

ALASKA LEGISLATURE SPECIAL COMMITTEE / SUBJECT FILE 8672

1372 SCOMM 51: BLUE RIBBON COMN. ON STATE PERSONNEL ACT 1978-1983

Introduced: 1/18/83
Referred: State Affairs and Finance

BY THE RULES COMMITTEE BY
REQUEST OF THE LEGISLATIVE
COUNCIL (for the Blue
Ribbon Commission on the
State Personnel Act)

1 IN THE SENATE

2 SENATE BILL NO. 55

3

IN THE LEGISLATURE OF THE STATE OF ALASKA

4

THIRTEENTH LEGISLATURE - FIRST SESSION

5

A BILL

6 For an Act entitled: "An Act relating to collective bargaining; and
7 providing for an effective date."

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

9 * Section 1. AS 23.40.210 is amended by adding a new subsection to
10 read:

11 (b) When an agreement is entered into between an organization
12 and the state, the agreement shall be submitted to the legislature
13 within 10 days after the signing of the agreement by the parties or 10
14 days after the convening of the next regular session. The monetary
15 terms of an agreement take effect if they are not rejected by the
16 legislature by concurrent resolution within 30 days after the agree-
17 ment is submitted to the legislature.

18 * Sec. 2. This Act takes effect immediately in accordance with AS 01.-
19 10.070(c).

STATE OF ALASKA
FISCAL NOTE

Revision Date: March 29, 1983

I. REQUEST

Bill/Resolution No.: CS SB 55 (Judiciary)
Title: See page 2
Sponsor: Judiciary committee
Requestor:

II. FISCAL DETAIL

Agency Affected: Administration
Program Category Affected: Central Adm. Svcs
BRU, Program of Subprogram(s) Affected:
Labor Relations

EXPENDITURES/REVENUES: (Thousands of Dollars)

	FY 83	FY 84	FY 85	FY 86	FY 87	FY 88
OPERATING						
100 PERSONAL SERVICES						
200 TRAVEL						
300 CONTRACTUAL						
400 COMMODITIES						
500 EQUIPMENT						
600 LAND & STRUCTURES						
700 GRANTS, CLAIMS, ETC						
TOTAL OPERATING	0	0	0	0		
CAPITAL						
REVENUE	0	0	0	0		

FUNDING: (Thousands of Dollars)

GENERAL FUND						
FEDERAL FUNDS						
OTHER (Specify Source)						

POSITIONS:

FULL-TIME						
PART-TIME						
TEMPORARY						

III. SOURCE OF FUNDS TO OFFSET FISCAL IMPACT OF BILL:

N/A

IV. ANALYSIS: Attach a separate page for any Analysis

Prepared By: Larry Stinson
Division: Labor Relations

Phone: (907) 465-4044
Date: March 29, 1983

Approved by Commissioner: Lisa Rudd
Department: ADMINISTRATION

Date: 4/7/83

Distribution:

Original to Legislative Finance
Copy to Office of Management and Budget (for Legislature introduced bills)
Copy to Department (for Governor introduced bills)
Copy to Sponsor
Copy to Requestor (if different from Sponsor)

3/8/83



JUNEAU, ALASKA

Alaska State Legislature

BLUE RIBBON COMMISSION ON THE
STATE PERSONNEL ACT

Senator Bill Ray, Chairman

Pouch YG
Mail Stop 3123
Juneau, Alaska 99811
(907) 465-4442

MEMORANDUM

March 3, 1983

TO: Senate Finance Committee

FROM: Teresa B. Cramer *Teresa B Cramer*
Administrative Assistant

SUBJECT: CS SB 55 (Judiciary) - Collective Bargaining

The Public Employment Relations Act provides that the monetary terms of any agreement entered into between the state and an employee representative are subject to funding through legislative appropriation. AS 23.40.215. The Act does not set out how the legislative review should occur.

The Blue Ribbon Commission has discussed the problems which can arise if the Legislature fails to act expeditiously on collective bargaining agreements submitted to it. Delay followed by legislative rejection can preclude the parties from completing any renegotiations before the Legislature adjourns. There would then be no funding for the new agreement and the Legislature might have to convene in special session, an expensive alternative.

The commission recommends that legislation be adopted to encourage prompt legislative review of collective bargaining agreements.

Bill Analysis

Page 1 The first section of the bill requires that proposed agreements
Line 9 be submitted to the Legislature within 10 days after the parties have agreed for consideration of the monetary terms. The Legislature then has 30 days to review those terms.

Line 17 If the Legislature finds the terms unacceptable, then it may reject the agreement by concurrent resolution. If the Legislature fails to act within 30 days, then the contracts will be considered to have legislative approval. The proposed legislation does not address the introduction or passage of an appropriation bill funding the agreements.

Line 20 The second section of the bill contains an immediate effective date clause.

TBC:lmk



JUNEAU, ALASKA

Alaska State Legislature

BLUE RIBBON COMMISSION ON THE
STATE PERSONNEL ACT

Senator Bill Ray, Chairman

Pouch YG
Mail Stop 3123
Juneau, Alaska 99811
(907) 465-4442

MEMORANDUM

January 25, 1983

TO: Senate State Affairs Committee

FROM: Teresa B. Cramer *Teresa B. Cramer*
Administrative Assistant

SUBJECT: Senate Bill 55 - Collective Bargaining

The Public Employment Relations Act provides that the monetary terms of any agreement entered into between the state and an employee representative are subject to funding through legislative appropriation. AS 23.40.215. The Act does not set out how the legislative review should occur.

The Blue Ribbon Commission has discussed the problems which can arise if the Legislature fails to act expeditiously on collective bargaining agreements submitted to it. Delay followed by legislative rejection can preclude the parties from completing any renegotiations before the Legislature adjourns. There would then be no funding for the new agreement and the Legislature might have to convene in special session, an expensive alternative.

The commission recommends that legislation be adopted which would encourage prompt legislative review of collective bargaining agreements.

Bill Analysis

Page 1 The first section of the proposed legislation requires
Line 9 that negotiated agreements be submitted to the Legisla-
ture within 10 days of signing by the parties and that
the Legislature have 30 days to review the monetary
terms. If the Legislature finds the terms unacceptable,
then it may reject the agreement by concurrent resolution.
If the Legislature fails to act within 30 days, then the
contracts will be considered to have legislative approval.
The proposed legislation does not address the introduction
or passage of an appropriation bill funding the agreements.

Line 18 The second section of the bill contains an immediate
effective date clause.

2/17/83

APEA:

Cherie Shelley, Executive Director
Darlene Livermore, Director of Field
Operations

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MM&P: J.E. Fischmaller (Gen. Counsel)

Captain David Boyle, Regional Director

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IHM #5/2/LRFL

LRA:

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FMCS:

Director of Arbitration Services

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Anchorage, AK 99513

MEMORANDUM

November 9, 1982

TO: Tom Sofo, Legislative Counsel

FROM: Teresa B. Cramer
Administrative Assistant

SUBJECT: Work Draft 13-0040
Relating to Collective Bargaining

Enclosed is a copy of the collective bargaining bill with the amendments made by the commission at its last meeting. Could you send me a final work draft for the commission's review?

Thanks.

TBC:lmk
Enclosure

BY THE RULES COMMITTEE BY
REQUEST OF THE LEGISLATIVE
COUNCIL (for the Blue
Ribbon Commission on the
State Personnel Act)

1 IN THE SENATE

2 SENATE BILL NO.

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

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7 providing for an effective date."

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10 read:

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12 and the state, the agreement shall be submitted to the legislature
13 within 10 days after the signing of the agreement by the parties or 10
14 days after the convening of the next regular session, whichever is
15 later. The monetary terms of an agreement shall take effect if they
16 are not rejected by the legislature by concurrent resolution within 30
17 days after the agreement is submitted to the legislature.

18 * Sec. 2. This Act takes effect immediately in accordance with AS 01.-
19 10.070(c).
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Amended at Blue
Ribbon Comm meeting
11/9/82 as noted
below.

1 IN THE SENATE

BY THE RULES COMMITTEE BY
REQUEST OF THE LEGISLATIVE
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16 ~~ture has 30 days to accept or reject the monetary~~
17 ~~terms of an agreement submitted under this subsee-~~
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BY THE RULES COMMITTEE BY
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18 terms of an agreement submitted under this subsec-
19 tion. The monetary terms of an agreement shall take
20 effect if they are accepted by the legislature by
21 concurrent resolution within 30 days after the agree-
22 ment is submitted to the legislature.

