

HB

159

HFIN

FILE

(11)

HOUSE COMMITTEE REPORT

Date Referred to Committee: April 28, 1999

FURTHER REFERRALS:

Date of Committee Action: 2/23/00

The FINANCE Committee considered:

HB 159

HOUSE BILL NO. 159

PERS PEACE OFFR STATUS CORRECTION EMPLOYE

"An Act granting certain employees in correctional facilities status as peace officers under the public employees' retirement system."

recommends it be replaced with the following committee substitute CS HB 159 (Fin) the same title a new title

additional referral to _____ Committee
 attached amendment(s)

ADOPTS: _____ Letter of Intent

ATTACHES NEW FISCAL NOTE(S): (Dept) _____ APPROVES PREVIOUS: (Dept/Date) _____
 fiscal note(s) _____ fiscal note(s) _____

zero fiscal note(s) DOC zero fiscal note(s) _____

SIGNING WITH RECOMMENDATIONS	DP	DNP	NR	AM
<u>Gene Theriault</u> Theriault			✓	
<u>Don Bende</u> Bende			✓	
<u>Alan Mulder</u> Mulder			✓	
<u>Alan Guster</u> Guster			✓	
<u>Ray Gussendorf</u> Gussendorf			✓	
<u>Ray G. Moses</u> Moses				✓
<u>John Davis</u> Davis	✓			
<u>Phil Phillips</u> Phillips	✓			
<u>John N. Davis</u> Davis			+	

CHAIR'S SIGNATURE: Gene Theriault Eldon Mulder

FISCAL NOTE

STATE OF ALASKA
2000 LEGISLATIVE SESSION

BILL NO. CSHB 159(FIN)

Revision Date/Time _____	Dept. Affected <u>Administration</u>	
Title <u>An act granting certain employees in state</u>	BRU <u>Centralized Administrative Services</u>	
<u>correctional facilities status as peace officers...</u>	Component <u>Retirement and Benefits</u>	
Sponsor <u>Representative Davis</u>		
Requester <u>House Finance</u>	Component No. <u>64</u>	

Expenditures/Revenues (Thousands of Dollars)

Note: Amounts do not include inflation unless otherwise noted below.

OPERATING EXPENDITURES	FY 2001	FY 2002	FY 2003	FY 2004	FY 2005	FY 2006
Personal Services						
Travel						
Contractual						
Supplies						
Equipment						
Land & Structures						
Grants & Claims						
Miscellaneous						
TOTAL OPERATING	0.0	0.0	0.0	0.0	0.0	0.0

CAPITAL EXPENDITURES						
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CHANGE IN REVENUES ()						
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FUND SOURCE (Thousands of Dollars)

1002 Federal Receipts						
1003 GF Match						
1004 GF						
1005 GF/Program Receipts						
1037 GF/Mental Health						
Other (Specify Type)						
TOTAL	0.0	0.0	0.0	0.0	0.0	0.0

Estimate of any current year (FY2000) cost: 0.0

POSITIONS

Full-time						
Part-time						
Temporary						

ANALYSIS: (Attach a separate page if necessary)

The Public Employees' Retirement System (PERS) allows peace officers to retire with 20 years of service and non-peace officers to retire with 30 years of service, regardless of age. The Finance Committee substitute to HB 159 would allow a non-correctional officer with 20 years of PERS state correctional facility service to convert that service to service as a peace officer, thereby allowing the individual to retire. The individual would be required to pay the full actuarial cost of this conversion, either in a lump sum or through a lifetime retirement benefit reduction. Since the full actuarial cost is paid by the employee, this legislation has no fiscal impact to the State of Alaska or other PERS employers.

Prepared by: <u>Guy Bell</u>	Phone <u>465-4471</u>
Division <u>Retirement and Benefits</u>	Date/Time <u>2/24/00 11:17 AM</u>
Approved by Commissioner <u>Robert Poe Jr.</u>	Date <u>2/24/00</u>
Agency <u>Department of Administration</u>	

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ALASKA STATE LEGISLATURE

REPRESENTATIVE GARY DAVIS

HOUSE BILL 159

SPONSOR STATEMENT

Correctional officers, like police officers, parole officers and fire fighters have the opportunity to retire after acquiring 20 years of service. This opportunity is offered primarily as an employment incentive. The state recognizes that these individuals are in a highly stressful and dangerous type of employment and offers this as an inducement to them to remain with their careers.

Correctional officers, however, are not the only employees at Alaska's facilities faced with stressful, dangerous situations. Nor are they the only ones who have consistent contact with inmates on a daily basis. Most other employees also have constant contact. It doesn't matter whether they are working in the kitchen, in the infirmary, in maintenance, in the library or in the administrative offices. These employees work alongside of inmates every day. If there is a problem requiring a "lock down" situation, these employees are included in that lock down. It is this type of stress that can and does lead to high employee turnover. Allowing them to retire after 20 years of service instead of the current 30-year requirement can provide the incentive needed to keep them on the job.

