

LEG. FINANCE - BILLS 1977 - 1978 641

HB 10 cont., thru HB 13

AMENDMENT #1

OFFERED IN THE HOUSE:

By: STATE AFFAIRS

To: _____ HOUSE BILL No. 10

SENATE BILL No. _____

PAGE: One

LINE: 21

Delete November 14, 1976 and insert October 14, 1976

THE LEGISLATURE OF THE STATE OF ALASKA
TENTH LEGISLATURE

FISCAL NOTE

I. REQUEST

Bill/Resolution No. House Bill 10
Title An act relating to age of retirement under the Public Employee Retirement System
Requested by House State Affairs Date 1/17/77 (Housekeeping)

II. FISCAL DETAIL

Agency Affected Administration - Retirement
Program Category Affected General Government
Budget Request Unit(s) Affected ALL

EXPENDITURES (Thousands of Dollars)

	FY 77	FY 78	FY 79	FY 80	FY 81	FY 82
100 PERSONAL SERVICES	-0-	-0-	-0-	-0-	-0-	-0-
200 TRAVEL	-0-	-0-	-0-	-0-	-0-	-0-
300 CONTRACTUAL	-0-	-0-	-0-	-0-	-0-	-0-
400 COMMODITIES	-0-	-0-	-0-	-0-	-0-	-0-
500 EQUIPMENT	-0-	-0-	-0-	-0-	-0-	-0-
600 LAND & STRUCTURES	-0-	-0-	-0-	-0-	-0-	-0-
700 GRANTS, CLAIMS, ETC.	-0-	-0-	-0-	-0-	-0-	-0-
TOTAL	NO COST					

FUNDING (Thousands of Dollars)

GENERAL FUND	-0-	-0-	-0-	-0-	-0-	-0-
FEDERAL FUNDS	-0-	-0-	-0-	-0-	-0-	-0-
OTHER (Specify)	-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-

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

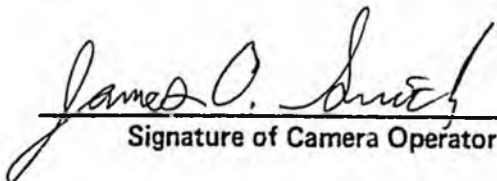
IV. DATE January 17, 1977 PREPARED BY *Robert S. [Signature]*
AGENCY Administration-Division of Retirement & Benefits
PHONE 465-4460
Original: Legislative Finance
cc: Budget and Management
Prime Sponsor (First Legislator Named) Representative Miller
House State Affairs (Rogars)
33-001 (Rev. 10/76) Governor's Office (Fran Ulmer)

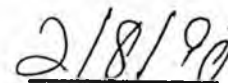


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Signature of Camera Operator


Date

THE LEGISLATURE OF THE STATE OF ALASKA
TENTH LEGISLATURE

FISCAL NOTE

I. REQUEST

Bill/Resolution No. SCS for CSHB 10
 Title An act relating to retirement under the Public Employees' Retirement System
 Requested by Senate Finance Date 5/18/77

II. FISCAL DETAIL

Agency Affected Administration - Retirement
 Program Category Affected General Government
 Budget Request Unit(s) Affected ALL

EXPENDITURES (Thousands of Dollars)

	FY 77	FY 78	FY 79	FY 80	FY 81	FY 82
100 PERSONAL SERVICES	-0-	-0-	-0-	-0-	-0-	-0-
200 TRAVEL	-0-	-0-	-0-	-0-	-0-	-0-
300 CONTRACTUAL	-0-	-0-	-0-	-0-	-0-	-0-
400 COMMODITIES	-0-	-0-	-0-	-0-	-0-	-0-
500 EQUIPMENT	-0-	-0-	-0-	-0-	-0-	-0-
600 LAND & STRUCTURES	-0-	-0-	-0-	-0-	-0-	-0-
700 GRANTS, CLAIMS, ETC.	-0-	-0-	-0-	-0-	-0-	-0-
100 BENEFITS	-0-	153.6	169.0	Increase @ 10% per annum		
TOTAL		\$135.6 153.6	\$169.0			

FUNDING (Thousands of Dollars)

GENERAL FUND	80%	-0-	122.9	135.2	Increase @ 10% per annum	
FEDERAL FUNDS	10%	-0-	15.3	16.9		
OTHER (Specify)	10%	-0-	15.4	16.9		

POSITIONS

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

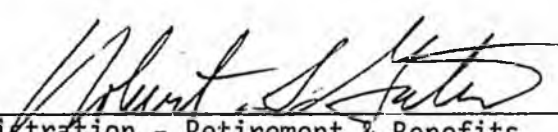
III. ANALYSIS (See Fiscal Note Preparation Instructions, Section III)

1. Assume FY 78 covered payroll to be \$192,000,000.
2. Assume total state payroll will increase @ 10% annually.
3. Increase in the state contribution rate will be .01% for service with the Alaska jail system and .07% for service of peace officers of territorial political subdivisions.

FY 78 cost breakdown is as follows:

Former Alaska jail system employees = \$19.2
 Former peace officers of political subdivisions = \$134.4

IV. DATE May 20, 1977

PREPARED BY 
 AGENCY Administration - Retirement & Benefits
 PHONE 465-4460

Original: Legislative Finance
 cc: Budget and Management
 Prime Sponsor (First Legislator Named)

THE LEGISLATURE OF THE STATE OF ALASKA
TENTH LEGISLATURE

FISCAL NOTE

I. REQUEST
 Bill/Resolution No. SCS for CSHB 10
 Title Service Credit to Peace Officers of the Territorial State and Political Sub.
 Requested by _____ Date _____

II. FISCAL DETAIL
 Agency Affected Administration - Division of Retirement and Benefits
 Program Category Affected Retirement and Benefits (PERS)
 Budget Request Unit(s) Affected Public Employees' Retirement System

EXPENDITURES (Thousands of Dollars)

	FY 77	FY 78	FY 79	FY 80	FY 81	FY 82
100 PERSONAL SERVICES	-0-	-0-	-0-	-0-	-0-	-0-
200 TRAVEL	-0-	-0-	-0-	-0-	-0-	-0-
300 CONTRACTUAL	-0-	-0-	-0-	-0-	-0-	-0-
400 COMMODITIES	-0-	-0-	-0-	-0-	-0-	-0-
500 EQUIPMENT	-0-	-0-	-0-	-0-	-0-	-0-
600 LAND & STRUCTURES	-0-	-0-	-0-	-0-	-0-	-0-
700 GRANTS, CLAIMS, ETC.	-0-	-0-	-0-	-0-	-0-	-0-
100 BENEFITS	-0-	-0-	129.0	141.9	156.1	171.7
TOTAL	-0-	-0-	129.0	141.9	156.1	171.7

FUNDING (Thousands of Dollars)

		FY 77	FY 78	FY 79	FY 80	FY 81	FY 82
GENERAL FUND	80%	-0-	-0-	103.2	113.5	124.9	137.4
FEDERAL FUNDS	17%	-0-	-0-	21.9	24.1	26.5	29.2
OTHER (Specify)	3%	-0-	-0-	3.9	4.3	4.7	5.1

POSITIONS

	FY 77	FY 78	FY 79	FY 80	FY 81	FY 82
FULL TIME	-0-	-0-	-0-	-0-	-0-	-0-
PART TIME	-0-	-0-	-0-	-0-	-0-	-0-
TEMPORARY	-0-	-0-	-0-	-0-	-0-	-0-

- III. ANALYSIS (See Fiscal Note Preparation Instructions, Section III)
1. Estimate FY 79 covered payroll to be \$215,000,000.
 2. Estimate total State payroll will increase at 10% annually.
 3. Estimate not more than 20 employees affected based on work history of current employees of Department of Public Safety.
 4. Estimate affected employees eligible for additional 5 years service credit based on current employees of DPS.
 5. Increase in State contribution rate is .06% of payroll based on actuarial determination.

IV. DATE 1/19/78 PREPARED BY Paul B. Arnoldt
 AGENCY Division of Retirement and Benefits
 PHONE 465-4460
 Original: Legislative Finance
 cc: Budget and Management
 Prime Sponsor (First Legislator Named) Miller
 Office of Governor (Specifying)

THE LEGISLATURE OF THE STATE OF ALASKA
TENTH LEGISLATURE

FISCAL NOTE

I. REQUEST
 Bill/Resolution No. Senate CS for CS for House Bill 10 (Finance)
 Title Service Credit Under the Public Employees' and Teachers' Retirement System
 Requested by _____ Date _____

II. FISCAL DETAIL
 Agency Affected Administration - Division of Retirement and Benefits
 Program Category Affected Retirement and Benefits (PERS and TRS)
 Budget Request Unit(s) Affected 02-96-8-01-01-01 and 02-96-8-01-01-02

EXPENDITURES (Thousands of Dollars) See Attachment - Page 3

	FY 78	FY 79	FY 80	FY 81	FY 82	FY 83
100 PERSONAL SERVICES						
200 TRAVEL						
300 CONTRACTUAL		10.0				
400 COMMODITIES						
500 EQUIPMENT						
600 LAND & STRUCTURES						
700		21.4	23.5	25.9	28.5	31.4
100 BENEFITS		180.4	198.5	218.4	240.2	264.3
TOTAL	-0-	211.8	222.0	243.3	268.7	295.7

FUNDING (Thousands of Dollars) See Attachment - Page 4

GENERAL FUND						
FEDERAL FUNDS						
OTHER (Specify)						

POSITIONS NONE

FULL TIME						
PART TIME						
TEMPORARY						

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

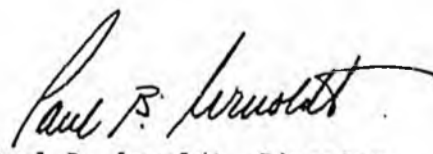
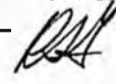
See Attachment - Page 2

IV. APPROPRIATION

See Attachment - Page 5

IV. DATE 6/09/78 PREPARED BY Paul R. Arnoldt, Director
 AGENCY Division of Retirement & Benefits
 PHONE 465-4460

Original: Legislative Finance
 cc: Budget and Management
 Prime Sponsor (First Legislator Named) Finance
 Office of the Governor (Keith Specking)
 33-001 (Rev. 12/77)

ANALYSIS

Senate CS for CS for House Bill 10 (Finance)

Section 1:

Peace Officers - There are approximately 20 peace officers affected by this provision of the bill. The present value of the extra benefits provided by this provision has been calculated to be \$1,882,100. This provision will be funded with level payments of \$129,000 each year for the next 30 years, resulting in a total cash outlay to the State of \$3,870,000.

Alaska Communication System employees - There are approximately 40 individuals affected by this provision of the bill. The present value of the extra benefit provided by this provision has been calculated to be \$364,750. This provision will be funded with level payments of \$25,000 each year for the next 30 years, resulting in a total cash outlay to the State of \$750,000.

