garrey Peska
Commissioner Garrey Peska
Department of Administration

2/17/87
Date

Public Employees Retirement System
Teachers Retirement System
Judicial Retirement System
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National Guard Retirement System
Territorial Retirement System
Retirees' Voluntary Dental-Vision-Audio Plan
Supplemental Benefits System
Group Health/Life Insurance Benefits
Deferred Compensation Plan
Public Employers Social Security Contributions

DEPARTMENT OF ADMINISTRATION
DIVISION OF RETIREMENT & BENEFITS

PLEASE REPLY TO:

P.O. BOX CR
JUNEAU, ALASKA 99811-0203
PHONE: (907)465-4460

2600 DENALI ST. SUITE 401
ANCHORAGE, ALASKA 99503
PHONE (907) 277-7504

STEVE COWPER, GOVERNOR
February 13, 1987

The Honorable Mitch Abood
Chairman, Senate State Affairs Committee
Alaska State Legislature
P.O. Box V
Juneau, AK 99811

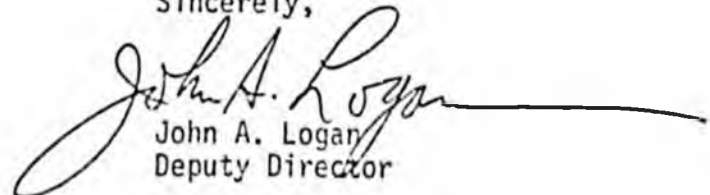
Dear Senator Abood:

Re: Senate Bill 121

In accordance with AS 24.08.025, I am providing the analysis below on Senate Bill 121. The analysis includes the long-term and short-term costs to the state if the bill is adopted and the impact the bill will have on the actuarial soundness of the Public Employees' Retirement System (PERS) funds. Required changes to the appropriation for the Division of Retirement and Benefits are discussed in a separate fiscal note.

This bill makes no changes to the PERS which would result in long-term or short-term costs to the state. There will not be any impact on the actuarial soundness of the PERS fund if this bill becomes law.

Sincerely,


John A. Logan
Deputy Director

JAL/cam/7

STATE OF ALASKA

DEPARTMENT OF ADMINISTRATION DIVISION OF RETIREMENT & BENEFITS

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STEVE COWPER, GOVERNOR

April 21, 1987

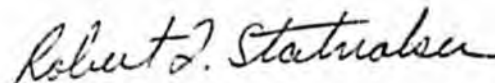
Honorable Jan Faiks
President of the Senate
Alaska State Legislature
P.O. Box V
Juneau, AK 99811

Dear Senator Faiks:

At its March 25 meeting, the Public Employees' (PERS) Retirement Board passed the enclosed resolution which: (1) opposes HB 17, a bill which would extend the Retirement Incentive Program (RIP); and (2) supports SB 121, a bill which would remove the deadline for claiming temporary service.

If you have any questions, please contact me.

Sincerely,



Robert F. Stalnaker
Deputy Director

RFS/CJS/cam/6

Enclosure

cc: PERS Board Members w/encl.

Committees of referral in House
and corresponding Senate committees w/encl.

Honorable Don Bennett w/encl.
Co-Chairman, Senate Finance

Honorable John Binkley w/encl.
Co-Chairman, Senate Finance

Honorable Mitch Abood w/encl. ✓
Chairman, Senate State Affairs

Honorable Al Adams w/encl.
Chairman, House Finance

Honorable Fran Ulmer w/encl.
Chairman, House State Affairs

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APR 22 1987

RECEIVED

APR 17 1987

Division of Retirement & Benefits

RESOLUTION OF THE
PUBLIC EMPLOYEES' RETIREMENT BOARD

WHEREAS, the Public Employees' Retirement (PERS) Board is empowered to consider and adopt resolutions on matters pertaining to changes in policy and revisions of Chapter 39 of the Alaska Statutes;

WHEREAS, the PERS Board at its spring meeting on March 25, 1987, in Juneau, unanimously opposed House Bill 17, which would extend the window periods for the Retirement Incentive Program (RIP). The Board opposes extending the window periods at this time because there can be no accurate assessment of the effectiveness of the RIP until after the existing window periods have been closed. After that time, if it is determined by the Legislature that such a program is still needed, the Board would be supportive of reinstating it;

WHEREAS, the PERS Board unanimously supports SB 121 which would remove the deadline for PERS members to claim their temporary service. The Board has heard numerous appeals by members who were denied temporary credit because they missed the deadline. Since the cost of claiming temporary service is the full actuarial amount for providing benefits, the Board supports the passage of SB 121.

DATED this 14 day April, 1987.

PUBLIC EMPLOYEES' RETIREMENT BOARD

By C.R. "Steve" Hafling
C.R. "Steve" Hafling, Chairman

STATE OF ALASKA

DEPARTMENT OF ADMINISTRATION DIVISION OF RETIREMENT & BENEFITS

PLEASE REPLY TO:

X P.O. BOX CR
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STEVE COWPER, GOVERNOR

April 21, 1987

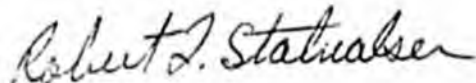
Honorable Ben Grussendorf
Speaker of the House
Alaska State Legislature
P.O. Box V
Juneau, AK 99811

Dear Representative Grussendorf:

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If you have any questions, please contact me.

Sincerely,



Robert F. Stalnaker
Deputy Director

RFS/CJS/cam/6

Enclosure

cc: PERS Board Members w/encl.

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and corresponding Senate committees w/encl.

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Co-Chairman, Senate Finance

Honorable Mitch Abood w/encl. ✓
Chairman, Senate State Affairs

Honorable Al Adams w/encl.
Chairman, House Finance

Honorable Fran Ulmer w/encl.
Chairman, House State Affairs

RECEIVED

APR 17 1987

Division of Retirement & Benefits

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By C.R. "Steve" Hafling
C.R. "Steve" Hafling, Chairman