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24 dance with AS 01.10.070(c).

10/12/82

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IN THE SENATE

BY THE RULES COMMITTEE BY
REQUEST OF THE LEGISLATIVE
COUNCIL (for the Blue
Ribbon Commission on the
State Personnel Act)

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IN THE LEGISLATURE OF THE STATE OF ALASKA
THIRTEENTH LEGISLATURE - FIRST SESSION

A BILL

For an Act entitled: "An Act relating to collective bargaining; and providing for an effective date."

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

* Section 1. AS 23.40.210 is amended by adding a new subsection to read:

(b) When an agreement is entered into between an organization and the state, the agreement shall be submitted to the legislature within 60 days after the convening of the next regular session. The legislature has 60 days to accept or reject the monetary terms of an agreement submitted under this subsection. The monetary terms of an agreement shall take effect unless rejected by the legislature by concurrent resolution within 60 days after the agreement is submitted to the legislature.

* Sec. 2. This Act takes effect immediately in accordance with AS 01.10.070(c).

13-0040

Sofo

9.17

BY THE RULES COMMITTEE BY
REQUEST OF THE LEGISLATIVE
COUNCIL (for the Blue
Ribbon Commission on the
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1 IN THE SENATE

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

9 * Section 1. AS 23.40.210 is amended by adding a new subsection to read:

10 (b) When an agreement is entered into between an organization and
11 the state, the agreement shall be submitted to the legislature within 30
12 days after the convening of the next regular session for approval of the
13 monetary terms by appropriation or for rejection by concurrent resolu-
14 tion. The legislature may not adjourn a regular session until it has
15 accepted or rejected the monetary terms of an agreement submitted under
16 this subsection. The monetary terms of an agreement may not take effect
17 unless approved by appropriation by the legislature as provided in this
18 subsection.

19 * Sec. 2. AS 23.40.215 is amended by adding a new subsection to read:

20 (b) If the monetary terms of an agreement for more than one year
21 are approved by an appropriation and the agreement does not provide for
22 reopening and negotiating adjustments in those monetary terms during the
23 life of the agreement, the appropriation shall be for the entire cost of
24 the monetary terms, to be expended in successive fiscal years in accor-
25 dance with those terms, over the life of the agreement, and its enactment
26 shall constitute a contract by the state not to repeal or diminish the
27 appropriation during the life of the agreement.

28 * Sec. 3. This Act takes effect immediately in accordance with AS 01.10.-

29 070(c).

Offered: 5/18/82
Adopted: 5/19/82
Journal pg 1471-3

1 person who (1) has broad and varied experience in the conduct of human
2 affairs, (2) resides in the affected school district, and (3) is not at
3 the time of selection employed in a position that requires direct parti-
4 cipation in labor-management relations. Within three days of the date
5 designated for submission of names under this subsection the organiza-
6 tion and the board shall each notify the arbitrator if it accepts the
7 person selected by the other party. If the parties agree, the persons
8 selected shall serve on the board described in (a) of this section. If
9 the organization and the board do not agree within three days on the
10 members selected, the arbitrator shall request each party to submit to
11 the labor relations agency a list consisting of not less than three nor
12 more than five persons who meet the criteria set out in (1), (2), and
13 (3) of this subsection. From each list submitted to the labor relations
14 agency, the agency shall promptly choose one person who shall serve on
15 the board described in (a) of this section.

16 (e) An arbitration board is entitled to compensation by the par-
17 ties for its services as follows:

18 (1) public members shall receive per diem and travel allow-
19 ances as provided by law for members of state boards and commissions;

20 (2) the professional arbitrator serving as chairperson shall
21 be compensated on terms that the parties determine to represent fair
22 value for such professional services.

23  Sec. 13. AS 23.40.210 is amended by adding a new subsection to read:

24 (b) When an agreement is entered into between an organization and
25 the state, the agreement shall be submitted to the legislature within
26 60 days after convening of a regular session. The legislature shall
27 have 60 days to accept or reject the monetary terms of an agreement
28 submitted under this subsection. The monetary terms of an agreement
29 shall take effect unless rejected by the legislature by concurrent

1 resolution within the 60-day limitation as provided above.

2 * Sec. 14. AS 23.40.250(1) is amended to read:

3 (1) "collective bargaining" means the performance of the
4 mutual obligation of the public employer or his designated representa-
5 tives and the representative of the employees to meet at reasonable
6 times, including meetings in advance of the budget making process and
7 negotiate in good faith with respect to wages, hours and other terms and
8 conditions of employment, or, for employees who are teachers, to negoti-
9 ate in good faith with respect to matters pertaining to the employment
10 and the fulfillment of the professional duties of teachers, or the
11 negotiation of an agreement, or negotiation of a question arising under
12 an agreement and the execution of a written contract incorporating an
13 agreement reached if requested by either party, but these obligations do
14 not compel either party to agree to a proposal or require the making of
15 a concession;

16 * Sec. 15. AS 23.40.250(5) is amended to read:

17 (5) "public employee" means any employee of a public employer,
18 whether or not in the classified service of the public employer, except
19 elected or appointed officials or administrative employees of school
20 boards [TEACHERS] or noncertificated employees of school districts;

21 * Sec. 16. AS 23.40.250(6) is amended to read:

22 (6) "public employer" means the state or a political sub-
23 division of the state, including without limitation, a [TOWN,] city,
24 borough, district, board of regents, city, borough, or regional school
25 board, public and quasi-public corporation, housing authority or other
26 authority established by law, and a person designated by the public
27 employer to act in its interest in dealing with public employees;

28 * Sec. 17. AS 23.40.250 is amended by adding new paragraphs to read:

29 (8) "district" means a district as defined by AS 14.12.010;

May 19, 1982

SENATE JOURNAL

1471

HJR 71 cont'd

Senator Rodey moved and asked unanimous consent that CS FOR HOUSE JOINT RESOLUTION NO. 71 (SA) be held one legislative day. Senator Colletta objected, then withdrew his objection. There being no further objection, the resolution will appear on the May 20 calendar in second reading.

UNFINISHED BUSINESS

SB 668

Senator Ray requested that the reconsideration on CS FOR SENATE BILL NO. 668 (RLS) be taken up at this time.

SENATE BILLS IN THIRD READING

CS FOR SENATE BILL NO. 668 (RLS) (relating to public employees subject to collective bargaining) was before the Senate at this time on reconsideration.

Senator Ray moved and asked unanimous consent that CS FOR SENATE BILL NO. 668 (RLS) be returned to second reading for the purpose of a specific amendment. Without objection, it was so ordered.

Senator Ray offered the following amendment No. 2:

Page 9, line 23: Insert new Section 13 as follows:

*Sec. 13. AS 23.40.210 is amended by adding a new subsection to read:

(b) When an agreement is entered into between an organization and the state, the agreement shall be submitted to the legislature within 60 days after convening of a regular session. The legislature shall have 60 days to accept or reject the monetary terms of an agreement submitted under this subsection. The monetary terms of an agreement shall take effect unless rejected by the legislature by concurrent resolution within the 60-day limitation as provided above.

renumber accordingly

Senator Ray moved and asked unanimous consent for the adoption of amendment No. 2. Senator Dankworth objected.

SB 668 cont'd

Senator Colletta offered the following amendment to amendment No. 2:

delete the last sentence of amendment No. 2

Senator Colletta moved and asked unanimous consent for the adoption of the amendment to amendment No. 2. Senator Parr objected.

The question being: "Shall amendment to amendment No. 2 be adopted?" The roll was taken with the following result:

CSSB 668 RLS AM TO AM

Yeas: 10 Bennett, Bradley, Colletta,
Dankworth, Eliason, Fahrenkamp,
Kelly, Kerttula, Mulcahy, Ziegler

Nays: 10 Anderson, Ferguson, Fischer,
Gilman, Parr, Ray, Rodey, Sackett,
Stimson, Sturgulewski

and so, amendment to amendment No. 2 was not adopted.

The question now being: "Shall amendment No. 2 be adopted?" The roll was taken with the following result:

CSSB 668 RLS AM NO 2

Yeas: 13 Anderson, Bennett, Bradley,
Colletta, Fahrenkamp, Ferguson,
Fischer, Gilman, Kerttula, Ray,
Rodey, Sackett, Stimson

Nays: 7 Dankworth, Eliason, Kelly, Mulcahy,
Parr, Sturgulewski, Ziegler

and so, amendment No. 2 was adopted.