House Bill 159 provides non-correctional officer employees this opportunity and incentive. In essence, it allows an individual to retire after 20 years of credited service at a correctional facility. The required employee contribution increases from 6.75 percent to 7.5 percent to match that of correctional officers. Credit for prior correction facility employment may be purchased for the cost of the additional employee contribution plus any required interest. Like correctional officers, these employees would be able to irrevocably terminate this coverage if they so chose.

House Bill 159 recognizes that any type of employment at correctional facilities can be stressful and dangerous. It provides individuals who work there with an incentive to remain at their jobs. It can also result in benefits to the state. With less employee turnover, fewer funds are needed to train new employees. These savings can revert to the general fund, or they can be used to provide additional on-going training for existing personnel.



ALASKA STATE LEGISLATURE

REPRESENTATIVE GARY DAVIS

HOUSE BILL 159

SECTIONAL ANALYSIS

"An Act granting certain employees in correctional facilities status as peace officers under the public employees' retirement system."

- Section 1: Amends AS 39.35.680(28) to include employees of a correctional facility, other than correctional officers or superintendents in the definition of peace officer as it relates to the public employees' retirement system.
- Section 2: Allows an employee with prior credited service as a correctional facility employee to convert this to service as a peace officer by claiming that service before the employee retires. Upon claiming the prior service, the employee will owe an indebtedness equal to the contributions the employee would have made had the prior service counted toward peace officer service minus the contributions the employee actually made. Interest on this indebtedness accrues beginning July 1, 1999. Any outstanding indebtedness existing at the time of retirement will require an actuarial adjustment to the benefits payable.

or state government pays the employer's contributions. If the amount that the federal government may legally contribute to the system is lower than the required employer's contribution, the state government shall contribute the difference. If the employer's contributions are not paid when due, service credit for the period of delinquency may not be granted until the contributions are paid. (§ 1 ch 53 SLA 1965)

Sec. 39.35.154. North Pacific Fishery Management Council employees. An employee of the North Pacific Fishery Management Council appointed under 16 U.S.C. 1852(f)(1) (§ 302(f)(1) of P. L. 94-265), whose compensation is paid from allotted federal funds, is included in the system if the council pays the employer's contributions. If the employer's contributions are not paid when due, credited service for the period of delinquency may not be granted until the contributions are paid. (§ 1 ch 86 SLA 1977)

Legislative history reports. — For report on ch. 86, SLA 1977 (CSSB 135), see 1977 House Journal, p. 1206; 1977 Senate Journal, p. 535.

Secs. 39.35.155 and 39.35.157. Former magistrates; Tokyo office employees. [Repealed, § 60 ch 21 SLA 1985.]

Sec. 39.35.158. Administrative director of courts. An administrative director of the Alaska court system who withdraws from the judicial retirement system under AS 22.25.012 is eligible for membership in the system and shall receive credited service in the system for service rendered as administrative director. To be eligible for membership in the system under this subsection, the administrative director must contribute to the system

(1) the amount the director would have contributed if the director had been a member during the director's period of membership in the judicial retirement system; and

(2) any contributions for services as administrative director refunded by the system at the time the director became a member of the judicial retirement system. (§ 30 ch 146 SLA 1980)

Article 3. Contributions by Employees.

Section

- 160. Amount of employee contributions
- 170. Employment contributions mandatory
- 180. Voluntary contributions by employee
- 200. Refund upon termination of employment for reason other than death

Section

- 230. Refund upon death of retired employee
- 240. Withdrawal of voluntary contributions

→ **Sec. 39.35.160. Amount of employee contributions.** (a) Beginning January 1, 1987, each peace officer or fire fighter shall contribute to the system an amount equal to seven and one-half percent of the peace officer's or fire fighter's compensation. Beginning January 1, 1987, each other employee shall contribute to the system an amount equal to six and three-quarters percent of the employee's compensation. The contributions shall be deducted by the employer at the end of each payroll period. The contributions shall be deducted from employee compensation before computation of applicable federal taxes, and the contributions shall be treated as employer contributions under 26 U.S.C. 414(h)(2).

(b) *[Repealed, § 6 ch 135 SLA 1980 and § 39 ch 146 SLA 1980.]* (§ 8 a ch 143 SLA 1960; am § 2 ch 235 SLA 1968; am § 3 ch 35 SLA 1969; am § 5 ch 109 SLA 1970; am § 5 ch 159 SLA 1972; am § 2 ch 58 SLA 1979; § 6 ch 135 SLA 1980; am § 39 ch 146 SLA 1980; am § 15 ch 82 SLA 1986)

employees with enough service credit in the civil service retirement system to be eligible for a retirement benefit under that system, and made stylistic changes.

Article 6. Benefits.