Section 2:

Conditional Service Retirement Benefit (TRS) - The present value of the extra benefits provided by this section (using the average working lifetime of a teacher who will receive a benefit) has been calculated to be \$347,000. The State's share in funding this section will be \$26,300 each year increasing by 10% annually plus an initial one-time cost of \$5,000.

Section 3:

Conditional Service Retirement Benefit (PERS) - The present value of the extra benefits provided by this section (using the average working lifetime of an employee who will receive a benefit) has been calculated to be \$164,100. The State's share in funding this section will be \$21,500 each year increasing by 10% annually plus an initial one-time cost of \$5,000.

EXPENDITURES

Senate CS for CS for House Bill 10 (Finance)

	<u>FY79</u>	<u>FY80</u>	<u>FY81</u>	<u>FY82</u>	<u>FY83</u>
<u>CONTRACTUAL</u>					
Conditional (TRS):	5.0				
Conditional (PERS):	<u>5.0</u>				
	10.0				
<u>TRS MATCH</u>	21.4	23.5	25.9	28.5	31.4
<u>BENEFITS</u>					
Peace Officers	129.0	141.9	156.1	171.7	188.9
Communications:	25.0	27.5	30.3	33.3	36.6
Conditional (TRS):	4.9	5.4	5.9	6.5	7.2
Conditional (PERS):	<u>21.5</u>	<u>23.7</u>	<u>26.1</u>	<u>28.7</u>	<u>31.6</u>
	180.4	198.5	218.4	240.2	264.3
Totals	<u>\$211.8</u>	<u>\$222.0</u>	<u>\$244.3</u>	<u>\$268.7</u>	<u>\$295.7</u>

FUNDING

Senate CS for CS for House Bill 10 (Finance)

		<u>FY79</u>	<u>FY80</u>	<u>FY81</u>	<u>FY82</u>	<u>FY83</u>
PEACE OFFICERS:						
General Fund	82.0 %	\$105.7	\$116.3	\$128.1	\$140.9	\$154.8
Federal Fund	4.5 %	5.8	6.4	7.0	7.7	8.5
Veteran's Fund	.2 %	.3	.3	.3	.3	.4
Fish & Game Fund	.6 %	.8	.9	.9	1.0	1.1
Highway Fund	1.3 %	1.7	1.8	2.0	2.2	2.5
Airport Fund	2.9 %	3.7	4.1	4.5	5.0	5.5
Capital Fund	8.5 %	<u>11.0</u>	<u>12.1</u>	<u>13.3</u>	<u>14.6</u>	<u>16.1</u>
Subtotal		\$129.0	\$141.9	\$156.1	\$171.7	\$188.9
COMMUNICATION EMPLOYEES:						
General Fund	82.0 %	\$ 20.5	\$ 22.5	\$ 24.7	\$ 27.3	\$ 30.0
Federal Fund	4.5 %	1.1	1.2	1.4	1.5	1.6
Veteran's Fund	.2	.1	.1	.1	.1	.1
Fish & Game Fund	.6 %	.2	.2	.2	.2	.2
Highway Fund	1.3 %	.3	.4	.4	.4	.5
Airport Fund	2.9 %	.7	.8	.9	1.0	1.1
Capital Fund	8.5 %	<u>2.1</u>	<u>\$ 2.3</u>	<u>2.6</u>	<u>2.8</u>	<u>3.1</u>
Subtotal		\$ 25.0	\$ 27.5	\$ 30.3	\$ 33.3	\$ 36.6
CONDITIONAL SERVICE (PERS):						
General Fund		\$ 26.3	\$ 28.9	\$ 31.8	\$ 35.0	\$ 38.6
TRS		<u>5.0</u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Subtotal		\$ 31.3	\$ 28.9	\$ 31.8	\$ 35.0	\$ 38.6
CONDITIONAL SERVICE (PERS):						
General Fund	82.0 %	\$ 17.6	\$ 19.4	\$ 21.3	\$ 23.5	\$ 25.9
Federal Fund	4.5 %	1.0	1.1	1.2	1.3	1.4
Veteran's Fund	.2 %	.1	.1	.1	.1	.1
Fish & Game Fund	.6 %	.1	.1	.2	.2	.2
Highway Fund	1.3 %	.3	.3	.3	.4	.4
Airport Fund	2.9 %	.6	.7	.8	.8	.9
Capital Fund	8.5 %	1.8	2.0	2.2	2.4	2.7
PERS		<u>5.0</u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Subtotal		\$ 26.5	\$ 23.7	\$ 26.1	\$ 28.7	\$ 31.6
TOTAL FUNDING:						
General Fund	82.0 %	\$170.1	\$187.1	\$205.9	\$226.7	\$249.3
Federal Fund	4.5 %	7.9	8.7	9.6	10.5	11.5
Veteran's Fund	.2 %	.5	.5	.5	.5	.6
Fish & Game Fund	.6 %	1.1	1.2	1.3	1.4	1.5
Highway Fund	1.3 %	2.3	2.5	2.7	3.0	3.4
Airport Fund	2.9 %	5.0	5.6	6.2	6.8	7.5
Capital Fund	8.5 %	14.9	16.4	18.1	19.8	21.9
PERS		5.0	<u> </u>	<u> </u>	<u> </u>	<u> </u>
TRS		<u>5.0</u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Total		\$211.8	\$222.0	\$244.3	\$268.7	\$295.7

APPROPRIATION

Senate CS for CS for House Bill 10 (Finance)

	<u>FY79</u>
Public Employees' Retirement System	
Contractual	\$ 5.0
Teachers' Retirement System	
Contractual	\$ 5.0
Teachers' State Match	\$ 21.4
Department of Education	
100 - Benefits	\$.6
University of Alaska	
100 - Benefits	\$ 4.3
State of Alaska	
100 - Benefits	<u>\$175.5</u>
Total	<u>\$211.8</u>

COMMITTEE REPORT
SENATE

5/12/77

June 6, 1978 _____ Date

Mr. President:

The Committee on FINANCE has had CSHB 10
~~retirement under the public employees retirement system~~
under consideration. A majority of the members of the Committee

- recommends it do pass
- recommends it do not pass
- recommends it do pass with attached amendment(s)
- recommends it be replaced with CS for _____ and that
CS for _____ do pass
- (and) recommends it be referred to the _____
committee
- reports it back without recommendation
- AND attaches a report of its intent
- (other) _____

MEMBERS SIGNING THE MAJORITY REPORT:

Hobson _____

William _____

MEMBERS NOT CONCURRING IN THE MAJORITY REPORT:

_____ recommends: _____
William recommends: to pass
_____ recommends: _____

Chairman

PROPOSED SENATE FINANCE CS FOR CSHB 10

(NOTE: FINANCE CS DELETES SECTIONS 1-3 OF CSHB 10 WHICH BECAME LAW LAST SESSION.)

Section 1	New Section 1 allows service credit for peace officers of territory or political subdivisions of territory who are now employees of state or participating political subdivisions. (Same as Senate State Affairs CS)	\$ 129.0
	New Section 1 also allows service credit for Alaska Communications System employees.	25.0
Secs. 2 & 3	Sections 2 and 3 allow individuals who are vested under one retirement system to receive service retirement benefit from the other system for periods of service over two years. This encourages individuals to accept service throughout the state even though it would mean a switch in the retirement system in which they participate.	26.5 31.3
	Total FY 79 Fiscal Impact:	<hr/> \$211.8

Original sponsors: Miller and Duncan

1 IN THE HOUSE

BY THE FINANCE COMMITTEE

2 SENATE CS FOR CS FOR HOUSE BILL NO. 10 (Finance)

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 TENTH LEGISLATURE - SECOND SESSION

5 A BILL

6 For an Act entitled: "An Act relating to ^{Service credit} retirement under the public employ-
7 ees' retirement system, ^{and the teachers' retirement system,} and providing for an effective
8 date."

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

10 * Section 1. AS 39.35.360(a) is amended to read:

11 (a) An employee who completes three years of service with the
12 state after January 1, 1961, for which he makes contributions required
13 by this chapter is entitled to credited service for employment rendered
14 to the State and former Territory of Alaska before January 1, 1961,
15 regardless of the office, department, division, or agency of the state
16 or territory in which he was employed, including (1) service as a com-
17 missioned officer of the United States Public Health Service, (2)
18 service with the United States District court and the United States
19 Commissioner's court serving the Territory and State of Alaska succeed-
20 ed to by the Alaska court system, (3) persons employed as United States
21 marshals, United States deputy marshals, Civil Aeronautics Administra-
22 tion security guards and United States Corps of Engineers security
23 guards, (4) employees of the Alaska Jail System of the United States
24 Department of Justice and those peace officers of the territory, or of
25 political subdivision of the territory who are employees of the state
26 a participating political subdivision of the state on July 1, 1978, (5)
27 Civil Aeronautics Administration heavy equipment operators, (6) em-
28 ployees of the United States Fish and Wildlife Service, [AND] (7) em-
29 ployees of the Alaska Road Commission and Bureau of Public Roads, and

\$129.0

1 (S) employees of the Alaska Communications System. The retirement
 2 benefits payable to an employee under this section which are attribu- } \$25.0
 3 table to employment rendered to the State and former Territory of Alask
 4 before January 1, 1961, shall be reduced by the amount of the retiremer
 5 pension benefits paid to him by the United States government for the
 6 same period of service.

10 * Section. ^ZX. AS 14.25 is amended by adding a new section to read:

11 Sec. 14.25.125. CONDITIONAL SERVICE RETIREMENT BENEFITS. (a) A
 12 member is eligible for a normal retirement salary at age 55 with at
 13 least two years membership service if the member also is eligible for } \$26.5
 14 a normal retirement benefit under the Public Employees' Retirement
 15 System, AS 39.35.

16 (b) A member is eligible for an early retirement salary at age
 17 50 with at least two years of membership service if the member also is
 18 eligible for an early retirement benefit under the Public Employees'
 19 Retirement System, AS 39.35.

20 (c) Membership service for which contributions were refunded is
 21 not creditable under this section unless the refunded contributions
 22 have been repaid. ~~with the amount of the contributions refunded.~~

23 (d) The monthly amount of a normal retirement salary is two per
 24 cent of the average monthly compensation times the number of years of
 25 membership service. An actuarial adjustment of this amount must be
 26 made for an early retirement salary.

27 (e) Benefits payable under this section accrue from the first
 28 day of the month (1) in which the member meets the eligibility require-
 29 ments of this section, (2) following the date of termination, and (3)

Z X

1 following application for retirement, and are payable the last day of
2 the month. If payment is delayed, a retroactive payment shall be made
3 to cover the period of deferment. The last payment shall be made for
4 the month in which the member dies or is no longer eligible for a
5 benefit under this section.

6 * Sec. ³ 2. AS 39.35 is amended by adding a new section to read:

7 Sec. 39.35.385. CONDITIONAL SERVICE RETIREMENT BENEFITS. (a) An
8 employee is eligible for a normal retirement benefit at age 55 with at
9 least two years of credited service if the employee also is eligible
10 for a normal retirement salary under the Teachers' Retirement System,
11 AS 14.25.