Senator Rodey moved and asked unanimous consent that CS FOR SENATE BILL NO. 668 (RLS) am be considered engrossed, advanced to third reading and placed on final passage. Without objection, it was so ordered.

CS FOR SENATE BILL NO. 668 (RLS) am was read the third time.

SB 668 cont'd

The question to be reconsidered is: "Shall CS FOR SENATE BILL NO. 668 (RLS) am (relating to public employees subject to collective bargaining) pass the Senate?" The roll was taken with the following result:

CSSB 668 AM 3RD

Yeas: 14 Bennett, Bradley, Colletta,
Eliason, Fahrenkamp, Fischer, Kelly,
Kerttula, Mulcahy, Parr, Ray, Rodey,
Stimson, Sturgulewski

Nays: 6 Anderson, Dankworth, Ferguson,
Gilman, Sackett, Ziegler

and so, CS FOR SENATE BILL NO. 668 (RLS) am with a Senate Letter of Intent passed the Senate on reconsideration and was referred to the Secretary for engrossment.

SB 666

A memorandum to President Kerttula from Senator Rodey follows:

"The Conference Committee considered SENATE BILL NO. 666 (mining loan fund (AS 17.09); eff. date) and HOUSE CS FOR SENATE BILL NO. 666 (FIN) am H (certain state loan programs; eff. date) requests an addition to the limited powers of free conference:

"Shall the language under the veterans loans
(AS 26.15) be modified?"

President Kerttula granted the limited powers of free conference to the Conference Committee on the above addition.

The Secretary was requested to notify the House.

HB 2, HB 159, HJR 41

Senator Bennett, Co-Chairman of the Finance Committee, moved and asked unanimous consent that the Finance Committee referrals on the following bills and resolution be waived:

CS FOR HOUSE BILL NO. 2 (FIN) am (relating
to land)

CS FOR HOUSE BILL NO. 159 (FIN) (workers'
compensation)

May 18, 1982

SENATE JOURNAL

1441

HJR 12

Senator Kelly moved and asked unanimous consent to advance to Unfinished Business. Without objection, the Senate advanced to:

UNFINISHED BUSINESS

Senator Kelly moved and asked unanimous consent that the Senate rescind its previous action in failing SENATE CS FOR CS FOR HOUSE JOINT RESOLUTION NO. 12 (TRSP) am S (proposing an amendment to the Constitution of the State of Alaska providing a method for limiting the length of regular sessions of the legislature).

Senator Kelly moved and asked unanimous consent to withdraw his motion. The President stated that the resolution will be held on the Secretary's desk.

The Senate reverted to:

CONSIDERATION OF THE CALENDAR

SECOND READING OF SENATE BILLS

SB 668

SENATE BILL NO. 668 (relating to the resolution of impasses in public employee collective bargaining) which had been placed at the bottom of today's calendar was read the second time.

Senator Kelly moved and asked unanimous consent for the adoption of the Rules Committee Substitute offered on page 1424. Without objection, CS FOR SENATE BILL NO. 668 (RLS) (relating to public employees subject to collective bargaining) was adopted.

CS FOR SENATE BILL NO. 668 (RLS) was read the second time.

Senator Ray offered the following amendment No. 1:

Page 9, line 23: insert new Section 13 and 14 as follows:

*Section 13. AS 23.40.210 is amended by adding a new subsection to read:

(b) When an agreement is entered into between an organization and the state, the agreement shall be submitted to the legislature within 60 days after convening of a

SB 668

regular session for approval of the monetary terms by appropriation or for rejection by concurrent resolution. The legislature may not adjourn a regular session until it has accepted or rejected the monetary terms of the agreement submitted under this subsection. The monetary terms of an agreement may not take effect unless approved by appropriation by the legislature as provided in this subsection.

*Sec. 14. AS 23.40.215 is amended by adding a new subsection to read:

(b) When the monetary terms of an agreement for more than one year are approved by an appropriation and the agreement makes no provision for reopening and negotiating adjustments in those monetary terms during the life of the agreement, the appropriation shall be for the entire cost of the monetary terms to be expended in successive fiscal years in accordance with those terms over the life of the agreement, and its enactment shall constitute a contract by the state not to repeal or diminish the appropriation during the life of the agreement.

renumber accordingly

Senator Ray moved and asked unanimous consent that the question be divided. Without objection, it was so ordered.

Senator Kelly offered the following amendment to amendment No. 1, Part I (that material pertaining to Section 13).

Delete "The legislature may not adjourn a regular session until it has accepted or rejected the monetary terms of an agreement submitted under this subsection."

Senator Ferguson moved and asked unanimous consent that CS FOR SENATE BILL NO. 668 (RLS) be held one legislative day. Senator Fischer objected.

Senator Kelly moved and asked unanimous consent to withdraw his amendment to amendment No. 1, Part I. Without objection, it was so ordered.

Senator Ray offered the following 2nd amendment to amendment No. 1, Part I.

SB 668 cont'd

On Section 13 delete "The legislature may not adjourn a regular session until it has accepted or rejected the monetary terms of an agreement submitted under this subsection" insert:

"The legislature shall have 60 days to accept or reject the monetary terms of an agreement under this subsection".

Senator Ray moved the 2nd amendment to amendment No. 1, Part I. Senator Bennett asked unanimous consent. Senators Sturgulewski and Ziegler objected.

The question being: "Shall the 2nd amendment to amendment No. 1, Part I be adopted?" The roll was taken with the following result:

CSSB 668 AM TO AM 1 PT 1

Yeas: 13 Anderson, Bennett, Bradley,
Colletta, Dankworth, Kelly, Kerttula,
Mulcahy, Parr, Ray, Rodey, Sackett,
Stimson

Nays: 7 Eliason, Fahrenkamp, Ferguson,
Fischer, Gilman, Sturgulewski,
Ziegler

and so, the 2nd amendment to amendment No. 1. Part I was adopted.

The question now being: Shall Part I of amendment No. 1 as amended be adopted?" The roll was taken with the following result:

CSSB 668 PT 1 AM 1

Yeas: 9 Anderson, Bennett, Dankworth,
Fahrenkamp, Parr, Ray, Rodey,
Sackett, Stimson

Nays: 11 Bradley, Colletta, Eliason,
Ferguson, Fischer, Gilman, Kelly,
Kerttula, Mulcahy, Sturgulewski,
Ziegler

and so, Part I of amendment No. 1 as amended was not adopted.

Senator Ray moved and asked unanimous consent to withdraw Part II of amendment No. 1. Without objection, it was so ordered.

SB 668 cont'd

Senator Rodey moved and asked unanimous consent that CS FOR SENATE BILL NO. 668 (RLS) be considered engrossed, advanced to third reading and placed on final passage. Without objection, it was so ordered.

Senator Gilman moved and asked unanimous consent that the Rules Letter of Intent offered on page 1424 be adopted as a Senate Letter of Intent. Without objection, the Letter of Intent was adopted as a Senate Letter of Intent.

The question being: "Shall CS FOR SENATE BILL NO. 668 (RLS) (relating to public employees subject to collective bargaining) pass the Senate?" The roll was taken with the following result:

CSSB 668 3RD

Yeas: 13 Bennett, Bradley, Colletta,
Eliason, Fahrenkamp, Fischer, Kelly,
Kerttula, Mulcahy, Parr, Rodey,
Stimson, Sturgulewski

Nays: 7 Anderson, Dankworth, Ferguson,
Gilman, Ray, Sackett, Ziegler

and so, CS FOR SENATE BILL NO. 668 (RLS) passed the Senate with a Senate Letter of Intent.

Senator Rodey gave notice of reconsideration on CS FOR SENATE BILL NO. 668 (RLS) and moved and asked unanimous consent that the Rules be suspended and the bill be taken up at this time. Senators Gilman and Sackett objected.

Senator Rodey gave notice of reconsideration on CS FOR SENATE BILL NO. 668 (RLS).

CITATIONS

Senator Rodey moved and asked unanimous consent for the approval of the Citation - Honoring Dave Knapp by Representatives Grussendorf and Montgomery and Senators Eliason, Fischer and Sturgulewski. Without objection, the Citation was approved and referred to the Secretary.

1st Reading Hs - pg 1968

Referral: HESS & Fin

HESS Report pg 229 5/29/82



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.


Signature of Camera Operator


Date

SCOMM

#51:18

July 1, 1983

SB 56: Nepotism in state employment

History - IN THE SENATE

State Affairs: There is no history. The bill had no hearings.