Section	Section
370. Retirement benefits	480. Cost-of-living allowance
381. Alternate benefit for elected public officers	485. Minimum benefit
385. Conditional service retirement benefits	490. Designation of beneficiary
389. Alternate benefits for EPORS members	495. Time limit for application
395. Voluntary contribution benefit	500. Safeguard of employee funds held by the system
400. Nonoccupational disability benefits	505. Exemption of employee funds and benefits
410. Occupational disability benefits	510. Voluntary waiver of benefits
415. Reemployment of disabled employees	520. Adjustments
420. Nonoccupational death benefits	522. Waiver of adjustments
430. Occupational death benefit	527. Election to terminate coverage as a peace officer or fire fighter
440. Death after occupational disability	530. Limit on pension
450. Joint and survivor option	535. Medical benefits
451. Spouse survivor benefits under Public Employees Retirement Act of 1949	541. Actuarial reduction of benefit
455. Rights under qualified domestic relations order	546. Tax exemption
475. Post-retirement pension adjustment	547. Effect of amendments

NOTES TO DECISIONS

Vested benefits. — Benefits under Public Employees' Retirement System are in the nature of deferred compensation and the right to such benefits vests immediately upon an employee's enrollment in that system. *Hammond v. Hoffbeck*, 627 P.2d 1052 (Alaska 1981).

The vested benefits protected by Alaska Const., art. XII, § 7, necessarily include not only the dollar amount of the benefits payable, but the requirements

for eligibility as well. *Hammond v. Hoffbeck*, 627 P.2d 1052 (Alaska 1981).

The fact that rights in Public Employees' Retirement System vest on employment does not preclude modifications of the system; that fact does, however, require that any changes in the system that operate to a given employee's disadvantage must be offset by comparable new advantages to that employee. *Hammond v. Hoffbeck*, 627 P.2d 1052 (Alaska 1981).

Sec. 39.35.370. Retirement benefits. (a) Subject to AS 39.35.450, a terminated employee is eligible for a normal retirement benefit

- (1) at age 60 with at least five years credited service;
- (2) with at least 20 years of credited service as a peace officer or fire fighter; or
- (3) with at least 30 years of credited service for all other employees.

(b) Subject to AS 39.35.450, a terminated employee is eligible for an early retirement benefit at age 55 with at least five years credited service. An actuarial adjustment shall be made to retirement benefits paid under this section for an early retirement benefit. The monthly amount of a retirement benefit that would be due under (c) of this section shall be reduced by multiplying one-half of one percent times the number of months, to the nearest month, by which the retirement date of the employee falls short of the date that the employee reaches age 60.

(c) The monthly amount of a retirement benefit for a peace officer or fire fighter is two percent of the average monthly compensation times the years of credited service through 10 years, plus two and one-half percent of the average monthly compensation times the years of service over 10 years. For all other employees it is

- (1) two percent of the average monthly compensation times all years of service before July 1, 1986, and for years of service through a total of 10 years; plus
- (2) two and one-quarter percent of the average monthly compensation times all years of service after June 30, 1986, over 10 years of total service through 20 years; plus
- (3) two and one-half percent of the average monthly compensation times all years of service after June 30, 1986, over 20 years of total service.

(d) The monthly amount of a retirement benefit for a deferred vested member shall be determined in accordance with (c) of this section as it was in effect on the date of the employee's termination of employment.

(e) Benefits payable under this section accrue from the first day of the month after which all of the following requirements are met: (1) the member meets the eligibility requirements of this section; (2) the member terminates employment; and (3) the member applies for retirement. The benefits are payable the last day of the month. If payment is delayed, a retroactive payment shall be made to cover the period of deferment. The last payment shall be made for the month in which a benefit is payable under this section.

(f) A member who is vested in the system as a peace officer or fire fighter at the time the member incurs a permanent disability of at least 33 1/3 per cent under workers' compensation and who (1) undergoes retraining because of the disability; and (2) is subsequently employed with the state or other employer in a position other than peace officer or fire fighter, is eligible for a normal retirement benefit as a peace officer or fire fighter under (a) and (c) of this section upon completing 20 years of credited service. (§ 18 ch 143 SLA 1960; am § 2 ch 102 SLA 1963; am § 7 ch 155 SLA 1966; am § 5 ch 235 SLA 1968; am § 6 ch 109 SLA 1970, am §§ 6, 7 ch 159 SLA 1972; am § 15 ch 47 SLA 1974; am § 34 ch 128 SLA 1977; am § 33 ch 146 SLA 1980; am §§ 22 — 24 ch 82 SLA 1986; am §§ 34, 35 ch 117 SLA 1986; am § 14 ch 4 FSSLA 1996)

Revisor's notes. — In 1989, the term "fire fighter" was substituted for "fireman" in this section under § 60, ch. 50, SLA 1989.

