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HOUSE COMMITTEE REPORT

(11)

Date Referred: April 7, 1989

FURTHER REFERRALS:

Date of Committee Action: 4/20/89

The FINANCE Committee considered:

SSHB 45

SPONSOR SUBSTITUTE FOR HOUSE BILL NO. 45

[PERS CREDIT FOR CONSTITUTIONAL CONVENTION]

"An Act relating to eligibility for retirement benefits under the Public Employees' Retirement System for delegates to the Alaska Constitutional Convention; and providing for an effective date."

RECOMMENDATIONS:

- [] be replaced with _____ [] the same title
- [] have attached amendment(s) [] a new title
- do pass
- [] do not pass
- [] no recommendation
- [] individual recommendations
- [] additional referral to the _____ Committee

ADOPTS: _____ letter of intent

ATTACHES NEW FISCAL NOTE(S):
(Dept)

APPROVES PREVIOUS: _____ (Date/Dept)

- [] fiscal impact _____
- [] zero fiscal note _____
- [] zero with analysis _____

- [] fiscal note(s) _____
- zero fiscal note(s) 4/7/89 DofAdm
- [] zero fn/analysis _____

SIGNING DO PASS:

SIGNING:
(Check approp. column)

Do Not
Pass No Rec Amend

| <i>Rolle Roll</i> | | ↓ | |
|-------------------|--|------|--|
| <i>Steve King</i> | | ✓ SI | |
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Ronald J. ...
Chairman's Signature
Spencer ...

FISCAL NOTE

REQUEST:

Revision Date: _____ Agency Affected: Administration
 Title: Credited Public Employees' Retirement System service for constitutional convention. BRU: Retirement and Benefits
 Sponsor: Koponen Components: Retirement and Benefits
 Requestor: _____

EXPENDITURES/REVENUES: (Thousands of Dollars)

| OPERATING | FY 89 | FY 90 | FY 91 | FY 92 | FY 93 | FY 94 |
|-------------------|-------|-------|-------|-------|-------|-------|
| 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)

See attached sheet for a discussion of the fiscal implication to the retirement fund.

Prepared By: Sally Smith, Director *Sally Smith* Phone: 465-4470
 Division: Retirement and Benefits Date: April 5, 1989

Approved by Commissioner: John M. Andrews Date: 4/5/89
 Agency: Department of Administration *JMA*

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

Adopted

Sponsor Substitute for House Bill 45
Analysis of the Fiscal Implications to the Retirement Fund
Prepared by Division of Retirement & Benefits
Department of Administration
April 3, 1989

Analysis: Passage of this bill will have a very small impact on the PERS retirement fund. The affect on the funding ratio and the unfunded liability would be negligibile.

1 IN THE HOUSE

BY KOPONEN

2

SPONSOR SUBSTITUTE FOR HOUSE BILL NO. 45

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IN THE LEGISLATURE OF THE STATE OF ALASKA

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SIXTEENTH LEGISLATURE - FIRST SESSION

5

A BILL

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For an Act entitled: "An Act relating to eligibility for retirement bene-

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fits under the Public Employees' Retirement System

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for delegates to the Alaska Constitutional Conven-

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tion; and providing for an effective date."

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

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* Section 1. AS 39.35.385 is amended by adding a new subsection to

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read:

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(g) Subject to AS 39.35.450, a former delegate to the Alaska

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Constitutional Convention is eligible for a normal retirement benefit

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at age 60 if the employee has at least three years of credited ser-

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vice.

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* Sec. 2. This Act takes effect July 1, 1989.

Item 3

Alaska State Legislature
Representative Niilo Koponen

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Juneau, Alaska 99811
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House District 21

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SPONSOR STATEMENT
SSHB45

SSHB45 "An Act relating to eligibility for retirement benefits under the Public Employees' Retirement System for delegates to the Alaska Constitutional Convention; and providing for an effective date."

I have become aware that the small number of dedicated Alaskans who took part in the framing of our state constitution were not considered employees of the Territory of Alaska for the purposes of the Public Employees Retirement System. Many delegates worked for the state in the years since the Convention; others did not, or did not work or serve long enough to vest.

I believe it is only proper that we recognize their contribution in more than a symbolic manner. To accomplish this, I have submitted SSHB 45, which vests in the Public Employees Retirement System, those who participated in our Constitutional Convention as elected delegates. The Division of Retirement and Benefits has found only two serving members of the Constitutional Convention who will be affected by this bill. The cost to the PERS will be minimal. This recognition is long overdue.