Note: This bill is unlikely to move, partly because Nancy Groshek, Sen. Vic Fischer's aide, does not believe in nepotism restrictions.

Companion bill: HB 49 began as the companion bill to SB 56. It had hearings in State Affairs (which adopted a committee substitute) and in Judiciary. See notes and back-up information in that file if the Senate version ever moves.

Introduced: 1/18/83
Referred: State Affairs and
Judiciary

BY THE RULES COMMITTEE BY
REQUEST OF THE LEGISLATIVE
COUNCIL (for the Blue
Ribbon Commission on the
State Personnel Act)

1 IN THE SENATE

2 SENATE BILL NO. 56

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 THIRTEENTH LEGISLATURE - FIRST SESSION

5 A BILL

6 For an Act entitled: "An Act relating to nepotism in state employment; and
7 providing for an effective date."

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

9 * Section 1. AS 39.10.010 is repealed and reenacted to read:

10 Sec. 39.10.010. NEPOTISM PROHIBITED. (a) A person may not be
11 appointed to a position in a state department or agency, whether in
12 the legislative, judicial, or executive branch, if that person is the
13 spouse of or is related by blood or marriage within and including the
14 second degree of kindred to the commissioner or a deputy or assistant
15 commissioner of the principal department, or to the executive head of
16 the agency.

17 (b) A person may not be appointed to a position in a division of
18 a state department or agency, whether in the legislative, judicial, or
19 executive branch, if that person is the spouse of, or is related by
20 blood or marriage within and including the second degree of kindred
21 to, the executive head of the division.

22 (c) A person may not be appointed to a position in a state
23 department or agency in the executive branch, if that person is the
24 spouse of, or is related by blood or marriage within and including the
25 second degree of kindred to, an employee in the department or agency
26 unless the director of personnel and the appointing authority approve
27 the appointment in writing. An appointment prohibited by (a) or (b)
28 of this section may not be approved under this subsection.

29 * Sec. 2. This Act takes effect immediately in accordance with

1 AS 01.10.070(c).

Introduced: 1/18/83
Referred: State Affairs and
Judiciary

BY THE RULES COMMITTEE BY
REQUEST OF THE LEGISLATIVE
COUNCIL (for the Blue
Ribbon Commission on the
State Personnel Act)

1 IN THE SENATE

2

SENATE BILL NO. 56

3

IN THE LEGISLATURE OF THE STATE OF ALASKA

4

THIRTEENTH LEGISLATURE - FIRST SESSION

5

A BILL

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7 providing for an effective date."

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12 the legislative, judicial, or executive branch, if that person is the
13 spouse of or is related by blood or marriage within and including the
14 second degree of kindred to the commissioner or a deputy or assistant
15 commissioner of the principal department, or to the executive head of
16 the agency.

17 (b) A person may not be appointed to a position in a division of
18 a state department or agency, whether in the legislative, judicial, or
19 executive branch, if that person is the spouse of, or is related by
20 blood or marriage within and including the second degree of kindred
21 to, the executive head of the division.

22 (c) A person may not be appointed to a position in a state
23 department or agency in the executive branch, if that person is the
24 spouse of, or is related by blood or marriage within and including the
25 second degree of kindred to, an employee in the department or agency
26 unless the director of personnel and the appointing authority approve
27 the appointment in writing. An appointment prohibited by (a) or (b)
28 of this section may not be approved under this subsection.

29 * Sec. 2. This Act takes effect immediately in accordance with

1 AS 01.10.070(c).



JUNEAU, ALASKA

Alaska State Legislature

BLUE RIBBON COMMISSION ON THE
STATE PERSONNEL ACT

Senator Bill Ray, Chairman

Pouch YG
Mail Stop 3123
Juneau, Alaska 99811
(907) 465-4442

MEMORANDUM

January 25, 1983

TO: Senate State Affairs Committee

FROM: Teresa B. Cramer *Teresa B. Cramer*
Administrative Assistant

SUBJECT: Senate Bill 56 - Nepotism in State Government

The existing statute prohibiting nepotism in state employment forbids only the employment of anyone related to the executive head of a department or agency. AS 39.10.010. The Personnel Rule is more extensive, prohibiting the employment of relatives of the head of a division or subdivision within that division or subdivision. In addition, the Rule prohibits the employment of two related persons in the same agency unless express approval is given by both the appointing authority and the Director of Personnel.

The scope of the Personnel Rule is broader than the statutory authority granted in AS 39.10.010. In addition, the rule-making authority given to the Personnel Board by the State Personnel Act may not extend to nepotism, since the nepotism statute is placed outside the Act. The Attorney General has advised the Division of Personnel that the nepotism rule may exceed the scope of statutory authority. A lawsuit has been filed challenging the Department of Transportation's implementation of nepotism prohibitions.

The Blue Ribbon Commission recommends that legislation prohibiting nepotism in state employment be adopted to provide statutory authority for the Personnel Rule. The prohibition against employing relatives does limit the opportunities for some Alaskans to find state jobs. The disadvantage to those people should be weighed against the appearance of impropriety and favoritism which is created by people working for a close relative. Problems can also arise if relatives are working in the same office so it is appropriate that the hiring decision be scrutinized with the potential for personnel problems in mind.

Bill Analysis

Page 1 The first section of the proposed legislation codifies the
Line 9 Personnel Rule. The first paragraph retains the existing
nepotism prohibition and extends it to include relatives of

deputy or assistant commissioners. The prohibition against employing a person related to the executive head of an agency applies to all legislative, judicial and executive branch agencies.

Line 17 The second paragraph adds new language based on the Personnel Rule to prohibit appointment of a relative of the head of a division within that division. It applies to positions in the legislative, judicial or executive branch.

Line 22 The third paragraph prohibits employment of two relatives within the same executive branch department or agency unless the appointing authority and the Director of Personnel approve the second appointment in writing.

In each of the paragraphs, relatives include spouses and persons within the "second degree of kindred", which the Personnel Rules define as:

father, mother, son, daughter, brother, sister,
husband, wife, grandfather, grandmother, grandson,
granddaughter, uncle and aunt including those
involving half or step relationships.

Line 29 The second section of the proposed legislation provides for an immediate effective date.



JUNEAU, ALASKA

Alaska State Legislature

BLUE RIBBON COMMISSION ON THE
STATE PERSONNEL ACT

Senator Bill Ray, Chairman

Pouch YG
Mail Stop 3123
Juneau, Alaska 99811
(907) 465-4442

MEMORANDUM

December 14, 1982

TO: Members of the Blue Ribbon Commission

FROM: Teresa B. Cramer *Terry*
Administrative Assistant

SUBJECT: Nepotism Regulations

I received a telephone call from a state employee concerning the effect of nepotism regulations. She reported that a man wanted to work for the Juneau Job Service Office but was told that he could not while his niece by marriage was employed there as a secretary. She had recently moved to Juneau and he had met her only a few weeks before. The niece found another secretarial position so he was hired. There would not have been a direct supervisory relationship between the man and his niece. The caller also said that she had thought of transferring from Juneau to Ketchikan but that she could not because her sister-in-law already worked in the Job Service Office there. She did not believe their personal relationship would have affected their work.

The Personnel Rules permit the departmental appointing authority and the Director of Personnel to waive the prohibition in these situations. Apparently the Job Service Center policy was against requesting nepotism waivers.

She has observed, however, that personal relationships can cause employee problems. A person and his mistress were employed in an office where she worked and when they were having a quarrel outside work it affected their behavior at work and caused tension in the whole office. Nepotism regulations do not address this situation at all.

TBC:lmk

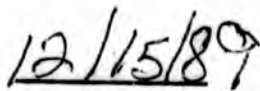


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Signature of Camera Operator


Date

SCOMM

#51:19

July 6, 1983

CSSB 57: Limiting the adjustment of retirement benefits

History - IN THE SENATE

State Affairs Hearings 2/8 & 4/19. Committee Substitute adopted at later meeting. Bill passed out of committee 4/26. Committee Substitute makes some technical language changes and adds a new paragraph providing that overpayments will be waived only if the members had no reasonable grounds to believe that the benefit paid was in error (i.e. a letter saying the benefit amount would be at one level and then a check for a different (and larger) amount.) See my memo to Senator Ray dated March 7 for a detailed listing of the changes.

FLOOR 5/5/83 - passed the Senate 19-0-1. Reconsideration (from Senator Halford) not taken up.

IN THE HOUSE

State Affairs Hearing 5/13/83. Passed out with individual recommendations - hearing was originally scheduled for the House version of the bill (HB 51) and the committee added this bill at the last minute. I have not done a memo on the CS.