Cross references. — For 1980 adjustment to pensions of retirees who were disabled at the time of retirement, see § 49, ch. 146, SLA 1980 in the Temporary and Special Acts and Resolves; for 1986 increase in retirement benefits for certain employees of the Territory of Alaska, see § 54, ch. 82, SLA 1986 in the Temporary and Special Acts and Resolves.

Effect of amendments. — The 1996 amendment, effective July 1, 1996, added the last sentence in subsection (b).

Editor's notes. — In general, a person's right to benefits under the state's public employee retirement systems vests when the person joins the system. *Hammond v. Hoffbeck*, 627 P.2d 1052 (Alaska 1981).

Therefore, former law may govern the benefits of some members of the public employees' retirement system. The user is advised to ascertain which version of the statute is applicable. Earlier versions of the statutes can be found in prior editions of the Alaska Statutes or in the published Session Laws of Alaska.

Section 57, ch. 82, SLA 1986 provides: "Sections 16, 22-23, 25-27, 42-45, and 50 of this Act apply only to members first hired under the Public Employees' Retirement System: after June 30, 1986."

Section 44, ch. 4, FSSLA 1996 provides that nothing in that Act, which amended subsection (b), "modifies or terminates the terms of a collective bargaining agreement in effect on July 1, 1996." Under § 45, ch. 4, FSSLA 1996, the provisions of that Act, which amended subsection (b), are not severable, notwithstanding AS 01.10.030.

NOTES TO DECISIONS

Employment credits' restricted use. — The phrase "credit for employment" as used in § 7, ch. 89, SLA 1989, cannot be combined with age to determine a member's eligibility for retirement benefits; rather, § 7 employment credits can only be applied according to their intended use: to determine years of service

requirements in the overall determination of a member's eligibility for retirement. *Johnson v. Public Employees Retirement Bd.*, 848 P.2d 263 (Alaska 1993).

Cited in *Sheffield v. Alaska Pub. Employees' Ass'n*, 732 P.2d 1083 (Alaska 1987).

Collateral references. — 67 C.J.S. Officers, § 243 et seq.

Rights and liabilities as between employer and employee with respect to general pension or retire-

ment plan. 42 ALR2d 461; 46 ALR3d 464.

Mandatory retirement of public officer or employee based on age. 81 ALR3d 811.

Sec. 39.35.380. Early retirement benefits. [Repealed, § 55 ch 128 SLA 1977.]

Sec. 39.35.381. Alternate benefit for elected public officers. (a) An elected public officer is eligible for a public officer benefit if the officer is retired under AS 14.25 (teachers' retirement system). Only fully paid credited service as an elected public officer of a municipality or other political subdivision, earned while the municipality or political

(2) *[Repealed, § 60 ch 137 SLA 1982.]*

(3) *[Repealed, § 60 ch 137 SLA 1982.]*

(4) the adjustment was not the result of erroneous information supplied by the member or beneficiary;

(5) before the adjustment was made, the member or beneficiary received confirmation from the administrator that the employee's or beneficiary's records were correct; and

(6) the member or beneficiary had no reasonable grounds to believe the employee's or beneficiary's records were incorrect before the adjustment was made.

(b) In order to obtain consideration of a waiver under this section, the affected member or beneficiary must appeal to the board in writing within 30 days after receipt of notice that the records have been adjusted. The board shall rule on the appeal in writing within 120 days after its receipt.

(c) The board may, at its discretion, conduct a hearing on an appeal under this section. In reaching a decision on an appeal, the board may issue subpoenas, administer oaths, compel the attendance and testimony of witnesses, compel the taking of depositions and the submission of affidavits, and compel the production of documents and records.

(d) The board may impose conditions on the granting of a waiver which it considers equitable. These conditions may include requiring the member or beneficiary to make additional contributions to the system.

(e) The board may reconsider a ruling under this section upon request of the member or beneficiary or the administrator if the request is received within 30 days after the initial ruling. Any modification of the initial ruling must be made within 30 days after receipt of a request for reconsideration.

(f) Rulings and modifications of rulings under this section shall be by a majority of a quorum of the board.

(g) Rulings on appeals and requests for reconsideration under this section may be appealed by an aggrieved member or beneficiary to the superior court for abuse of discretion. (§ 9 ch 174 SLA 1978; am § 41 ch 13 SLA 1980; am § 60 ch 137 SLA 1982)

Sec. 39.35.525. Limitation on use of credited service as peace officer or fireman. [Repealed, § 37 ch 106 SLA 1988.]

→ **Sec. 39.35.527. Election to terminate coverage as a peace officer or fire fighter.** (a) Any active member may elect to irrevocably relinquish peace officer or fire fighter status with the system and to retain all credited service as if it had been acquired as a member other than a peace officer or fire fighter.

(b) In order to relinquish peace officer or fire fighter status with the system, a person must be an active member and must file a written request with the administrator by July 1, 1984, or within six months after employment as a peace officer or fire fighter, whichever occurs later. No person has more than one opportunity to exercise this option.