12 (b) An employee is eligible for an early retirement benefit at
13 age 50 with at least two years of credited service if the employee
14 also is eligible for an early retirement salary under the Teachers'
15 Retirement System, AS 14.25.

16 (c) Credited service for which contributions were refunded is
17 not creditable under this section unless the refunded contributions
18 have been ~~refunded~~ ^{REPAID.}

19 (d) The monthly amount of a normal retirement ~~benefit~~ ^{Benefit} for a
20 peace officer or fireman is two per cent of the average monthly com-
21 pensation times the years of service up through 10 years, plus two and
22 one-half per cent of the average monthly compensation times the years
23 of service over 10 years. For all other employees it is two per cent
24 of the average monthly compensation times the number of years of
25 service. An actuarial adjustment of this amount must be made for an
26 early retirement benefit.

27 (e) Benefits payable under this section accrue from the first
28 day of the month (1) in which the member meets the eligibility require-
29 ments of this section, (2) following the date of termination, and (3)

\$ ~~26.3~~
31.3

1 following application for retirement, and are payable the last day of
2 the month. If payment is delayed, a retroactive payment shall be made
3 to cover the period of deferment. The last payment shall be made for
4 the month in which the member dies or is no longer eligible for a
5 benefit under this section.

6 * Sec. ~~3~~⁴. This Act takes effect July 1, 1978.
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-3-4

-HB-284-

SCS CSHB 10 (fin)

THE LEGISLATURE OF THE STATE OF ALASKA
TENTH LEGISLATURE

FISCAL NOTE

I. REQUEST
Bill/Resolution No. SCS for CSHB 10 (FIN)
Title Service Credit to Peace Officers of the Territorial State and Political Sub.
Requested by _____ Date _____

II. FISCAL DETAIL
Agency Affected Administration - Division of Retirement and Benefits
Program Category Affected Retirement and Benefits (PERS)
Budget Request Unit(s) Affected Public Employees' Retirement System

EXPENDITURES (Thousands of Dollars)

	FY 77	FY 78	FY 79	FY 80	FY 81	FY 82
100 PERSONAL SERVICES	-0-	-0-	-0-	-0-	-0-	-0-
200 TRAVEL	-0-	-0-	-0-	-0-	-0-	-0-
300 CONTRACTUAL	-0-	-0-	-0-	-0-	-0-	-0-
400 COMMODITIES	-0-	-0-	-0-	-0-	-0-	-0-
500 EQUIPMENT	-0-	-0-	-0-	-0-	-0-	-0-
600 LAND & STRUCTURES	-0-	-0-	-0-	-0-	-0-	-0-
700 GRANTS, CLAIMS, ETC.	-0-	-0-	-0-	-0-	-0-	-0-
100 BENEFITS	-0-	-0-	129.0	141.9	156.1	171.7
TOTAL	-0-	-0-	129.0	141.9	156.1	171.7

FUNDING (Thousands of Dollars)

		FY 77	FY 78	FY 79	FY 80	FY 81	FY 82
GENERAL FUND	80%	-0-	-0-	103.2	113.5	124.9	137.4
FEDERAL FUNDS	17%	-0-	-0-	21.9	24.1	26.5	29.2
OTHER (Specify)	3%	-0-	-0-	3.9	4.3	4.7	5.1

POSITIONS

	FY 77	FY 78	FY 79	FY 80	FY 81	FY 82
FULL TIME	-0-	-0-	-0-	-0-	-0-	-0-
PART TIME	-0-	-0-	-0-	-0-	-0-	-0-
TEMPORARY	-0-	-0-	-0-	-0-	-0-	-0-

- III. ANALYSIS (See Fiscal Note Preparation Instructions, Section III)
1. Estimate FY 79 covered payroll to be \$215,000,000.
 2. Estimate total State payroll will increase at 10% annually.
 3. Estimate not more than 20 employees affected based on work history of current employees of Department of Public Safety.
 4. Estimate affected employees eligible for additional 5 years service credit based on current employees of DPS.
 5. Increase in State contribution rate is .06% of payroll based on actuarial determination.

IV. DATE 1/19/78 PREPARED BY Paul B. Arnoldt
AGENCY Division of Retirement and Benefits
Original: Legislative Finance PHONE 465-4450
cc: Budget and Management
of Eric Sponer (First Legislator Named) Miller

REQUEST
 Bill/Resolution No. HB 284 / SCS CS HB 10 (FIN)
 Title Service Credit in PERS and TRS
 Requested by _____ Date _____

II. FISCAL DETAIL

Agency Affected Administration - Division of Retirement and Benefits
 Program Category Affected Retirement and Benefits (PERS)
 Budget Request Unit(s) Affected Public Employees' Retirement System

EXPENDITURES (Thousands of Dollars)

	FY 77	FY 78	FY 79	FY 80	FY 81	FY 82
100 PERSONAL SERVICES						
200 TRAVEL						
300 CONTRACTUAL			5.0			
400 COMMODITIES						
500 EQUIPMENT						
600 LAND & STRUCTURES						
700 GRANTS, CLAIMS, ETC.						
100 BENEFITS			26.5	23.7	26.1	28.7
TOTAL	-0-	-0-	26.5	23.7	26.1	28.7

FUNDING (Thousands of Dollars)

GENERAL FUND	80%		17.2	19.0	20.9	23.0
FEDERAL FUNDS	17%		3.7	4.0	4.4	4.9
OTHER (Specify)	3%		0.6	0.7	0.8	0.8
PERS			5.0			

POSITIONS NONE

FULL TIME						
PART TIME						
TEMPORARY						

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

1. Estimate FY 79 covered State PERS payroll to be \$215,000,000.
2. Estimate future covered payrolls will increase at 10% annually.
3. Increase in State contribution rate would be .01%.
4. Cost to modify data processing system will be a onetime only charge of \$5,000.

IV. DATE 1/23/78 PREPARED BY Paul B. Arnoldt
 AGENCY Division of Retirement and Benefits
 PHONE 465-4460
 Original: Legislative Finance
 cc: Budget and Management
 Prime Sponsor (First Legislator Named) Rules
 Office of the Governor - Keith Specking
 33-001 (Rev. 10/76) Retirement - Paul Arnoldt

FISCAL NOTE

REQUEST
 Bill/Resolution No. HB 284 / SCS CSHB 10 (FIN)
 Title Service Credit in PER5 and TRS
 Requested by _____ Date _____

II. FISCAL DETAIL

Agency Affected Administration - Division of Retirement and Benefits
 Program Category Affected Retirement and Benefits (TRS)
 Budget Request Unit(s) Affected Teachers' Retirement System

EXPENDITURES (Thousands of Dollars)

	FY 77	FY 78	FY 79	FY 80	FY 81	FY 82
10 PERSONAL SERVICES						
200 TRAVEL						
300 CONTRACTUAL			5.0			
400 COMMODITIES						
500 EQUIPMENT						
600 LAND & STRUCTURES						
700 GRANTS, CLAIMS, ETC.			21.4	23.5	25.9	28.5
100 BENEFITS			4.9	5.4	5.9	6.5
TOTAL			31.3	28.9	31.8	35.0

FUNDING (Thousands of Dollars)

GENERAL FUND			26.3	28.9	31.8	35.0
FEDERAL FUNDS						
OTHER (Specify)						
TRS			5.0			

POSITIONS

NONE

FULL TIME						
PART TIME						
TEMPORARY						

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

1. Estimate FY 79 covered TRS payroll to be \$214,000,000.
2. Estimate future covered payrolls will increase at 10% annually.
3. Increase in combined TRS State Match and employer contribution rate would be .02%.
4. Administrative costs as attached.

IV. DATE 1/23/78 PREPARED BY Paul B. Arnoldt
 AGENCY Division of Retirement and Benefits
 PHONE 465-4460
 Original: Legislative Finance
 cc: Budget and Management
 Prime Sponsor (First Legislator Named) Rules
 Office of the Governor - Keith Specking
 33-001 (Rev. 10/76) Retirement - Paul Arnoldt

ATTACHMENT

Bill/Resolution No. HB 284ASSUMPTIONS:

- | | | |
|--|---|---------------|
| 1. Estimated FY79 Payroll (Total System) | = | \$214,000,000 |
| 2. State Contribution Rate to Fund Bill | = | .01 % |
| 3. State TRS Matching Rate to Fund Bill | = | .01 % |
| 4. School District Rate to Fund Bill | = | .01 % |

COST ANALYSIS:

<u>Employer</u>	<u>Payroll</u>		<u>Rate</u>	<u>Cost</u>	<u>Appropriation</u>
1. Department of Education	\$ 5,800,000	X	.01 %	\$ 580	To Their Budget
2. University of Alaska	\$ 43,500,000	X	.01 %	\$ 4,350	To Their Budget
				<u>\$ 4,930</u>	
3. State TRS Matching	\$214,000,000	X	.01 %	\$21,400	To TRS Match
4. State TRS Regular Budget:					
Personal Services				\$ -0-	To Personal Services
Travel				\$ -0-	To Travel
Contractual				\$ 5,000	To Contractual
Equipment				\$ -0-	To Equipment
				<u>\$31,330</u>	
COST TO STATE IN FY79					
5. All School Districts	\$164,700,000	X	.01 %	<u>\$16,470</u>	
TOTAL COST IN FY79					<u>\$47,800</u>

REMARKS:

Estimated costs for data processing system modifications are \$5,000. This would be a onetime only cost.

Original sponsors: Miller and Duncan

IN THE HOUSE

BY THE FINANCE COMMITTEE

SENATE CS FOR CS FOR HOUSE BILL NO. 10 (Finance)

IN THE LEGISLATURE OF THE STATE OF ALASKA

TENTH LEGISLATURE - SECOND SESSION

A BILL

For an Act entitled: "An Act relating to service credit under the public employees' retirement system and the teachers' retirement system; and providing for an effective date."

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

* Section 1. AS 39.35.360(a) is amended to read:

(a) An employee who completes three years of service with the state after January 1, 1961, for which he makes contributions required by this chapter is entitled to credited service for employment rendered to the State and former Territory of Alaska before January 1, 1961, regardless of the office, department, division, or agency of the state or territory in which he was employed, including (1) service as a commissioned officer of the United States Public Health Service, (2) service with the United States District court and the United States Commissioner's court serving the Territory and State of Alaska succeeded to by the Alaska court system, (3) persons employed as United States marshals, United States deputy marshals, Civil Aeronautics Administration security guards and United States Corps of Engineers security guards, (4) employees of the Alaska Jail System of the United States Department of Justice and those peace officers of the territory, or of a political subdivision of the territory who are employees of the state or a participating political subdivision of the state on July 1, 1978, (5) Civil Aeronautics Administration heavy equipment operators, (6) employees of the United States Fish and Wildlife Service, [AND] (7) employees of the Alaska Road Commission and Bureau of Public Roads, and

(8) employees of the Alaska Communications System. The retirement benefits payable to an employee under this section which are attributable to employment rendered to the State and former Territory of Alaska before January 1, 1961, shall be reduced by the amount of the retirement pension benefits paid to him by the United States government for the same period of service.