Rules Referred to Rules on 5/17. Someone should probably prepare a short explanation of the bill for use by whoever carries the bill on the floor (if it gets to the floor).

Companion bill: HB 51 remains in House State Affairs and should be inactive since this bill moved.

Offered: 4/26/83
Referred: Rules

Original sponsor: Rules/Legislative Council

1 IN THE SENATE

BY THE STATE AFFAIRS COMMITTEE

2

CS FOR SENATE BILL NO. 57 (State Affairs)

3

IN THE LEGISLATURE OF THE STATE OF ALASKA

4

THIRTEENTH LEGISLATURE - FIRST SESSION

5

A BILL

6

For an Act entitled: "An Act limiting the adjustment of retirement bene-

7

fits; and providing for an effective date."

8

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

9

* Section 1. AS 14.25.173 is amended by adding new subsections to read:

10

(b) An adjustment that requires the recovery of benefits may not

11

be made under this section if

12

(1) the incorrect benefit was first paid two years or more

13

before the member or beneficiary was notified of the error;

14

(2) the error was not the result of erroneous information

15

supplied by the member or beneficiary; and

16

(3) the member or beneficiary did not have reasonable

17

grounds to believe that the amount of the benefit was in error.

18

(c) At each regularly scheduled meeting of the Teachers' Retire-

19

ment Board, the administrator shall report to the board on all sit-

20

uations since the administrator's last report in which an adjustment

21

has been prohibited under (b) of this section. If the board finds

22

that there is reason to believe that one or more of the conditions set

23

out in (b) of this section have not been met, the administrator shall

24

notify the member or beneficiary that an adjustment will be made to

25

recover the overpayment. A member or beneficiary who receives notice

26

of adjustment under this subsection may appeal to the board for a

27

waiver of the adjustment under AS 14.25.175. An adjustment that

28

requires the repayment of benefits may not be required while the

29

appeal is pending.

*5/13/83
Furnished adoption
OUT*

*may need
to amend
for clarity*

1 * Sec. 2. AS 39.35.520 is amended by adding new subsections to read:

2 (b) An adjustment that requires the recovery of benefits may not
3 be made under this section if

4 (1) the incorrect benefit was first paid two years or more
5 before the member or beneficiary was notified of the error;

6 (2) the error was not the result of erroneous information
7 supplied by the member or beneficiary; and

8 (3) the member or beneficiary did not have reasonable
9 grounds to believe that the amount of the benefit was in error.

10 (c) At each regularly scheduled meeting of the Public Employees'
11 Retirement Board, the administrator shall report to the board on all
12 situations since the administrator's last report in which an
13 adjustment has been prohibited under (b) of this section. If the
14 board finds that there is reason to believe that one or more of the
15 conditions set out in (b) of this section have not been met, the
16 administrator shall notify the member or beneficiary that an
17 adjustment will be made to recover the overpayment. A member or
18 beneficiary who receives notice of adjustment under this subsection
may appeal to the board for a waiver of the adjustment under
AS 39.35.522. An adjustment may not be required while the appeal is
21 pending.

22 * Sec. 3. This Act takes effect immediately in accordance with AS 01.-
23 10.070(c).

Introduced: 1/18/83
Referred: State Affairs

BY THE RULES COMMITTEE BY
REQUEST OF THE LEGISLATIVE
COUNCIL (for the Blue
Ribbon Commission on the
State Personnel Act)

1 IN THE SENATE

2

SENATE BILL NO. 57

3

IN THE LEGISLATURE OF THE STATE OF ALASKA

4

THIRTEENTH LEGISLATURE - FIRST SESSION

5

A BILL

6 For an Act entitled: "An Act limiting the adjustment of retirement bene-
7 fits; and providing for an effective date."

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

9 * Section 1. AS 14.25.173 is amended by adding a new subsection to
10 read:

11 (b) An adjustment that requires repayment of benefits may not be
12 made under this section if

13 (1) the incorrect benefit was first paid two years or more
14 before the member or teacher or beneficiary was notified of the change
15 or error; and

16 (2) the change or error was not caused by the member or
17 teacher or beneficiary.

18 * Sec. 2. AS 39.35.520 is amended by adding a new subsection to read:

19 (b) An adjustment that requires repayment of benefits may not be
20 made under this section if

21 (1) the incorrect benefit was first paid two years or more
22 before the employee or beneficiary was notified of the change or
23 error;

24 (2) the change or error was not caused by the employee or
25 beneficiary; and

26 (3) the change or error relates to the employee's credited
27 service with the state and does not relate to credited service with
28 another participating employer.

29 * Sec. 3. This Act is retroactive to July 1, 1979.

1

2 * Sec. 4. This Act takes effect immediately in accordance with AS 01.-
3 10.070(c).



JUNEAU, ALASKA

Alaska State Legislature

BLUE RIBBON COMMISSION ON THE
STATE PERSONNEL ACT

Senator Bill Ray, Chairman

Pouch YG
Mail Stop 3123
Juneau, Alaska 99811
(907) 465-4442

MEMORANDUM

March 7, 1983

TO: Senator Bill Ray, Chairman

FROM: Teresa B. Cramer *TBC*
Administrative Assistant

SUBJECT: CSSB 57 - Limiting the Adjustment of Retirement Benefits

I have reviewed the Committee Substitute prepared by the Division of Retirement and Benefits. It makes a number of language changes which appear to be uncontroversial:

<u>SB 57 Reference</u>	<u>Change Made</u>
Lines 11 & 19	Substitute "recovery" for "repayment".
Lines 14-15, 16, 22 & 24	Delete "change or". Phrase reads "notified of the error".
Lines 14 & 16-17	Delete "or teacher". Phrase reads "the member or beneficiary". (Note that teachers are included in the definition of members.)
Lines 16 & 24	Substitute "the result of erroneous information supplied by" for "caused by".
Lines 22 & 24	Substitute "member" for "employee".

The proposed Committee Substitute also makes substantive changes, some of which may be undesirable:

Lines 17 & 25 /
no!

Adds a new paragraph to provide that the overpayment will be waived only if the member or beneficiary had no reasonable grounds to believe that the benefit was in error.

SB 57
Reference

Change Made

Lines 17 & 26

Adds a new subsection which:

CSSB 57
Page 1, Line 18
Page 2, Line 10

1. Requires the administrator to report any overpayments waived to the appropriate retirement board.

CSSB 57
Page 1, Line 21
Page 2, Line 13

2. Provides that if the board finds that the conditions requiring waiver of the overpayment are not met then the administrator begins collecting for the overpayment.

CSSB 57
Page 1, Line 25
Page 2, Line 17

3. Provides that the member may appeal to the board for waiver of the overpayment.

CSSB 57
Page 1, Line 27
Page 2, Line 20

4. Provides that there will be no adjustment of the member's retirement benefit during any appeal.

Lines 26 & 28

The Committee Substitute deletes Section 2, paragraph (3), which limits application of the bill to credited service with the state. Therefore, the limitations against collection of overpayments would apply also to municipalities and other employers participating in PERS.

Page 1, Line 29

The Committee Substitute deletes Section 3, which made the bill retroactive to July 1, 1979. According to information from the division, there are no appeals pending.

What should the Blue Ribbon Commission respond to the Committee Substitute?

TBC:lmk

Introduced: 1/18/83
Referred: State Affairs

BY THE RULES COMMITTEE BY
REQUEST OF THE LEGISLATIVE
COUNCIL (for the Blue
Ribbon Commission on the
State Personnel Act)

1 IN THE SENATE

2

SENATE BILL NO. 57

3

IN THE LEGISLATURE OF THE STATE OF ALASKA

4

THIRTEENTH LEGISLATURE - FIRST SESSION

5

A BILL

6 For an Act entitled: "An Act limiting the adjustment of retirement bene-
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8 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF ALASKA:

9 * Section 1. AS 14.25.173 is amended by adding a new subsection to
10 read:

11 (b) An adjustment that requires repayment of benefits may not be
12 made under this section if

13 (1) the incorrect benefit was first paid two years or more
14 before the member or teacher or beneficiary was notified of the change
15 or error; and

16 (2) the change or error was not caused by the member or
17 teacher or beneficiary.