(c) As soon as possible after the relinquishment, the administrator shall refund to a person who relinquishes peace officer or fire fighter status under this section a refund equal to the amount by which the balance of the person's accumulated mandatory contributions plus interest exceeds the balance which would exist if all service credit had been acquired as a member other than a peace officer or fire fighter.

(d) A written request to relinquish peace officer or fire fighter status is irrevocable upon filing with the administrator. (§ 1 ch 27 SLA 1983)

Revisor's notes. — In 1989, the term "fire fighter" was substituted for "fireman" in this section under § 60, ch. 50, SLA 1989.

Sec. 39.35.530. Limit on pension. An employee may not simultaneously receive a pension under more than one section of this chapter. However, benefits under AS

Article 8. General Provisions.

Section	Section
660. Nonguarantee of employment	680. Definitions
670. Fraud	690. Short title
675. Inclusion of cost-of-living differentials in compensation and benefits	

Sec. 39.35.660. Nonguarantee of employment. This chapter is not a contract of employment between an employer and an employee, nor does it confer a right of an employee to be continued in the employment of an employer, nor is it a limitation of the right of an employer to discharge an employee with or without cause. (§ 38 ch 143 SLA 1960)

Sec. 39.35.670. Fraud. A person who knowingly makes a false statement, or falsifies or permits to be falsified a record of this system, in an attempt to defraud the system, is guilty of a misdemeanor, and upon conviction is punishable by a fine of not more than \$500, or by imprisonment for not more than twelve months, or by both. (§ 41 ch 143 SLA 1960)

Sec. 39.35.675. Inclusion of cost-of-living differentials in compensation and benefits. (a) An employee shall make contributions to the system based on compensation including a cost-of-living differential.

(b) The amount of a cost-of-living differential may not be included in the employee's compensation for purposes of calculating benefits paid under this chapter unless the employee has received a cost-of-living differential in a comparable amount or of at least that many steps for at least 50 percent of the employee's credited service.

(c) When an employee receives a benefit, and if the employee's compensation for purposes of calculating the benefit does not include a cost-of-living differential, then the administrator shall refund to the employee the amount of contributions the employee made based on the differential.

(d) In this section "cost-of-living differential" means an adjustment to salary based on the cost of living in the geographic region where the employee works and includes a pay step differential under AS 39.27.020. (§ 46 ch 82 SLA 1986)

Editor's notes. — Section 58, ch. 82, SLA 1986, first hired under the Public Employees' Retirement System after December 31, 1986. provides that this section applies "only to members

→ **Sec. 39.35.680. Definitions.** In this chapter, unless the context otherwise requires,

(1) "active member" means an employee who is employed by an employer, is receiving compensation for seasonal, permanent full-time, or permanent part-time services, and is making contributions to the system;

(2) "actuarial adjustment" means equality in value of the aggregate expected payments under two different forms of pension payments, considering expected mortality and interest earnings on the basis of tables adopted from time to time by the board;

(3) "administrator" means the person appointed by the commissioner of administration under AS 39.35.050;

(4) "average monthly compensation" means the result obtained by dividing the compensation earned by an employee during a considered period by the number of months, including fractional months, for which compensation was earned; the considered period consists of (A) for employees first hired before July 1, 1996, the three consecutive payroll years during the period of credited service that yields the highest average, and (B) for employees first hired on or after July 1, 1996, the five consecutive payroll years during the period of credited service that yield the highest average, or if the employee does not have the required number of consecutive payroll years, the employee's period of credited

(27) "payroll year" means the period that includes the first pay period ending in January of a year through the last pay period ending in December of that year;

→ (28) "peace officer" or "fire fighter" means an employee occupying a position as a peace officer, chief of police, correctional officer, correctional superintendent, fire fighter, fire chief, or probation officer;

(29) "pension fund" or "fund" means the fund in which the assets of the system are deposited and held;

(30) "permanent full-time" means an employee who is occupying a permanent position that regularly requires working 30 or more hours a week;

(31) "permanent part-time" means an employee who is occupying a permanent position that regularly requires working at least 15 hours but less than 30 hours a week;

(32) "prescribed rate of interest" means the rate of interest used for computing employer contributions, for preparing actuarial tables used by the system and for crediting interest to employee contributions and savings accounts, and for charging interest on employee indebtedness accounts;

(33) "public organization" means an organization or entity

(A) created by the constitution or laws of the state for the purpose of administering state programs;

(B) whose officers and employees are paid by a method other than by the state payroll prepared by the Department of Administration; and

(C) whose employees are not required by law to participate in the system;

(34) "qualified domestic relations order" means a divorce or dissolution judgment under AS 25.24, including an order approving a property settlement, that

(A) creates or recognizes the existence of an alternate payee's right to, or assigns to an alternate payee the right to, receive all or a portion of the benefits payable with respect to an employee;

(B) sets out the name and last known mailing address, if any, of the employee and of each alternate payee covered by the order;

(C) sets out the amount or percentage of the employee's benefit, or of any survivor's benefit, to be paid to the alternate payee, or sets out the manner in which that amount or percentage is to be determined;

(D) sets out the number of payments or period to which the order applies;

(E) does not require any type or form of benefit or any option not otherwise provided by this chapter;

(F) does not require an increase of benefits in excess of the amount provided by this chapter, determined on the basis of actuarial value; and

(G) does not require the payment to an alternate payee of benefits that are required to be paid to another alternate payee under another order previously determined to be a qualified domestic relations order.