* Sec. 2. AS 14.25 is amended by adding a new section to read:

Sec. 14.25.125. CONDITIONAL SERVICE RETIREMENT BENEFITS. (a) A member is eligible for a normal retirement salary at age 55 with at least two years membership service if the member also is eligible for a normal retirement benefit under the public employees' retirement system (AS 39.35).

(b) A member is eligible for an early retirement salary at age 50 with at least two years of membership service if the member also is eligible for an early retirement benefit under the public employees' retirement system (AS 39.35).

(c) Membership service for which contributions were refunded is not creditable under this section unless the refunded contributions have been repaid.

(d) The monthly amount of a normal retirement salary is two per cent of the average monthly compensation times the number of years of membership service. An actuarial adjustment of this amount must be made for an early retirement salary.

(e) Benefits payable under this section accrue from the first day of the month (1) in which the member meets the eligibility requirements of this section, (2) following the date of termination, and (3) following application for retirement, and 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 the member dies or is no longer eligible for a benefit under this section.

* Sec. 3. AS 39.35 is amended by adding a new section to read:

Sec. 39.35.385. CONDITIONAL SERVICE RETIREMENT BENEFITS. (a) An employee is eligible for a normal retirement benefit at age 55 with at least two years of credited service if the employee also is eligible for a normal retirement salary under the teachers' retirement system (AS 14.25).

(b) An employee is eligible for an early retirement benefit at age 50 with at least two years of credited service if the employee also is eligible for an early retirement salary under the teachers' retirement system (AS 14.25).

(c) Credited service for which contributions were refunded is not creditable under this section unless the refunded contributions have been repaid.

(d) The monthly amount of a normal retirement benefit for a peace officer or fireman is two per cent of the average monthly compensation times the years of service up through 10 years, plus two and one-half per cent of the average monthly compensation times the years of service over 10 years. For all other employees it is two per cent of the average monthly compensation times the number of years of service. An actuarial adjustment of this amount must be made for an early retirement benefit.

(e) Benefits payable under this section accrue from the first day of the month (1) in which the member meets the eligibility requirements of this section, (2) following the date of termination, and (3) following application for retirement, and 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 the member dies or is no longer eligible for a benefit under this section.

* Sec. 4. This Act takes effect July 1, 1978.

.. John

When do you plan
to schedule this?

Lisa Rudd wants to
know - fiscal vote = 19.2

Judy

Original sponsors: Miller and Duncan

Offered: 5/12/77
Referred: Finance

1 IN THE HOUSE

BY THE STATE AFFAIRS COMMITTEE

2 SENATE CS FOR CS FOR HOUSE BILL NO. 10

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 TENTH LEGISLATURE - FIRST SESSION

5 A BILL

6 For an Act entitled: "An Act relating to retirement under the public em-
7 ployees' retirement system; and providing for an effec-
8 tive date."

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

10 * Section 1. AS 39.35.380(a) is repealed and re-enacted to read:

11 (a) An employee is eligible for an early retirement pension on or
12 after his 50th birthday and after he completes five or more years of
13 credited service.

14 * Sec. 2. AS 39.35.680(11) is repealed and re-enacted to read:

15 (11) "normal retirement date" for a peace officer or a fireman
16 means the first day of the month following either his 55th birthday and
17 five years of credited service or his 20th year of credited service,
18 whichever is earlier; for any other employee it means the first day of
19 the month following either his 55th birthday and five years of credited
20 service or his 30th year of credited service, whichever is earlier;

21 * Sec. 3. AS 39.35.360(a) is amended to read:

22 (a) An employee who completes three years of service with the
23 state after January 1, 1961, for which he makes contributions required
24 by this chapter is entitled to service credit for employment rendered to
25 the State and former Territory of Alaska before January 1, 1961, regard-
26 less of the office, department, division, or agency of the state or
27 territory in which he was employed, including service as a commissioned
28 officer of the United States Public Health Service, the United States
29 District Court and the United States Commissioner's Court serving the

1 Territory and State of Alaska succeeded to by the Alaska court system,
2 persons employed as United States marshals, United States deputy mar-
3 shals, Civil Aeronautics Administration security guards and heavy equip-
4 ment operators, United States Corps of Engineers security guards, and
5 employees of the United States Fish and Wildlife Service, the Alaska
6 Road Commission, the [AND] Bureau of Public Roads, the Alaska Jail
7 System of the United States Department of Justice, and those peace
8 officers of the territory or of a political subdivision of the territory
9 who are employees of the state or a participating political subdivision
10 of the state on the effective date of this Act. The retirement benefits
11 payable to an employee under this section which are attributable to
12 employment rendered to the State and former Territory of Alaska before
13 January 1, 1961, shall be reduced by the amount of the retirement
14 pension benefits paid to him by the United States government for the
15 same period of service.

16 * Sec. 4. Sections 1 and 2 of this Act are retroactive to October 14, 1976.

17 * Sec. 5. This Act takes effect July 1, 1977.

SENATOR JOHN C. SACKETT
CHAIRMAN, SENATE FINANCE COMMITTEE
POUCH V
JUNEAU, ALASKA 99811

MAY 5, 1977

DEAR SENATOR SACKETT,

I WAS INFORMED THAT CS FOR HOUSE BILL 10 WAS SENT TO YOUR FINANCE COMMITTEE FOR CONSIDERATION. I WOULD VERY MUCH APPRECIATE IT IF YOU COULD SCHEDULE IT FOR AN EARLY HEARING AND YOUR SUPPORT OF IT.

MY INTEREST IN THIS BILL IS THAT IT WOULD ALLOW ME TO CREDIT TWO YEARS OF SERVICE I HAVE WITH THE ALASKA RAIL SYSTEM TOWARD MY STATE RETIREMENT WHICH WOULD ALLOW ME TO RETIRE THIS FALL WITH 20 YEARS OF SERVICE.

AS FAR AS I KNOW, I AM THE ONLY PERSON IN THE STATE THIS BILL WILL AFFECT.

THANK YOU VERY MUCH FOR YOUR TIME AND CONSIDERATION.

Sincerely Yours,

Richmond W. Schouten
Box 6188 Annex
Anchorage, ALASKA 99502

7
KB 10

Capt. John P. Monagle
244 Foster
Juneau, Alaska 99801

May 12, 1977

Senator John Sackett
Pouch V
Juneau, Alaska 99811

Dear Senator Sackett:

Please support passage of HB #10 relating to retirement under PERS.
It is the only way I, and persons in my predicament can receive credit
for continuous professional service to the citizens of Alaska.

Please pass this bill out of the Senate Finance Committee as soon as
possible.

Sincerely,

Capt. John P. Monagle

Capt. John P. Monagle

STATE OF ALASKA
THE LEGISLATURE

LEGISLATIVE AFFAIRS AGENCY

POUCH Y - STATE CAPITOL
JUNEAU, ALASKA 99811
907-465-3400

February 28, 1978

TO: The Honorable John Rader
President of the Senate

Pursuant to the requirements of Ch. 130, SLA 1977, the Legislative Board of Retirement Benefits submits the enclosed recommendations and analyses of bills affecting state retirement systems. The board will make further reports and recommendations periodically. The next meeting of the board is scheduled for March 6 at 9:00 a.m. in the Treasury Conference Room on the 11th floor of the State Office Building in Juneau.

Bills included in this report are: HB 7, SCS CSHB 10, CSHB 25, HB 161, HB 267, HB 634, HB 635, HB 636, HB 660, CSHB 637, HB 695, HB 698, HB 723, HB 727, SB 62, SB 91, SB 377, SB 380, SB 461.

Members:

Mr. Francis (Jerry) Gerardy
Mr. Frank Homan
Dr. Stanley Knedlik
Mr. Michael J. Murray
Dr. Merritt Olson

Frank Homan, Chairman

Frank Homan
J. K. H.

B. B. Allen, Commissioner
Department of Administration

Paul Arnoldt, Director
Division of Retirement & Benefits

cc: Chairmen of the House and Senate Finance and State Affairs Committees
Chairman of the Legislative Council

February 24, 1978

Legislative Board of Retirement Benefits analysis and recommendations
on:

SCS CS for House Bill No. 10

The board endorses the attached fiscal note as its fiscal analysis
of SCS CSHB 10.

The board unanimously recommends that SCS CSHB 10 do not pass; one
member was absent.

The board opposes passage of SCS CSHB 10 because:

- 1) it has always been policy to allow political subdivisions
which join the PERS to determine for themselves what past
service they will recognize, but this bill would change
that practice; and
- 2) the employee would not make contributions for the past
service.

SUMMARY OF SENATE CS FOR CS FOR HOUSE BILL NO. 10

(assuming adoption of amendments suggested by Legislative Affairs Agency)

Retirement system affected: PERS

Provides that peace officers of the former Territory of Alaska or of a political subdivision of the territory who are employees of the state or a participating political subdivision on July 1, 1978 are entitled to receive retirement credit for service rendered to the state and territory before January 1, 1961, if they complete three years of service with the state after that date for which they make contributions to the system.

Takes effect July 1, 1978.

A M E N D M E N T

IN THE SENATE

TO: Senate CS for CS for House Bill No. 10

Page 1, line 10 - page 2, line 17:

delete all material and insert the following in its place:

" * Section 1. AS 39.35.360(a) is amended to read:

(a) An employee who completes three years of service with the state after January 1, 1961, for which he makes contributions required by this chapter is entitled to credited service for employment rendered to the State and former Territory of Alaska before January 1, 1961, regardless of the office, department, division, or agency of the state or territory in which he was employed, including (1) service as a commissioned officer of the United States Public Health Service, (2) service with the United States District court and the United States Commissioner's court serving the Territory and State of Alaska succeeded to by the Alaska court system, (3) persons employed as United States marshals, United States deputy marshals, Civil Aeronautics Administration security guards and United States Corps of Engineers security guards, (4) employees of the Alaska Jail System of the United States Department of Justice, (5) Civil Aeronautics Administration heavy equipment operators, (6) employees of the United States Fish and Wildlife Service, [AND] (7) employees of the Alaska Road Commission and Bureau of Public Roads, and (8) those peace officers of the territory or of a political subdivision of the territory who are employees of the state or a participating political subdivision of the state on July 1, 1978. The retirement benefits payable to an employee under this section

which are attributable to employment rendered to the State and former Territory of Alaska before January 1, 1961, shall be reduced by the amount of the retirement pension benefits paid to him by the United States government for the same period of service.

* Sec. 2. This Act takes effect July 1, 1978."

Original sponsors: Miller and Duncan

Offered: 5/12/77
Referred: Finance

1 IN THE HOUSE

BY THE STATE AFFAIRS COMMITTEE

2

SENATE CS FOR CS FOR HOUSE BILL NO. 10

3

IN THE LEGISLATURE OF THE STATE OF ALASKA

4

TENTH LEGISLATURE - FIRST SESSION

5

A BILL

6

For an Act entitled: "An Act relating to retirement under the public em-

7

ployees' retirement system; and providing for an effec-

8

tive date."