18 * Sec. 2. AS 39.35.520 is amended by adding a new subsection to read:

19 (b) An adjustment that requires repayment of benefits may not be
20 made under this section if

21 (1) the incorrect benefit was first paid two years or more
22 before the employee or beneficiary was notified of the change or
23 error;

24 (2) the change or error was not caused by the employee or
25 beneficiary; and

26 (3) the change or error relates to the employee's credited
27 service with the state and does not relate to credited service with
28 another participating employer.

29 * Sec. 3. This Act is retroactive to July 1, 1979.

1

2 * Sec. 4. This Act takes effect immediately in accordance with AS 01.-
3 10.070(c).

DRAFT

1 IN THE SENATE

2 CS FOR SENATE BILL NO. 57

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 THIRTEENTH LEGISLATURE - FIRST SESSION

5 A BILL

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11 made under this section if

12 (1) the incorrect benefit was first paid two years or more
13 before the member or beneficiary was notified of the error;

14 (2) the error was not the result of erroneous
15 information supplied by the member or beneficiary; and

16 (3) the member or beneficiary had no reasonable grounds to
17 believe that the amount of the benefit paid was in error.

18 (c) At each regularly scheduled meeting of the Teachers'
19 Retirement Board, the administrator shall report to the board on all
20 situations where adjustments were prohibited under (b) of this section
21 since the last regularly scheduled meeting. If the board finds that
22 there is reason to believe that all of the conditions set out in (b)
23 of this section were not met, the administrator shall notify the
24 member or beneficiary that an adjustment will be made to recover the
25 overpayment. A member or beneficiary who receives notice of
26 adjustment under this subsection may appeal to the board for a waiver
27 of the adjustment under AS 14.25.175 and no adjustment that requires
28 repayment of benefits be made while the appeal is pending.
29

DRAFT

* Sec. 2. AS 39.35.520 is amended by adding a new subsection to read:

(b) An adjustment that requires recovery of benefits may not be made under this section if

(1) the incorrect benefit was first paid two years or more before the member or beneficiary was notified of the error;

(2) the error was not the result of erroneous information supplied by the member or beneficiary; and

(3) the member or beneficiary had no reasonable grounds to believe that the amount of the the benefit was in error.

NO

(c) At each regularly scheduled meeting of the Public Employees' Retirement Board, the administrator shall report to the board on all situations where adjustments were prohibited under (b) of this section since the last regularly scheduled meeting. If the board finds that there is reason to believe that all of the conditions set out in (b) of this section were not met, the administrator shall notify the member or beneficiary that an adjustment will be made to recover the overpayment. A member or beneficiary who receives notice of adjustment under this subsection may appeal to the board for a waiver of the adjustment that requires repayment benefits under AS 39.35.522 and no adjustment may be made while the appeal is pending.

* Sec. 3. This Act takes effect immediately in accordance with AS 01.10.070(c).

TRS and PERS Board Appeals For a Waiver of Adjustment
of an Overpayment Since July 1, 1979

<u>APPELLANT</u>	<u>SYSTEM</u>	<u>MEETING</u>	<u>ERROR MADE</u>	<u>ERROR DISCOVERED</u>	<u>AMOUNT OF OVERPAYMENT</u>	<u>BOARD ACTION</u>
Katharina Riech	TRS	Fall, 1979	1971	1978 <i>7 yrs</i>	\$14,233	Request Denied
Ella Vaughn	TRS	Fall, 1979	1970	1979 <i>9 yrs</i>	\$ 3,535	Adj. of Overpayment Waived
Julie Isaac	PERS	Spring, 1980	1976	1979 <i>3 yrs</i>	\$ 5,055	Adj. of Overpayment and Service Credit Waived
Woodrow, Brown	PERS	Spring, 1981	1971	1980 <i>9 yrs</i>	\$ 6,242	Adj. of Overpayment Waived
Dean Bronson	PERS	Fall, 1981	1974	1981 <i>7 yrs</i>	\$ 2,517	Adj. of Overpayment Waived
Leo Likit	PERS	Fall, 1981	1974	1981 <i>7 yrs</i>	\$ 6,903	Adj. of Overpayment Waived
Evelyn Nowell	PERS	Fall, 1982	1976	1981 <i>5 yrs</i>	\$ 2,889	Adj. of Overpayment Waived

DEPARTMENT OF ADMINISTRATION

DIVISION OF RETIREMENT & BENEFITS

POUCH CR

JUNEAU, ALASKA 99811

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

Bill Sheffield, Governor

(907) 465-4460

February 16, 1983

The Honorable Vic Fischer
Alaska State Legislature
Pouch V
Juneau, AK 99811

Dear Senator Fischer:

At the February 8 meeting of the Senate State Affairs Committee on SB 57, I was asked to provide information on appeals for a waiver of adjustment in the Public Employees' Retirement System (PERS) and the Teachers' Retirement System (TRS) over the last few years. The enclosed chart gives basic information on the seven appeals for waiver of overpayment that have come before the boards since July 1, 1979.

As you can see, more than two years had elapsed in every case before the error was discovered and in every case except one the board waived the adjustment of the overpayment. None of these errors occurred after 1976.

I have also been asked to prepare a draft committee substitute which would address the division's main concerns and still preserve the primary intent of SB 57. I have enclosed such a draft but suggest that the committee might wish to delay action briefly to provide members of the two retirement boards an opportunity to comment.

Please let me know if you have any further questions or would like more information.

Sincerely,



J.K. Humphreys
Director

JKH/jb
Enclosures

cc: Eleanor Andrews
Deputy Commissioner for
Personnel Management

Members of Senate State Affairs Committee

PERS and TRS board members

NOTE: Please include Your Social Security Number in All Correspondence & Requests

Asps

Original sponsor: Rules/Legislative Council

IN THE SENATE

BY THE STATE AFFAIRS COMMITTEE

CS FOR SENATE BILL NO. 57 (State Affairs)

IN THE LEGISLATURE OF THE STATE OF ALASKA

THIRTEENTH LEGISLATURE - FIRST SESSION

A BILL

For an Act entitled: "An Act limiting the adjustment of retirement benefits; and providing for an effective date."

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

* Section 1. AS 14.25.173 is amended by adding a new subsection to read:

(b) An adjustment that requires the ^{repayment} recovery of benefits may not be made under this section if

(1) the incorrect benefit was first paid two years or more before the member or beneficiary was notified of the change or error; and

(2) the change or error was not the ^{caused} (result of erroneous information supplied) by the member or beneficiary.

* Sec. 2. AS 39.35.520 is amended by adding a new subsection to read:

(b) An adjustment that requires ^{repayment} recovery of benefits may not be made under this section if

(1) the incorrect benefit was first paid two years or more before the member or beneficiary was notified of the change or error;

(2) the change or error was not ^{caused} (the result of erroneous information supplied) by the member or beneficiary; and

(3) the change or error relates to the ^{EE's} member's credited service with the state and does not relate to credited service with another participating employer.

* Sec. 3. This Act takes effect immediately in accordance with AS 01.-10.070(c).

Orig 33 deleted



JUNEAU, ALASKA

Alaska State Legislature

BLUE RIBBON COMMISSION ON THE
STATE PERSONNEL ACT

Senator Bill Ray, Chairman

Pouch YG
Mail Stop 3123
Juneau, Alaska 99811
(907) 465-4442

MEMORANDUM

January 25, 1983

TO: Senate State Affairs Committee

FROM: Teresa B. Cramer *Teresa B. Cramer*
Administrative Assistant

SUBJECT: Senate Bill 57 - Limiting the Adjustment of Retirement Benefits

On several occasions the Blue Ribbon Commission has heard testimony about problems created by overpayments of retirement benefits. Retired state employees may have substantial difficulties if they are required to repay retirement benefits improperly received because of errors made by the Division of Retirement and Benefits or because of a change in law. The commission is proposing legislation to limit the authority of the division to collect amounts paid improperly through no fault of the beneficiary or retired person if the error is not corrected within two years.

One woman testified to the commission that before she retired she asked the division to verify her years of credited service. Several years later a court-ordered change in retirement regulations reduced the number of years for which she received credit. Her employment with the University of Alaska could no longer be counted as credited service in PERS. As a result she had received more than \$5000 in benefits to which she was not entitled. The division reduced her benefit to the correct amount and began withholding an additional \$100 per month to be applied to the overpayment. She appealed to the Public Employees Retirement Board asking that collection of the overpayment be waived.

Both the Public Employees' Retirement Board and the Teachers' Retirement Board have authority to waive collection of overpayments, but the uncertainty of an appeal can cause considerable stress to people on fixed incomes. Both boards are required to determine whether there would be undue hardship imposed by requiring repayment. AS 14.25.175 and AS 39.35.522. In establishing whether there is financial hardship, the entire family financial situation is considered, not just the resources of the petitioner.