(35) "retired member" means an employee who is terminated, who has not received a refund from the system and is receiving a benefit other than disability, from the system;

(36) "retirement" means that period of time from the first day of the month following (A) the date of termination and (B) application for retirement, in which a person is appointed to receive a retirement benefit, other than occupational or nonoccupational disability benefit;

(37) "seasonal" refers to an employee who is occupying a position for less than 12 months each year where it is anticipated that the same employee will return to the position when needed and includes a temporary employee of the legislature if part of the service for the legislature during each calendar year is performed during a legislative session;

(38) "surviving spouse" means the spouse of an employee who has been married to the employee for at least one year at the time of the employee's death; the one-year marriage requirement does not apply when the employee's death was an occupational or accidental death;

Date: April 2, 1999
To: All House and Senate Representatives
From: Byron A. Loomis - Trades Leadman - SCCC
Regarding: House Bill 159

Greetings:

I am writing you this letter to let you know how strongly I feel about this bill. Not only is it the right thing to do, it is well overdue.

I work side by side, day in and day out, with inmates who have tools of all types and descriptions at their disposal. I supervise, hire and fire these same felons and have a major impact on their quality of life in this institution.

My life and well being are every bit affected by this close proximity to these people, as are the correctional officers who work here at Spring Creek. For me to have to work 10 years longer than the corrections staff with the same conditions to receive a full pension is nothing short of a travesty.

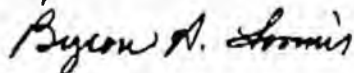
I realize there is a shortcoming in payments as to an early out on this issue, but I have no problem in making up the difference in wage compensation until a retirement bank has been satisfied.

Again I would like to state that this bill is only right and fair to those few of us who work under the same conditions but receive less compensation.

Thank you for your time and consideration on this Bill 159.

Respectfully submitted,

Byron A. Loomis



Clifton Reagle
P O BOX 3066
Seward, AK 99664

April 2, 1999

House and Senate Representatives

Dear Sir or Madam:

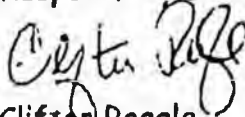
I am writing to you in regards to HB 159.

I am a maintenance employee at Spring Creek Correctional Center. I have been employed there since it opened in 1988. I have been required to work around inmates with infectious diseases and have been threatened in the line of duty by inmates. Altercations have occurred in our maintenance shop resulting in severe physical harm to inmates and maintenance staff who were required to respond. Kitchen staff has been exposed to the same conditions and have been physically attacked by inmates. Some have been hurt so bad they were forced to retire for medical reasons.

HB 159 provides those of us who work under the same hazardous conditions as correctional and law enforcement officers with the same benefits. I am not asking for anything more than equal compensation for working under hazardous conditions.

Please support this bill sponsored by Senator Davis. Thank you for your time and consideration on this issue.

Respectfully submitted,


Clifton Reagle

Mary A. Sandy
PO Box 32
Moose Pass, AK 99631

April 2, 1999

All House and Senate Representatives

Dear Sir or Madam:

I am writing in regards to House Bill 159.

I have been an employee at Spring Creek Correctional Center for $3\frac{1}{2}$ years at as an Admin Clerk. For the last two years I have been the reception desk at the facility. I believe, and have been told, that the worst case scenario in a prison take over would be to take out the front person, me, and then proceed to take over the prison. Every day I come to work I am aware of this, as is my family. When I was interviewed one of the questions they asked me was "if you were abducted by the prisoners, we could not give up the key to the prison to get you back. How do you feel about that?"

As part of my job I am required to be in prisoner areas and the food in our staff dining area is prepared by prisoners. We are given infectious diseases training and are allowed a yearly TB test and hepatitis vaccination as well. This is for a good reason. Eighty-eight percent of the prisoners here at SCCC have hepatitis. I am not only worried about diseases but bodily harm as well. A prisoner who is in here for murdering a woman followed me into a walk in cooler during lunchtime in the Staff Dining area. I could have been next. This particular prisoner had just been cutting up food with a butcher knife when I walked past him. Did I feel threatened, you bet I did. I reported the incident; he lost his job in the kitchen only to get it back a few months down the road.