9

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

10

* Section 1. AS 39.35.380(a) is repealed and re-enacted to read:

11

(a) An employee is eligible for an early retirement pension on or

12

after his 50th birthday and after he completes five or more years of

13

credited service.

14

* Sec. 2. AS 39.35.680(11) is repealed and re-enacted to read:

15

(11) "normal retirement date" for a peace officer or a fireman

16

means the first day of the month following either his 55th birthday and

17

five years of credited service or his 20th year of credited service,

18

whichever is earlier; for any other employee it means the first day of

19

the month following either his 55th birthday and five years of credited

20

service or his 30th year of credited service, whichever is earlier;

21

* Sec. 3. AS 39.35.360(a) is amended to read:

22

(a) An employee who completes three years of service with the

23

state after January 1, 1961, for which he makes contributions required

24

by this chapter is entitled to service credit for employment rendered to

25

the State and former Territory of Alaska before January 1, 1961, regard-

26

less of the office, department, division, or agency of the state or

27

territory in which he was employed, including service as a commissioned

28

officer of the United States Public Health Service, the United States

29

District Court and the United States Commissioner's Court serving the

1 Territory and State of Alaska succeeded to by the Alaska court system,
2 persons employed as United States marshals, United States deputy mar-
3 shals, Civil Aeronautics Administration security guards and heavy equip-
4 ment operators, United States Corps of Engineers security guards, and
5 employees of the United States Fish and Wildlife Service, the Alaska
6 Road Commission, the [AND] Bureau of Public Roads, the Alaska Jail
7 System of the United States Department of Justice, and those peace
8 officers of the territory or of a political subdivision of the territory
9 who are employees of the state or a participating political subdivision
10 of the state on the effective date of this Act. The retirement benefits
11 payable to an employee under this section which are attributable to
12 employment rendered to the State and former Territory of Alaska before
13 January 1, 1961, shall be reduced by the amount of the retirement
14 pension benefits paid to him by the United States government for the
15 same period of service.

16 * Sec. 4. Sections 1 and 2 of this Act are retroactive to October 14, 1976

17 * Sec. 5. This Act takes effect July 1, 1977.

FISCAL NOTE

I. REQUEST

Bill/Resolution No. SCS for CSHB 10
 Title Service Credit to Peace Officers of the Territorial State and Political Sub.
 Requested by _____ Date _____

II. FISCAL DETAIL

Agency Affected Administration - Division of Retirement and Benefits
 Program Category Affected Retirement and Benefits (PERS)
 Budget Request Unit(s) Affected Public Employees' Retirement System

EXPENDITURES (Thousands of Dollars)

	FY 77	FY 78	FY 79	FY 80	FY 81	FY 82
100 PERSONAL SERVICES	-0-	-0-	-0-	-0-	-0-	-0-
200 TRAVEL	-0-	-0-	-0-	-0-	-0-	-0-
300 CONTRACTUAL	-0-	-0-	-0-	-0-	-0-	-0-
400 COMMODITIES	-0-	-0-	-0-	-0-	-0-	-0-
500 EQUIPMENT	-0-	-0-	-0-	-0-	-0-	-0-
600 LAND & STRUCTURES	-0-	-0-	-0-	-0-	-0-	-0-
700 GRANTS, CLAIMS, ETC.	-0-	-0-	-0-	-0-	-0-	-0-
100 BENEFITS	-0-	-0-	129.0	141.9	156.1	171.7
TOTAL	-0-	-0-	129.0	141.9	156.1	171.7

FUNDING (Thousands of Dollars)

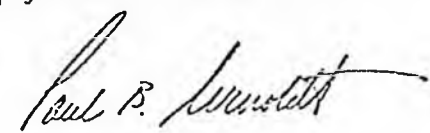
GENERAL FUND	80%	-0-	-0-	103.2	113.5	124.9	137.4
FEDERAL FUNDS	17%	-0-	-0-	21.9	24.1	26.5	29.2
OTHER (Specify)	3%	-0-	-0-	3.9	4.3	4.7	5.1

POSITIONS

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

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

1. Estimate FY 79 covered payroll to be \$215,000,000.
2. Estimate total State payroll will increase at 10% annually.
3. Estimate not more than 20 employees affected based on work history of current employees of Department of Public Safety.
4. Estimate affected employees eligible for additional 5 years service credit based on current employees of DPS.
5. Increase in State contribution rate is .06% of payroll based on actuarial determination.



IV. DATE 1/19/78 PREPARED BY Paul B. Arnoldt
 AGENCY Division of Retirement and Benefits
 PHONE 455-4460

Original: Legislative Finance
 cc: Budget and Management
 Prime Sponsor (First Legislator Named)

Original sponsors: Miller and Duncan

1 IN THE HOUSE

BY THE FINANCE COMMITTEE

2 SENATE CS FOR CS FOR HOUSE BILL NO. 10 (Finance)

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 TENTH LEGISLATURE - FIRST SESSION

5 A BILL

6 For an Act entitled: "An Act relating to teachers' and public employees'
7 retirement systems; and providing for an effective
8 date."

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

10 * Section 1. AS 14.25.060 is amended by adding a new subsection to read:

11 (g) The total military service claimed may not exceed five years.

12 The combined total of outside and military service may not exceed 10
13 years, except that, if entry into the armed forces is immediately pre-
14 ceded by membership service and within one year after discharge is
15 continued by membership service, that service will not be counted for
16 purposes of determining the applicability of the 10-year limitation on
17 the combined total of outside and military service. The combined total
18 of outside, military, and Alaska BIA service may not exceed 15 years.

19 * Sec. 2. AS 14.25.220(23) is repealed and re-enacted to read:

20 (23) "normal retirement" means retirement after:

21 (A) completing at least 15 years of creditable service,
22 the last five of which have been membership service, for a member
23 first hired before July 1, 1975 and attaining the age of 55 years;

24 (B) completing at least eight years of membership
25 service and attaining the age of 55 years;

26 (C) completing at least 25 years of creditable service,
27 the last five of which are membership service;

28 (D) completing at least five years of membership service
29 and at least three years Alaska BIA service and attaining the age

1 of 55 years;

2 (E. completing at least 20 years of membership service;
3 or

4 (F) completing at least 20 years of combined membership
5 service and Alaska BIA service, the last five of which are member-
6 ship service;

7 * Sec. 3. AS 14.25.220(24) is repealed and re-enacted to read:

8 (24) "early retirement" means retirement after

9 (A) completing at least 15 years of creditable service,
10 the last five of which have been membership service, and attaining
11 the age of 50 years for a member first hired before July 1, 1975;

12 (B) completing at least eight years of membership service
13 and attaining the age of 50 years; or

14 (C) completing at least five years of membership service
15 and at least three years of Alaska BIA service and attaining the
16 age of 50 years;

17 * Sec. 4. AS 39.35.380(a) is repealed and re-enacted to read:

18 (a) An employee is eligible for an early retirement pension on or
19 after his 50th birthday and after he completes five or more years of
20 credited service.

21 * Sec. 5. AS 39.35.680(11) is repealed and re-enacted to read:

22 (11) "normal retirement date" for a peace officer or a fireman
23 means the first day of the month following either his 55th birthday and
24 five years of credited service or his 20th year of credited service,
25 whichever is earlier; for any other employee it means the first day of
26 the month following either his 55th birthday and five years of credited
27 service or his 30th year of credited service, whichever is earlier;

28 * Sec. 6. AS 39.35.360(a) is amended to read:

29 (a) An employee who completes three years of service with the

1 state after January 1, 1961, for which he makes contributions required
2 by this chapter is entitled to service credit for employment rendered to
3 the State and former Territory of Alaska before January 1, 1961, regard-
4 less of the office, department, division, or agency of the state or
5 territory in which he was employed, including service as a commissioned
6 officer of the United States Public Health Service, the United States
7 District Court and the United States Commissioner's Court serving the
8 Territory and State of Alaska succeeded to by the Alaska court system,
9 persons employed as United States marshals, United States deputy mar-
10 shals, Civil Aeronautics Administration security guards and heavy equip-
11 ment operators, United States Corps of Engineers security guards, and
12 employees of the United States Fish and Wildlife Service, the Alaska
13 Road Commission, the [AND] Bureau of Public Roads, the Alaska Jail
14 System of the United States Department of Justice, and those peace
15 officers of the territory or of a political subdivision of the territory
16 who are employees of the state or a participating political subdivision
17 of the state on the effective date of this Act. The retirement benefits
18 payable to an employee under this section which are attributable to
19 employment rendered to the State and former Territory of Alaska before
20 January 1, 1961, shall be reduced by the amount of the retirement
21 pension benefits paid to him by the United States government for the
22 same period of service.

23 * Sec. 7. Sections 4 and 5 of this Act are retroactive to October 14, 1976.

24 * Sec. 8. This Act takes effect July 1, 1977.

THE LEGISLATURE OF THE STATE OF ALASKA
TENTH LEGISLATURE

FISCAL NOTE

I. REQUEST
 Bill/Resolution No. Senate CS for CS for House Bill 10 (Finance)
 Title Service Credit Under the Public Employees' and Teachers' Retirement System
 Requested by _____ Date _____

II. FISCAL DETAIL
 Agency Affected Administration - Division of Retirement and Benefits
 Program Category Affected Retirement and Benefits (PERS and TRS)
 Budget Request Unit(s) Affected 02-96-8-01-01-01 and 02-96-8-01-01-02

EXPENDITURES (Thousands of Dollars) See Attachment - Page 3

	FY 78	FY 79	FY 80	FY 81	FY 82	FY 83
100 PERSONAL SERVICES						
200 TRAVEL						
300 CONTRACTUAL		10.0				
400 COMMODITIES						
500 EQUIPMENT						
600 LAND & STRUCTURES						
700		21.4	23.5	25.9	28.5	31.4
100 BENEFITS		180.4	198.5	218.4	240.2	264.3
TOTAL	-0-	211.8	222.0	243.3	268.7	295.7

FUNDING (Thousands of Dollars) See Attachment - Page 4

GENERAL FUND						
FEDERAL FUNDS						
OTHER (Specify)						

POSITIONS NONE

FULL TIME						
PART TIME						
TEMPORARY						

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

See Attachment - Page 2

IV. APPROPRIATION

See Attachment - Page 5

IV. DATE 6/09/78 PREPARED BY Paul B. Arnoldt, Director
 AGENCY Division of Retirement & Benefits
 PHONE 465-4460
 Original: Legislative Finance
 cc: Budget and Management
 Prime Sponsor (First Legislator Named) Finance
 Office of the Governor (Keith Specking)
 33-001 (Rev. 12/77)

ANALYSIS

Senate CS for CS for House Bill 10 (Finance)

Section 1:

Peace Officers - There are approximately 20 peace officers affected by this provision of the bill. The present value of the extra benefits provided by this provision has been calculated to be \$1,882,100. This provision will be funded with level payments of \$129,000 each year for the next 30 years, resulting in a total cash outlay to the State of \$3,870,000.