The commission recommends that a two-year statute of limitations be placed on the collection of overpayments which resulted from errors which were not caused by the retired state employee. Two years provides ample opportunity for the division to audit its records and correct any errors. After that period, a retired person should not be required to repay benefits erroneously received if he or she did not cause the error. The division would still correct the amount of future benefits paid to the retired person.

Bill Analysis

- | | |
|------------------|---|
| Page 1
Line 9 | The first section of the proposed legislation adds the two-year statute of limitations to the Teachers' Retirement System. |
| Line 18 | The second section adds the same provision to the Public Employees' Retirement System. The amendment to PERS is applied only to state employees because the Blue Ribbon Commission considered that requiring other participating employers to pay for errors made by the state was inappropriate. |
| Line 29 | The third section makes the bill effective retroactively to July 1, 1979, in order to apply to those individuals whose situations came to the commission's attention. |
| Page 2
Line 2 | The fourth section of the bill contains an immediate effective date clause. |

MEMORANDUM

State of Alaska

TO: Teresa B. Cramer
Administrative Assistant
Blue Ribbon Commission

DATE: November 4, 1982

FILE NO:

TELEPHONE NO: 4462

FROM: John A. Logan 
Deputy Director
Division of Retirement & Benefits
Department of Administration

SUBJECT: Fiscal Note

Attached is a draft of the fiscal note as you requested.

JAL/jb
Attachment

THE LEGISLATURE OF THE STATE OF ALASKA
TWELFTH LEGISLATURE

DRAFT

FISCAL NOTE

I. REQUEST

Bill/Resolution No. Work Draft Paper 13-0034 Asper 9-17

Title An Act Limiting the Adjustment of Retirement Benefits

Requested by _____ Date _____

II. FISCAL DETAIL

Agency Affected Administration - Division of Retirement & Benefits

Program Category Affected Labor Services

BRU, Program, or Subprogram(s) Affected 02-96-8-01-01 (PERS)

(Note: If more than one budget component is affected, separate line-item amounts and funding for each component in the analysis section.)

EXPENDITURES (Thousands of Dollars)

	FY 82	FY 83	FY 84	FY 85	FY 86	FY 87
100 PERSONAL SERVICES						
100 RETIREMENT BENEFITS						
200 TRAVEL						
300 CONTRACTUAL						
400 COMMODITIES						
500 EQUIPMENT						
600 LAND & STRUCTURES						
700 GRANTS, CLAIMS, ETC.						
700 STATE TRS MATCHING						
TOTAL	-0-	-0-	-0-	-0-	-0-	-0-

FUNDING (Thousands of Dollars)

GENERAL FUND						
FEDERAL FUNDS						
VETERAN'S FUND						
FISH & GAME FUND						
HIGHWAY FUND						
AIRPORT FUND						
CAPITAL FUND						
PERS						
TRS						

POSITIONS

FULL TIME						
PART TIME						
TEMPORARY						

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

Undoubtedly there will be some costs to the retirement system but they cannot be measured. In most instances the individual adjustment would be small.

IV. DATE 10-28-82

PREPARED BY J.K. Humphreys, Director

AGENCY Division of Retirement & Benefits

PHONE 465-4460

Original: Legislative Finance
cc: Budget and Management

Prime Sponsor (First Legislator Named)
Office of the Governor (Keith Specking)

MEMORANDUM

October 26, 1982

TO: John Logan, Deputy Director
Division of Retirement and Benefits

FROM: Teresa B. Cramer
Administrative Assistant

SUBJECT: Limiting the Adjustment of Retirement Benefits

The Blue Ribbon Commission on the State Personnel Act has requested that the enclosed work draft be prepared for introduction in the next legislative session. Could you please prepare a fiscal note for the commission's consideration. Similar legislation was introduced in the 1981 session as SB 195 for which the Division of Retirement and Benefits prepared a fiscal note.

Thank you for your assistance.

TBC:lmk
Enclosure

13-0039
Asper
9.17

BY THE RULES COMMITTEE BY
REQUEST OF THE LEGISLATIVE
COUNCIL (for the Blue
Ribbon Commission on the
State Personnel Act)

1 IN THE SENATE

2 SENATE BILL NO.

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 THIRTEENTH LEGISLATURE - FIRST SESSION

5 A BILL

6 For an Act entitled: "An Act limiting the adjustment of retirement benefits;
7 and providing for an effective date."

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

9 * Section 1. AS 14.25.173 is amended by adding a new subsection to read:

10 (b) An adjustment that requires repayment of benefits may not be
11 made under this section if

12 (1) the incorrect benefit was first paid two years or more
13 before the member or teacher or beneficiary was notified of the change
14 or error; and

15 (2) the change or error was not caused by the member or
16 teacher or beneficiary.

17 * Sec. 2. AS 39.35.520 is amended by adding a new subsection to read:

18 (b) An adjustment that requires repayment of benefits may not be
19 made under this section if

20 (1) the incorrect benefit was first paid two years or more
21 before the employee or beneficiary was notified of the change or error;

22 (2) the change or error was not caused by the employee or
23 beneficiary; and

24 (3) the change or error relates to the employee's credited
25 service with the state (and does not relate to credited service with
26 another participating employer.)

27 * Sec. 3. This Act is retroactive to July 1, 1979.
28

*Chair
Handship*

OK

*Phoned Jennie
9/22/82 & sd
OK for instruction
She said they will send the
final to Sen. Ray's office the
1st day of the session*

WORK DRAFT PAPER

WORK DRAFT PAPER

WORK DRAFT PAPER

13-0039

Asper

9-17

BY THE RULES COMMITTEE BY
REQUEST OF THE LEGISLATIVE
COUNCIL (for the Blue
Ribbon Commission on the
State Personnel Act)

1 IN THE SENATE

2 SENATE BILL NO.

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 THIRTEENTH LEGISLATURE - FIRST SESSION

5 A BILL

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19 made under this section if

20 (1) the incorrect benefit was first paid two years or more
21 before the employee or beneficiary was notified of the change or error;

22 (2) the change or error was not caused by the employee or
23 beneficiary; and

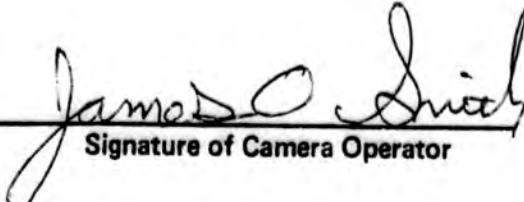
24 (3) the change or error relates to the employee's credited



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.


Signature of Camera Operator


Date

SCOMM

#51:20

July 6, 1983

SB 58: Prohibiting duplicate Teachers' Retirement benefits for Alaska
BIA service

History - IN THE SENATE

HESS: Hearing 2/7/83. Ken Humphries, Director of Retirement
 & Benefits, testified that the division had no need
 for the legislation since it had the power to adopt
 those regulations without additional legislation.
 He also advised the committee that the regulations
 were being promulgated. The committee took no
 action on the bill. Regulations were adopted
 effective March 31, 1983.

Companion bill: HB 53 passed through 2 committees and is currently
in House Finance. With regulations in place, the justification for
either bill is that it will insure that future directors do not change
their minds and rescind the regulations.

*Copies of the TRS & PERS regulations are in the
HB 53 file.*

Introduced: 1/18/83
Referred: Health, Education and
Social Services and Finance

BY THE RULES COMMITTEE BY
REQUEST OF THE LEGISLATIVE
COUNCIL (for the Blue
Ribbon Commission on the
State Personnel Act)

1 IN THE SENATE

2 SENATE BILL NO. 58

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 THIRTEENTH LEGISLATURE - FIRST SESSION

5 A BILL

6 For an Act entitled: "An Act prohibiting duplicate teachers' retirement
7 benefits for Alaska BIA service."

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

9 * Section 1. AS 14.25.107 is amended to read:

10 Sec. 14.25.107. CREDIT FOR ALASKA BIA SERVICE. A member who
11 joins the system on or after July 1, 1978, who has Alaska BIA service
12 may claim all of that service as credited service. [A RETIREMENT
13 BENEFIT PAYABLE UNDER THIS CHAPTER FOR ALASKA BIA SERVICE SHALL BE
14 REDUCED BY AN AMOUNT EQUAL TO THE RETIREMENT BENEFITS PAID TO THE
15 MEMBER BY THE UNITED STATES GOVERNMENT FOR THE SAME SERVICE.]