I deal with prisoner families on a regular basis. I believe I am just as much in jeopardy with them, being on the outside, as I am with the prisoners here. Due to

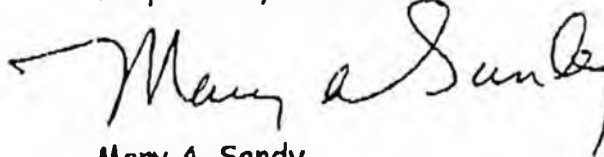
gang activity here in the prison I believe their people on the outside would do anything they ask.

So you can see that I believe I am just as much in risk as the correctional officers who only have to do 20 years to retire. I do not believe it is fair that we have to do 30 years in the same environment.

Please support this bill sponsored by Senator Davis.

Thank you for your time and consideration on this issue.

Respectfully submitted,

A handwritten signature in cursive script that reads "Mary A. Sandy". The signature is written in black ink and is positioned to the left of the typed name.

Mary A. Sandy
Concerned Employee

STATE OF ALASKA

DEPARTMENT OF CORRECTIONS

WILDMOOD CORRECTIONAL CENTER

MEMORANDUM

TONY KNOWLES, GOVERNOR

10 CHUGACH AVENUE
KENAI, ALASKA 99511-7099
PHONE: (907) 260-7200
FAX: (907) 260-7208

TO: Candace Brower

DATE: February 23, 2000

THRU:

FROM: Hal Fimple
Food Service Manager

SUBJECT: House Bill 159

Don't you think it's time for you to do what is right? What you think it might cost in dollars and cents, is not the question. The question is are you going to continue to allow some departments to discriminate against some employees? In the department of corrections, we have many so-called support staff positions. Some of these positions supervise from five to 100 convicted felons everyday in areas that are some of the most violent in the prison. Food service, maintenance, nursing, and teaching. These are high turn over and very high stress related positions.

Security and safety are the number one priority of every staff member. With little, or no training, these people are put in harms way every working day. It is only right and certainly fair, that these people receive some of the benefits that the correctional officers and probation officers, who in many cases never supervise or deal with inmates on a one on one situation, receive. We understand that we are not "peace officers", nor, in fact, are correctional or probation officers. Security or safety are the number one responsibility of ALL correctional staff.

I have been with the department for over fifteen years and I have personally been involved in many altercations. I have also responded to every back up call while on duty.

We could go on and on with all the war stories, but the bottom line is that most of the supervising support staff are required to have, from four to eight years experience before they are considered for a job, while correctional officers can walk in, twenty one years old, and go to work with zero experience with a twenty year retirement program. The support staff not only has a thirty year retirement program, but they also must have extensive experience prior to employment. You have the opportunity to correct a great injustice, and it will not cost the state one penny.

Thank you for doing the right thing.

HF/sah

FISCAL NOTE

Bill Version: HB 159

(H) Publish Date: 4/28/99

**STATE OF ALASKA
1999 LEGISLATIVE SESSION**

Revision Date/Time (Note if correction) _____ Dept. Affected Administration
 Title An Act granting certain employees in correctional BRU Centralized Administrative Services
facilities status as peace officers under PERS. Component Retirement and Benefits
 Sponsor Rep. Davis
 Requester House State Affairs Component Serial No. 64

Expenditures/Revenues (Thousands of Dollars)

Note: Amounts do not include inflation unless otherwise noted below.

OPERATING EXPENDITURES	FY 2000	FY 2001	FY 2002	FY 2003	FY 2004	FY 2005
Personal Services	375.0	375.0	375.0	375.0	375.0	375.0
Travel						
Contractual						
Supplies						
Equipment						
Land & Structures						
Grants & Claims						
Miscellaneous						
TOTAL OPERATING	375.0	375.0	375.0	375.0	375.0	375.0

CAPITAL EXPENDITURES						
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CHANGE IN REVENUES ()						
------------------------	--	--	--	--	--	--

FUND SOURCE (Thousands of Dollars)

1002 Federal Receipts						
1003 GF Match						
1004 GF	375.0	375.0	375.0	375.0	375.0	375.0
1005 GF/Program Receipts						
1037 GF/Mental Health						
Other (Specify Type)						
TOTAL	375.0	375.0	375.0	375.0	375.0	375.0

Estimate of any current year (FY99) cost: 0.0

POSITIONS

Full-time						
Part-time						
Temporary						

ANALYSIS: (Attach a separate page if necessary)

Approximately 274 employees of the Department of Corrections are affected by this bill. HB 159 will increase the State of Alaska's total contributions to PERS by approximately \$375.0 per year. This cost will change as salaries change. HB 159 will also affect other political subdivisions which have correctional facilities.