Alaska Communication System employees - There are approximately 40 individuals affected by this provision of the bill. The present value of the extra benefit provided by this provision has been calculated to be \$364,750. This provision will be funded with level payments of \$25,000 each year for the next 30 years, resulting in a total cash outlay to the State of \$750,000.

Section 2:

Conditional Service Retirement Benefit (TRS) - The present value of the extra benefits provided by this section (using the average working lifetime of a teacher who will receive a benefit) has been calculated to be \$347,000. The State's share in funding this section will be \$26,300 each year increasing by 10% annually plus an initial one-time cost of \$5,000.

Section 3:

Conditional Service Retirement Benefit (PERS) - The present value of the extra benefits provided by this section (using the average working lifetime of an employee who will receive a benefit) has been calculated to be \$164,100. The State's share in funding this section will be \$21,500 each year increasing by 10% annually plus an initial one-time cost of \$5,000.

EXPENDITURES

Senate CS for CS for House Bill 10 (Finance)

	<u>FY79</u>	<u>FY80</u>	<u>FY81</u>	<u>FY82</u>	<u>FY83</u>
<u>CONTRACTUAL</u>					
Conditional (TRS):	5.0				
Conditional (PERS):	<u>5.0</u>				
	10.0				
<u>TRS MATCH</u>	21.4	23.5	25.9	28.5	31.4
<u>BENEFITS</u>					
Peace Officers	129.0	141.9	156.1	171.7	188.9
Communications:	25.0	27.5	30.3	33.3	36.6
Conditional (TRS):	4.9	5.4	5.9	6.5	7.2
Conditional (PERS):	<u>21.5</u>	<u>23.7</u>	<u>26.1</u>	<u>28.7</u>	<u>31.6</u>
	180.4	198.5	218.4	240.2	264.3
Totals	<u>\$211.8</u>	<u>\$222.0</u>	<u>\$244.3</u>	<u>\$268.7</u>	<u>\$295.7</u>

FUNDING

Senate CS for CS for House Bill 10 (Finance)

		<u>FY79</u>	<u>FY80</u>	<u>FY81</u>	<u>FY82</u>	<u>FY83</u>
PEACE OFFICERS:						
General Fund	82.0 %	\$105.7	\$116.3	\$128.1	\$140.9	\$154.8
Federal Fund	4.5 %	5.8	6.4	7.0	7.7	8.5
Veteran's Fund	.2 %	.3	.3	.3	.3	.4
Fish & Game Fund	.6 %	.8	.9	.9	1.0	1.1
Highway Fund	1.3 %	1.7	1.8	2.0	2.2	2.5
Airport Fund	2.9 %	3.7	4.1	4.5	5.0	5.5
Capital Fund	8.5 %	<u>11.0</u>	<u>12.1</u>	<u>13.3</u>	<u>14.6</u>	<u>16.1</u>
Subtotal		\$129.0	\$141.9	\$156.1	\$171.7	\$188.9
COMMUNICATION EMPLOYEES:						
General Fund	82.0 %	\$ 20.5	\$ 22.5	\$ 24.7	\$ 27.3	\$ 30.0
Federal Fund	4.5 %	1.1	1.2	1.4	1.5	1.6
Veteran's Fund	.2	.1	.1	.1	.1	.1
Fish & Game Fund	.6 %	.2	.2	.2	.2	.2
Highway Fund	1.3 %	.3	.4	.4	.4	.5
Airport Fund	2.9 %	.7	.8	.9	1.0	1.1
Capital Fund	8.5 %	<u>2.1</u>	<u>\$ 2.3</u>	<u>2.6</u>	<u>2.8</u>	<u>3.1</u>
Subtotal		\$ 25.0	\$ 27.5	\$ 30.3	\$ 33.3	\$ 36.6
CONDITIONAL SERVICE (PERS):						
General Fund		\$ 26.3	\$ 28.9	\$ 31.8	\$ 35.0	\$ 38.6
TRS		<u>5.0</u>				
Subtotal		\$ 31.3	\$ 28.9	\$ 31.8	\$ 35.0	\$ 38.6
CONDITIONAL SERVICE (PERS):						
General Fund	82.0 %	\$ 17.6	\$ 19.4	\$ 21.3	\$ 23.5	\$ 25.9
Federal Fund	4.5 %	1.0	1.1	1.2	1.3	1.4
Veteran's Fund	.2 %	.1	.1	.1	.1	.1
Fish & Game Fund	.6 %	.1	.1	.2	.2	.2
Highway Fund	1.3 %	.3	.3	.3	.4	.4
Airport Fund	2.9 %	.6	.7	.8	.8	.9
Capital Fund	8.5 %	1.8	2.0	2.2	2.4	2.7
PERS		<u>5.0</u>				
Subtotal		\$ 26.5	\$ 23.7	\$ 26.1	\$ 28.7	\$ 31.6
TOTAL FUNDING:						
General Fund	82.0 %	\$170.1	\$187.1	\$205.9	\$226.7	\$249.3
Federal Fund	4.5 %	7.9	8.7	9.6	10.5	11.5
Veteran's Fund	.2 %	.5	.5	.5	.5	.6
Fish & Game Fund	.6 %	1.1	1.2	1.3	1.4	1.5
Highway Fund	1.3 %	2.3	2.5	2.7	3.0	3.4
Airport Fund	2.9 %	5.0	5.6	6.2	6.8	7.5
Capital Fund	8.5 %	14.9	16.4	18.1	19.8	21.9
PERS		5.0				
TRS		<u>5.0</u>				
Total		\$211.8	\$222.0	\$244.3	\$268.7	\$295.7

APPROPRIATION

Senate CS for CS for House Bill 10 (Finance)

	<u>FY79</u>
Public Employees' Retirement System	
Contractual	\$ 5.0
Teachers' Retirement System	
Contractual	\$ 5.0
Teachers' State Match	\$ 21.4
Department of Education	
100 - Benefits	\$.6
University of Alaska	
100 - Benefits	\$ 4.3
State of Alaska	
100 - Benefits	<u>\$175.5</u>
Total	<u><u>\$211.8</u></u>



RECORDS CERTIFICATION



I, the undersigned, an employee of the State of Alaska, do hereby certify that the microfilm images on this microform are accurate reproductions of the original records of the State of Alaska as accumulated during the regular course of business, and that it is the established policy and practice of this State to microfilm its records and to dispose of the original records after microfilm reproductions have been made.

James O. Smith
Signature of Camera Operator

2/8/90
Date

"An Act providing that absence from the state for medical reasons shall not be considered in computation of longevity bonus; and providing for an effective date."

COMMITTEE REPORT

1/25/77

HOUSE

Mr. Speaker:

Date _____

The Committee on FINANCE has had HB 12

under consideration. A Majority of the members of the Committee

() recommends it DO PASS

() recommends it DO NOT PASS

() recommends it DO PASS WITH ATTACHED AMENDMENT(S)

() recommends it BE REPLACED WITH CS FOR _____ AND THAT

CS FOR _____ DO PASS

() "and" recommends it BE REFERRED TO THE _____

COMMITTEE

() reports it back WITHOUT RECOMMENDATION

() "other"

Members signing the Majority report:

Members NOT concurring in the Majority report:

_____ recommends:

_____ recommends:

_____ recommends:

_____ recommends:

_____ recommends:

Chairman

"An Act providing that absence from the state for medical reasons shall not be considered in computation of longevity bonus; and providing for an effective date."

1-12-77

COMMITTEE REPORT

FINANCE

HOUSE

Mr. Speaker:

Date 1-24-77

The Committee on HESS has had ~~CS FOR~~ HB 12

under consideration. A Majority of the members of the Committee

recommends it DO PASS

recommends it DO NOT PASS

recommends it DO PASS WITH ATTACHED AMENDMENT(S)

recommends it BE REPLACED WITH CS FOR HB 12 (same title) AND THAT

CS FOR _____ DO PASS

"and" recommends it BE REFERRED TO THE _____

COMMITTEE

reports it back WITHOUT RECOMMENDATION

"other"

Members signing the Majority report:

<u>Don Bennett</u>	<u>Do Pass</u>	<u>[Signature]</u>
<u>[Signature]</u>	<u>DO PASS</u>	<u>Charles Han Do Pass</u>
<u>Samuel P. Coth</u>	<u>Do Pass</u>	_____
<u>Rodell P. Phillips</u>	<u>Do Pass</u>	_____

Members NOT concurring in the Majority report:

[Signature] recommends: Do not pass

[Signature] recommends: " " "

_____ recommends:

_____ recommends:

_____ recommends:

Charles Han Chairman

Original sponsors: Miller and Duncan
and Bennett

Offered: 1/25/77
Referred: Finance

2784-B
Walker

BY THE HEALTH, EDUCATION AND
SOCIAL SERVICES COMMITTEE

1 IN THE HOUSE

2 CS FOR HOUSE BILL NO. 12

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 TENTH LEGISLATURE - FIRST SESSION

5 A BILL

6 For an Act entitled: "An Act providing that absence from the state for
7 medical reasons shall not be considered in computation
8 of longevity bonus; and providing for an effective
9 date."

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

11 * Section 1. AS 47.45.030 is amended by adding a new subsection to read:

12 (b) A recipient who upon the direction of a physician licensed to
13 practice in Alaska receives hospitalization or hospital outpatient care
14 outside the state shall continue to receive bonuses during his absence,
15 up to 90 days.

16 * Sec. 2. This Act takes effect immediately in accordance with AS 01.10.-
17 070(c).

2784
Walker

Introduced: 1/12/77
Referred: Health, Education &
Social Services and Finance

1 IN THE HOUSE

MILLER, DUNCAN AND
BENNETT

2 HOUSE BILL NO. 12

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 TENTH LEGISLATURE - FIRST SESSION

5 A BILL

6 For an Act entitled: "An Act providing that absence from the state for
7 medical reasons shall not be considered in computation
8 of longevity bonus; and providing for an effective
9 date."

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

11 * Section 1. AS 47.45.030 is amended by adding a new subsection to read:

12 (b) A recipient who upon the direction of a physician receives
13 medical attention or hospitalization outside the state shall continue to
14 receive bonuses during his absence, up to 90 days.

15 * Sec. 2. This Act is retroactive to September 1, 1975.

16 * Sec. 3. This Act takes effect immediately in accordance with AS 01.10.-
17 070(c).

ALASKA STATE LEGISLATURE

TENTH Legislature FIRST Session

HOUSE BILL NO. 12

By MILLER, DUNCAN AND BENNETT

"An Act providing that absence from the state for medical reasons shall not be considered in computation of longevity bonus; and providing for an effective date."

Computation of longevity bonus

Introduced in the House 1-12, 1977.

HISTORY IN THE HOUSE

19 77

Jan. 12

Read first time and referred to Committee on HESS and Finance

Reported back with recommendation that

Read second time and

Read third time and

PASS	Effective Date
Yeas	Yeas
Nays	Nays
Absent	Absent
Excused	Excused

Reconsideration

PASS	Effective Date
Yeas	Yeas
Nays	Nays
Absent	Absent
Excused	Excused

Reported correctly engrossed
Signed by Speaker
Sent to Senate

CHIEF CLERK OF THE HOUSE

HISTORY IN THE SENATE

19

Read first time and referred to Committee on

Reported back with recommendation that

Read second time and

Read third time and

PASS	Effective Date
Yeas	Yeas
Nays	Nays
Absent	Absent
Excused	Excused

Reconsideration

PASS	Effective Date
Yeas	Yeas
Nays	Nays
Absent	Absent
Excused	Excused

Reported correctly engrossed
Signed by President
Returned to House

SECRETARY OF THE SENATE

HISTORY IN THE HOUSE

19

Received from Senate

Concurred in Senate amendment thus adopting:

Failed to concur in Senate amendment; asked Sen. to recede

Senate receded from amendment

Senate failed to recede from amendment

FCC appointed by House

FCC appointed by Senate

FCC adopted

To enrolling

Reported correctly enrolled

Sent to Governor

..... by Governor

Filed with Lt. Governor

Chapter No.

THE LEGISLATURE OF THE STATE OF ALASKA
TENTH LEGISLATURE

FISCAL NOTE

I. REQUEST

Bill/Resolution No. HB 12
 Title An Act providing that absence from state for medical reasons shall not be considered
in computation of longevity bonus
 Requested by House HESS Date _____

II. FISCAL DETAIL

Agency Affected Administration
 Program Category Affected General Government
 Budget Request Unit(s) Affected Longevity Bonus

EXPENDITURES (Thousands of Dollars)

	FY 77	FY 78	FY 79	FY 80	FY 81	FY 82
100 PERSONAL SERVICES						
200 TRAVEL						
300 CONTRACTUAL						
400 COMMODITIES						
500 EQUIPMENT						
600 LAND & STRUCTURES						
700 GRANTS, CLAIMS, ETC.						
TOTAL	0	0	0	0	0	0

FUNDING (Thousands of Dollars)

GENERAL FUND						
FEDERAL FUNDS						
OTHER (Specify)						

POSITIONS

FULL TIME						
PART TIME						
TEMPORARY						

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

IV. DATE 1/19/77 PREPARED BY *Kelley Sewell*

AGENCY Administration
 PHONE 465-2277

Original: Legislative Finance
 cc: Budget and Management
 Prime Sponsor (First Legislator Named) Rep. Miller
 Governor's Office (Fran Ulmer)

Original sponsors: Miller, Duncan
and Bennett

Offered: 1/25/77
Referred: Finance

1 IN THE HOUSE

BY THE HEALTH, EDUCATION AND
SOCIAL SERVICES COMMITTEE

2 CS FOR HOUSE BILL NO. 12

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 TENTH LEGISLATURE - FIRST SESSION

5 A BILL

6 For an Act entitled: "An Act providing that absence from the state for
7 medical reasons shall not be considered in computation
8 of longevity bonus; and providing for an effective
9 date."

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

11 * Section 1. AS 47.45.030 is amended by adding a new subsection to read:

12 (b) A recipient who upon the direction of a physician licensed to
13 practice in Alaska receives hospitalization or hospital outpatient care
14 outside the state shall continue to receive bonuses during his absence,
15 up to 90 days.

16 * Sec. 2. This Act takes effect immediately in accordance with AS 01.10.-
17 070(c).

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#

1 IN THE HOUSE

BY MILLER AND DUNCAN

2 HOUSE BILL NO. 12

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 TENTH LEGISLATURE - FIRST SESSION

5 A BILL

6 For an Act entitled: "An Act providing that absence from the state for
7 medical reasons shall not be considered in computation
8 of longevity bonus; and providing for an effective
9 date."

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

11 * Section 1. AS 47.45.030 is amended by adding a new subsection to read:

12 (b) A recipient who upon the direction of a physician receives
13 medical attention or hospitalization outside the state shall continue to
14 receive bonuses during his absence, up to 90 days.

15 * Sec. 2. This Act is retroactive to September 1, 1975.

16 * Sec. 3. This Act takes effect immediately in accordance with AS 01.10.-
17 070(c).



RECORDS CERTIFICATION



I, the undersigned, an employee of the State of Alaska, do hereby certify that the microfilm images on this microform are accurate reproductions of the original records of the State of Alaska as accumulated during the regular course of business, and that it is the established policy and practice of this State to microfilm its records and to dispose of the original records after microfilm reproductions have been made.

James O. Smith
Signature of Camera Operator

2/8/90
Date

2/18/77

COMMITTEE REPORT

HOUSE

Mr. Speaker:

Date _____

The Committee on Finance has had HB 13

under consideration. A Majority of the members of the Committee

recommends it DO PASS

recommends it DO NOT PASS

recommends it DO PASS WITH ATTACHED AMENDMENT(S)

recommends it BE REPLACED WITH CS FOR _____ AND THAT

CS FOR _____ DO PASS

"and" recommends it BE REFERRED TO THE _____

COMMITTEE

reports it back WITHOUT RECOMMENDATION

"other"

Members signing the Majority report:

_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____

Members NOT concurring in the Majority report:

_____ recommends:

_____ recommends:

_____ recommends:

_____ recommends:

_____ recommends:

_____ Chairman

"An Act relating to the Alaska longevity bonus ."

COMMITTEE REPORT

1/12/77

FINANCE

HOUSE

Mr. Speaker:

Date 2-18-77

The Committee on HESS has had HB 13

under consideration. A Majority of the members of the Committee

recommends it DO PASS

recommends it DO NOT PASS

recommends it DO PASS WITH ATTACHED AMENDMENT(S)

recommends it BE REPLACED WITH CS FOR _____ AND THAT

CS FOR _____ DO PASS

"and" recommends it BE REFERRED TO THE _____

COMMITTEE

reports it back WITHOUT RECOMMENDATION

"other" *no final vote.*

Members signing the Majority report:

<u><i>Mike Beiser</i></u>	<u>do pass</u>	<u><i>[Signature]</i></u>	<u>DO PASS</u>
<u>MARTIN SEVERSON</u>	<u>do pass</u>	<u><i>Charles Alan Dolan</i></u>	<u>do pass</u>
<u><i>R. D. E. [Signature]</i></u>	<u>Do Pass</u>	_____	_____
<u><i>[Signature]</i></u>	<u>DO PASS</u>	_____	_____

Members NOT concurring in the Majority report:

Al Os DO NOT recommends: Pass

_____ recommends:

_____ recommends: *

_____ recommends: *

_____ recommends:

Charles Alan Dolan Chairman

THE LEGISLATURE OF THE STATE OF ALASKA
TENTH LEGISLATURE

FISCAL NOTE

I. REQUEST

Bill/Resolution No. HB 13
 Title An Act relating to the Alaska Longevity Bonus
 Requested by Ken Humphrey - Legislative Affairs Date December 14, 1976

II. FISCAL DETAIL

Agency Affected Department of Administration
 Program Category Affected Social Services
 Budget Request Unit(s) Affected Longevity Bonus

EXPENDITURES (Thousands of Dollars)

	FY 77	FY 78	FY 79	FY 80	FY 81	FY 82
100 PERSONAL SERVICES						
200 TRAVEL						
300 CONTRACTUAL						
400 COMMODITIES						
500 EQUIPMENT						
600 LAND & STRUCTURES						
700 GRANTS, CLAIMS, ETC.		289.5	303.0	316.5	331.5	345.0
TOTAL		289.5	303.0	316.5	331.5	345.0

FUNDING (Thousands of Dollars)

GENERAL FUND						
FEDERAL FUNDS		289.5	303.0	316.5	331.5	345.0
OTHER (Specify)						

POSITIONS

FULL TIME						
PART TIME						
TEMPORARY						

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

See attached letter from Sisson to Sewell dated December 20, 1976. Assumes 3% increase over projections made in August 4, 1976 letter from Department of Labor to Richard Freer.

Request that bill be further amended in accordance with second page of December 20 (letter attached).

MEMORANDUM

State of Alaska



TO: Richard W. Freer, Deputy Commissioner
Department of Administration

Thru: David L. Gale, Chief *D.L.G.*
Research & Analysis

FROM: Mavis Waarvik *MW*
Employment Economist
Department of Labor

DATE: August 4, 1976

FILE NO:

TELEPHONE NO:

SUBJECT: Longevity Bonus Recipients

The following is in response to your request for projection data on the number of people who will be eligible in future years for the longevity bonus.

The closest accurate data we have on the number of people in Alaska prior to January 3, 1959, would come from the 1960 decennial census data. The 1960 census count represents the maximum possible number of people who would be able to apply for the longevity bonus. This maximum number is reduced by the number of people who migrate out of Alaska to the lower 48 and is also reduced by the mortality rate. Further reduction will come through meeting the continuous residency requirement. Theoretically, the last persons to be eligible to claim longevity bonus benefits would be those who were born on January 2, 1959, in Alaska.

Methodology -

The 1960 census data for Alaska was used as a basis for the computation. The ages were grouped in five year intervals to simplify the procedures. Migration rates were applied to each age group to obtain the number of people that would be remaining in Alaska at age 65. A higher migration rate factor was applied to the younger age groups because of the greater possibility of them migrating out of Alaska. Mortality rates were then applied to the age groupings. The assumption was made that there would be no change in the state law during the projected years.

Conclusion -

<u>Year</u>	<u>Recipients</u>
1975	5,526
1980	7,033
1985	8,662
1990	10,850
1995	12,843
2000	14,659
2005	15,219
2010	14,266
2015	13,476

Memorandum to: Richard W. Freer
August 4, 1976

The number of recipients for 1975 that were arrived at through the use of this methodology was within reason of the actual 1975 data of 5,400. The number of recipients increases steadily to the year 2005, when it starts to decline.

Due to the lack of data on the qualification of the 25 years of continuous residence in Alaska, it would be best to consider these projections as a guideline.

Attachment

cc: Vern Perry, Director
Division of Pioneer's Benefits

MEMORANDUM

DIVISION OF PIONEERS' BENEFITS

TO: Kellus Sewell, Administrative Officer
Division of Administrative Services

DATE , December 20, 1976

*Frank C. Sisson*FROM: Frank C. Sisson, Administrative Officer SUBJECT: Fiscal Note HB 897 dated 4-6-76
Division of Pioneers' Benefits

I have received HB 897 and discussed its implications with Research and Analysis of the Department of Labor. There are some areas of vagueness in this bill that makes the task of preparing a Fiscal Note very difficult. Rather than prepare three variations of the same Bill I will submit the following for your information.

This bill proposed that a resident of the state , 65 years of age or over, who was domiciled in the territory of Alaska on or before January 3, 1959 and had attained 25 years continuous residency in the territory or state or had maintained a domicile in the territory or state for a total of 30 years or more could apply for the \$125.00 monthly Longevity Bonus.

Research and Analysis states that if the 30 years means complete 12 month periods totaling 30 years the impact on the projected number of possible recipients of the Longevity Bonus given in their memorandum of August 4, 1976 would increase 1 to 3%. If the 30 years means any combination of 360 months the increase could amount to approximately 5%. Thirty years residency, by combining months, would allow construction and seasonal workers to participate if they could prove they actually or legally had a permanent and principal home in Alaska (AS 47.45.150 (2)) and, of course, currently live in Alaska. It would be exceedingly difficult to determine how many people would fit in this latter category.