Prepared by Guy Bell, Director Phone _____
 Division Retirement and Benefits Date/Time _____
 Approved by Commissioner [Signature] Date 4/19/99
 Agency Department of Administration

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2/21/00

CS FOR HOUSE BILL NO. 159(FIN)

IN THE LEGISLATURE OF THE STATE OF ALASKA

TWENTY-FIRST LEGISLATURE - SECOND SESSION

BY THE HOUSE FINANCE COMMITTEE

**Offered:
Referred:**

Sponsor(s): REPRESENTATIVES DAVIS, Smalley, Kerttula

A BILL

FOR AN ACT ENTITLED

1 "An Act permitting certain employees in correctional facilities to convert their
2 credited service under the public employees' retirement system to credited service
3 as peace officers."

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

5 * **Section 1.** AS 39.35.370 is amended by adding a new subsection to read:

6 (g) When an employee who was employed in the public employees' retirement
7 system as an employee of a correctional facility other than as a correctional officer or
8 correctional superintendent applies for appointment to retirement, the employee may
9 convert the credited service for that position to credited service as a peace officer by
10 claiming the service as peace officer service. An employee who has converted
11 credited service to peace officer service under this subsection shall be treated as a
12 peace officer for purposes of this chapter. When the member claims this credited
13 service as peace officer service, an indebtedness of the member to the system shall be
14 established. The indebtedness is equal to the full actuarial cost of the conversion of

1
2
3
4

the credited service to treatment as peace officer service. Any outstanding indebtedness that exists at the time the member is appointed to retirement will require an actuarial adjustment to the benefits payable based upon the conversion of the credited service.

Sec. 11.81.900. Definitions.

(b) In this title, unless otherwise specified or unless the context requires otherwise,

(7) "correctional facility" means premises, or a portion of premises, used for the confinement of persons under official detention;

(37) "official detention" means custody, arrest, surrender in lieu of arrest, or actual or constructive restraint under an order of a court in a criminal or juvenile proceeding, other than an order of conditional bail release;

(41) "peace officer" means a public servant vested by law with a duty to maintain public order or to make arrests, whether the duty extends to all offenses or is limited to a specific class of offenses or offenders;

Sec. 33.30.901. Definitions.

In this chapter, unless the context requires otherwise,

(4) "correctional facility" or "facility" means a prison, jail, camp, farm, half-way house, group home, or other placement designated by the commissioner for the custody, care, and discipline of prisoners; a "state correctional facility" means a correctional facility owned or run by the state;

(12) "prisoner"

(A) means a person held under authority of state law in official detention as defined in AS 11.81.900(b);

(B) includes a minor committed to the custody of the commissioner when,

(i) under AS 47.12.030, 47.12.065, or 47.12.100, the minor has been charged, prosecuted, or convicted as an adult; or

(ii) under AS 47.12.160(e), the minor has been ordered transferred to the custody of the commissioner;

TO: Representative Thierriault

February 22, 2000

From: W. Roger Hale, PA-C
P.O.Box 494
Palmer, AK 99645
(907)745-0357

RE: H.B. 159

Dear Representative Thierriault:

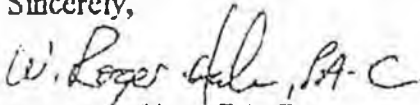
I am writing in support of H.B. 159, sponsored by Representative Gary Davis. I have worked in the Department of Corrections, as a Physician Assistant, for almost 15 years and have watched all my peers leave after a short time. I am the longest employed medical provider within the department.

The jobs of an Institutional Health Care Officer, and that of my nurses, can be an extremely stressful position. Daily we are left without security supervision, where we are alone with potentially violent, and often very ill inmates. On a regular basis, as part of our job, we are exposed to blood and body wastes of HIV and hepatitis infected inmates. Whenever there is an altercation, medical is the first one called. I cannot think of one other position within the DOC that is as high risk as our jobs are.

Due in part to the high stress and high risk, we have an extremely high turn over rate in my position, and that of the other medical staff. Medicine within the prison walls is virtually nothing like that within the private sector. Because of the uniqueness of the field, there is a vast amount of expense to the State, in training costs. With the high turn over rate, this adds to costs that the State could eliminate with the passing of H.B.159.

Again, I am in support of H.B. 159 and encourage your support as well.

Sincerely,



W. Roger Hale, PA-C
Palmer Correctional Center
Institution Health Care Officer

MEDICAL MEMORANDUM

AMCC Department of Corrections State of Alaska

TO: BOOKING *Rep Thiermann*
 KITCHEN
 COMPLIANCE

DATE: 2-22-00

RE: *Health Bill 159th*

- ① yes there is ↑ stress & ↑ risk in our jobs. we deal w/ HIV, AIDS, blood pathogens every day, we need hazardous pay
 - ② we also have one of the highest turnover in this field, because of hazard conditions & not enough training for the new employees into this field.
 - ③ need more training for new medical staff & new officers to deal with the public. This leads to ↑ cost of trainers & trainees.
- Yes we need to pass 159th and retire in 20 yrs -

Thank you
 Delois Ford
 Medical Dept.

P5 I have 14 yrs