The following projections are made for annual costs for FY'78 through FY'83 using the formula as follows: Number of recipients x Percentage x \$125 x 12 = Annual Amount

<u>Fiscal Year</u>	<u>Projected Recipients of 8/4/76</u>	<u>Current Projected Costs</u>	<u>1%</u>	<u>3%</u>	<u>5%</u>
78	6429	\$ 9,643.5	\$ 9,739.5	\$ 9,933.0	\$10,125.7
79	6730	10,095.0	10,195.5	10,398.0	10,599.8
80	7033	10,549.5	10,654.5	10,866.0	11,077.0
81	7359	11,038.5	11,149.5	11,370.0	11,590.4
82	7685	11,527.5	11,643.0	11,872.5	12,103.9
83	8011	12,016.5	12,136.5	12,376.5	12,617.3

These figures show the increase in costs over present projections could be \$96.0 to \$482.2 in FY'78 to \$120.0 to \$600.8 increase in FY'83.

MEMO

Fiscal Note HB 897 dated 4-6-76

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In accordance with the memorandum from Legislative Affairs on Fiscal note preparation dated December 15, 1976 the Administrator of the Longevity Program would like the following revisions to this Bill.

- (1) Add applicants must have five (5) years residence in the state immediately prior to application.
- (2) Add the 30 years must be in 12 month increments.

These additions will ensure the intent of the applicants to remain in Alaska and that they are indeed Pioneers, not seasonal workers. These additions would mean that in all probability the maximum increase in costs over present projections would be 3% or \$289.5 for FY'78.

2788
Guthrie

Introduced: 1/12/77
Referred: HESS and
Finance

1 IN THE HOUSE

BY PHILLIPS AND MEEKINS

2 HOUSE BILL NO. 13

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 TENTH LEGISLATURE - FIRST SESSION

5 A BILL

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10 the territory on or before January 3, 1959 and who has maintained a
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13 tive total of 30 years, may apply to the commissioner of administration
14 for qualification to receive a monthly bonus of \$125.

15 * Sec. 2. AS 47.45.170 is amended to read:

16 Sec. 47.45.170. PURPOSE. The sole purpose of this chapter is to
17 offer and provide all law-abiding Alaskans capable of managing their own
18 affairs who have maintained a domicile in the state for at least 25
19 years continuously or 30 years intermittently and have reached a retire-
20 ment age of 65, an incentive to continue uninterrupted residency in the
21 state. Under no circumstances shall this chapter be considered a form,
22 type, or manner, of public relief. Bonuses made under this chapter are
23 not predicated on need even though they may appear to provide supple-
24 mental income to some qualified persons who would otherwise be forced to
25 become responsibilities of the state. The legislature further finds and
26 states that this legislation recognizes the economic hardships suffered
27 by many elderly Alaskans, Alaskans who through their tenacity and
28 perseverance molded Alaska as we know it through skillful application of
29 their talents. These pioneers are the same Alaskans, who in the prime

1 of their life were in effect treated as second-class citizens by the
2 federal government and who paid much of their hard-earned income to a
3 government in which they did not have the right to participate through
4 the power of the ballot. The legislature also is aware of the fact that
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10 wisdom and experience. This legislation hopefully will provide our
11 pioneers with the economic means to remain in and continue to serve
12 their state and to enjoy the opportunity of aiding the new Alaskan in
13 making this state truly "The Great Land."

ALASKA STATE LEGISLATURE

TENTH... Legislature . FIRST. Session

HOUSE BILL..... NO. 13.....

By : PHILLIPS AND MEEKINS.....

"An Act relating to the Alaska Longevity Bonus."

Longevity Bonus Qualifications

Introduced in the House, 19....

HISTORY IN THE HOUSE

19 77	Read first time and referred to Committee on												
Jan 12	HESS and Finance												
	Reported back with recommendation that												
	Read second time and												
	Read third time and												
	<table border="0"> <tr> <td>PASS</td> <td>Effective Date</td> </tr> <tr> <td>Yeas</td> <td>Yeas</td> </tr> <tr> <td>Nays</td> <td>Nays</td> </tr> <tr> <td>Absent</td> <td>Absent</td> </tr> <tr> <td>Excused</td> <td>Excused</td> </tr> </table>	PASS	Effective Date	Yeas	Yeas	Nays	Nays	Absent	Absent	Excused	Excused		
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	Reported correctly engrossed												
	Signed by Speaker												
	Sent to Senate												
	CHIEF CLERK OF THE HOUSE												

HISTORY IN THE SENATE

19	Read first time and referred to Committee on												
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	Signed by President												
	Returned to House												
	SECRETARY OF THE SENATE												

HISTORY IN THE HOUSE

19	Received from Senate
	Concurred in Senate amendment thus adopting:
	Failed to concur in Senate amendment; asked Sen. to recede
	Senate receded from amendment
	Senate failed to recede from amendment
	FCC appointed by House
	FCC appointed by Senate
	FCC adopted
	To enrolling
	Reported correctly enrolled
	Sent to Governor
 by Governor
	Filed with Lt. Governor
	Chapter No.

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THE LEGISLATURE OF THE STATE OF ALASKA
TENTH LEGISLATURE

FISCAL NOTE

I. REQUEST

Bill/Resolution No. HB 13
 Title An Act relating to the Alaska Longevity Bonus
 Requested by Ken Humphrey - Legislative Affairs Date December 14, 1976

II. FISCAL DETAIL

Agency Affected Department of Administration
 Program Category Affected Social Services
 Budget Request Unit(s) Affected Longevity Bonus

EXPENDITURES (Thousands of Dollars)

	FY 77	FY 78	FY 79	FY 80	FY 81	FY 82
100 PERSONAL SERVICES						
200 TRAVEL						
300 CONTRACTUAL						
400 COMMODITIES						
500 EQUIPMENT						
600 LAND & STRUCTURES						
700 GRANTS, CLAIMS, ETC.		289.5	303.0	316.5	331.5	345.0
TOTAL		289.5	303.0	316.5	331.5	345.0

FUNDING (Thousands of Dollars)

	FY 77	FY 78	FY 79	FY 80	FY 81	FY 82
GENERAL FUND						
FEDERAL FUNDS		289.5	303.0	316.5	331.5	345.0
OTHER (Specify)						

POSITIONS

	FY 77	FY 78	FY 79	FY 80	FY 81	FY 82
FULL TIME						
PART TIME						
TEMPORARY						

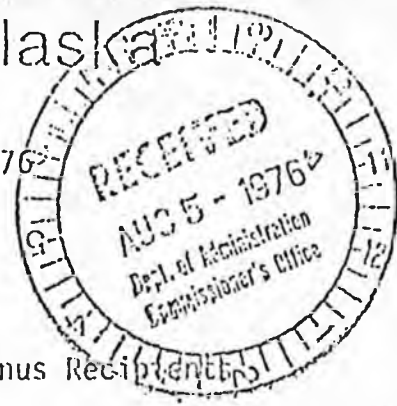
III. ANALYSIS (See Fiscal Note Preparation Instructions, Section III)

See attached letter from Sisson to Sewell dated December 20, 1976. Assumes 3% increase over projections made in August 4, 1976 letter from Department of Labor to Richard Freer.

Request that bill be further amended in accordance with second page of December 20 (letter attached).

MEMORANDUM

State of Alaska



TO: Richard W. Freer, Deputy Commissioner
Department of Administration

Thru: David L. Gale, Chief *DLG*
Research & Analysis

FROM: Mavis Waarvik *MW*
Employment Economist
Department of Labor

DATE: August 4, 1976

FILE NO:

TELEPHONE NO:

SUBJECT: Longevity Bonus Recipients

The following is in response to your request for projection data on the number of people who will be eligible in future years for the longevity bonus.

The closest accurate data we have on the number of people in Alaska prior to January 3, 1959, would come from the 1960 decennial census data. The 1960 census count represents the maximum possible number of people who would be able to apply for the longevity bonus. This maximum number is reduced by the number of people who migrate out of Alaska to the lower 48 and is also reduced by the mortality rate. Further reduction will come through meeting the continuous residency requirement. Theoretically, the last persons to be eligible to claim longevity bonus benefits would be those who were born on January 2, 1959, in Alaska.

Methodology -

The 1960 census data for Alaska was used as a basis for the computation. The ages were grouped in five year intervals to simplify the procedures. Migration rates were applied to each age group to obtain the number of people that would be remaining in Alaska at age 65. A higher migration rate factor was applied to the younger age groups because of the greater possibility of them migrating out of Alaska. Mortality rates were then applied to the age groupings. The assumption was made that there would be no change in the state law during the projected years.

Conclusion -

<u>Year</u>	<u>Recipients</u>
1975	5,526
1980	7,033
1985	8,662
1990	10,850
1995	12,843
2000	14,659
2005	15,219
2010	14,266
2015	13,476

Memorandum to: Richard W. Freer
August 4, 1976

The number of recipients for 1975 that were arrived at through the use of this methodology was within reason of the actual 1975 data of 5,400. The number of recipients increases steadily to the year 2005, when it starts to decline.

Due to the lack of data on the qualification of the 25 years of continuous residence in Alaska, it would be best to consider these projections as a guideline.

Attachment

cc: Vern Perry, Director
Division of Pioneer's Benefits

MEMORANDUM
DIVISION OF PIONEERS' BENEFITS

TO: Kellus Sewell, Administrative Officer
Division of Administrative Services

DATE : December 20, 1976

Frank C. Sisson

FROM: Frank C. Sisson, Administrative Officer SUBJECT: Fiscal Note HB 897 dated 4-6-76
Division of Pioneers' Benefits

I have received HB 897 and discussed its implications with Research and Analysis of the Department of Labor. There are some areas of vagueness in this bill that makes the task of preparing a Fiscal Note very difficult. Rather than prepare three variations of the same Bill I will submit the following for your information.

This bill proposed that a resident of the state, 65 years of age or over, who was domiciled in the territory of Alaska on or before January 3, 1959 and had attained 25 years continuous residency in the territory or state or had maintained a domicile in the territory or state for a total of 30 years or more could apply for the \$125.00 monthly Longevity Bonus.

Research and Analysis states that if the 30 years means complete 12 month periods totaling 30 years the impact on the projected number of possible recipients of the Longevity Bonus given in their memorandum of August 4, 1976 would increase 1 to 3%. If the 30 years means any combination of 360 months the increase could amount to approximately 5%. Thirty years residency, by combining months, would allow construction and seasonal workers to participate if they could prove they actually or legally had a permanent and principal home in Alaska (AS 47.45.150 (2)) and, of course, currently live in Alaska. It would be exceedingly difficult to determine how many people would fit in this latter category.

The following projections are made for annual costs for FY'78 through FY'83 using the formula as follows: Number of recipients x Percentage x \$125 x 12 = Annual Amount.

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