16 * Sec. 2. AS 14.25.169 is amended to read:

17 Sec. 14.25.169. DUPLICATE BENEFITS. (a) If payments from this
18 retirement system are due to a teacher or to the teacher's spouse
19 under more than one provision of this plan, the teacher or spouse
20 shall elect under which provision and which benefit the teacher or
21 spouse wishes to receive and no payments may be made under any other
22 provision. However, benefits under AS 14.25.155, 14.25.157, 14.25.-
23 160, 14.25.162, 14.25.164, and 14.25.167 shall be paid in addition to
24 those benefits or that service credit a person is entitled to receive
25 because of the person's own membership in the retirement system.

26 (b) A teacher may not receive

27 (1) duplicate credit under this system for the same period
28 of service,

29 (2) more than one year of service credit in the course of a

1 school year, or

2 (3) a benefit while accruing service credit under this
3 system, except as provided in this section.

4 (c) A retirement benefit payable under this chapter for Alaska
5 BIA service shall be reduced by an amount equal to the retirement
6 benefits paid to the member by the United States government for the
7 same service. Before appointment to retirement under this chapter,
8 and once each year thereafter, the administrator may require a member
9 who has received credit for Alaska BIA service under AS 14.25.107 to
10 produce verification of the benefit amount the member is receiving
11 from the United States government for that same service or verifica-
12 tion that the member is not entitled to receive a benefit from the
13 United States government for that same service.

M E M O R A N D U M

March 24, 1983

TO: Senator Bill Ray, Chairman

FROM: Teresa B. Cramer
Administrative Assistant

SUBJECT: SB 58 and HB 53 - Prohibiting Duplicate Teachers' Retirement
Benefits for Alaska BIA Service

I spoke with Ken Humphreys, director of the division of retirement. He advised me that the PERS and TRS boards have adopted regulations to require continued reporting from retired members about the amounts of any federal benefits they receive. These regulations are available for comment until March 31st, at which time they will become final unless amended by the appropriate retirement board. The regulations were promulgated because of the questions raised by the Blue Ribbon Commission bills on this issue. Copies of the proposed regulations are attached.

TBC:lmk
Attachments

February 8, 1983

The Honorable Joe Josephson, Chairman
Senate Health, Education and Social
Services Committee
Pouch V
Juneau, Alaska 99811

RE: SB 58 - Prohibiting Duplicate Teachers' Retirement
Benefits for Alaska BIA Service

Dear Senator Josephson:

I have spoken with Senator Ray, chairman of the Blue Ribbon Commission, concerning the committee's question of whether this legislation is necessary given the possibility that the same thing can be accomplished by regulation. Senator Ray pointed out that, in fact, the Division of Retirement and Benefits has not yet adopted regulations on this issue. Therefore it appears to him to be advisable for the Legislature to act to make its wishes known.

Please let me know if I can be of further assistance.

Yours very truly,

Teresa B. Cramer
Administrative Assistant

Tuesday, February 8, 1983

Senator Ray -

The Senate State Affairs Committee heard testimony on SB 58 (Prohibiting Duplicate Teachers' Retirement Benefits for Alaska BIA Service) yesterday. Senator Vic Fischer asked Ken Humphreys, the Acting Director of Retirement and Benefits, whether the legislation is necessary or whether the same thing could be accomplished through regulations. Ken said that he thought that the division has the power to require annual reporting from teachers about any federal retirement benefits for BIA service already. He suggested that the bill is a good idea but probably a little redundant. Senator Fischer asked that Ken check with the Attorney General's office and that I check with the Blue Ribbon Commission about whether the bill was necessary if the division already has the power to accomplish the same thing by regulation. What should I tell him?

Serry

*2/8 We still want
the bill*

Introduced: 1/18/83
Referred: Health, Education and
Social Services and Finance

BY THE RULES COMMITTEE BY
REQUEST OF THE LEGISLATIVE
COUNCIL (for the Blue
Ribbon Commission on the
State Personnel Act)

1 IN THE SENATE

2

SENATE BILL NO. 58

3

IN THE LEGISLATURE OF THE STATE OF ALASKA

4

THIRTEENTH LEGISLATURE - FIRST SESSION

5

A BILL

6 For an Act entitled: "An Act prohibiting duplicate teachers' retirement

7

benefits for Alaska BIA service."

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

9

* Section 1. AS 14.25.107 is amended to read:

10

Sec. 14.25.107. CREDIT FOR ALASKA BIA SERVICE. A member who

11

joins the system on or after July 1, 1978, who has Alaska BIA service

12

may claim all of that service as credited service. [A RETIREMENT

13

BENEFIT PAYABLE UNDER THIS CHAPTER FOR ALASKA BIA SERVICE SHALL BE

14

REDUCED BY AN AMOUNT EQUAL TO THE RETIREMENT BENEFITS PAID TO THE

15

MEMBER BY THE UNITED STATES GOVERNMENT FOR THE SAME SERVICE.]

16

* Sec. 2. AS 14.25.169 is amended to read:

17

Sec. 14.25.169. DUPLICATE BENEFITS. (a) If payments from this

18

retirement system are due to a teacher or to the teacher's spouse

19

under more than one provision of this plan, the teacher or spouse

20

shall elect under which provision and which benefit the teacher or

21

spouse wishes to receive and no payments may be made under any other

22

provision. However, benefits under AS 14.25.155, 14.25.157, 14.25.-

23

160, 14.25.162, 14.25.164, and 14.25.167 shall be paid in addition to

24

those benefits or that service credit a person is entitled to receive

25

because of the person's own membership in the retirement system.

26

(b) A teacher may not receive

27

(1) duplicate credit under this system for the same period

28

of service,

29

(2) more than one year of service credit in the course of a

1 school year, or

2 (3) a benefit while accruing service credit under this
3 system, except as provided in this section.

4 (c) A retirement benefit payable under this chapter for Alaska
5 BIA service shall be reduced by an amount equal to the retirement
6 benefits paid to the member by the United States government for the
7 same service. Before appointment to retirement under this chapter,
8 and once each year thereafter, the administrator may require a member
9 who has received credit for Alaska BIA service under AS 14.25.107 to
10 produce verification of the benefit amount the member is receiving
11 from the United States government for that same service or verifica-
12 tion that the member is not entitled to receive a benefit from the
13 United States government for that same service.



JUNEAU, ALASKA

Alaska State Legislature

BLUE RIBBON COMMISSION ON THE
STATE PERSONNEL ACT

Senator Bill Ray, Chairman

Pouch YG
Mail Stop 3123
Juneau, Alaska 99811
(907) 465-4442

MEMORANDUM

January 26, 1983

TO: Senate Health, Education and Social Services

FROM: Teresa B. Cramer *Teresa B Cramer*
Administrative Assistant

SUBJECT: Senate Bill 58 - Prohibiting Duplicate Teachers' Retirement Benefits for Alaska BIA Service

The Blue Ribbon Commission heard testimony from the Division of Retirement and Benefits that a loophole exists in the Teachers' Retirement System statutes which permit receiving TRS credited service for federal employment in Alaska BIA schools. Teachers who qualified for federal retirement from a BIA school and who then worked for the state in a position covered by the Teachers' Retirement System could receive benefits for the same years of service from each system.

Under TRS, teachers may receive credit for Alaska BIA service by contributing 7% of their entry TRS salary for each year of BIA service to be credited. The law provides that state retirement benefits for Alaska BIA service will be reduced by the amount received from the federal government for the same service. However, this is verified only at the time of applying for retirement.

Credit from both retirement systems is possible if the teacher who has worked for both employers buys TRS credited service for BIA employment and takes a lump sum payment of his or her federal retirement contributions before retiring from the state. At the time of state retirement, the teacher reports being eligible to receive no federal retirement benefits for Alaska BIA service. After establishing state benefits, the teacher could repay the lump sum to the federal government and claim a federal retirement. The teacher would then be drawing from two retirement systems for the same period of service.

The commission recommends that language be added to the TRS statutes to permit the Division of Retirement to require retired members to verify annually any federal benefits received for Alaska BIA service.

Bill Analysis

Page 1 The first section of the bill deletes material concerning
Line 9 treatment of duplicate benefits from the current authori-
zation for claiming BIA service.

Page 2 The language deleted in section 1 is moved to AS 14.25.169
Line 4 by the second section of the bill.

Line 7 Section 2 also provides authorization for the Division of
Retirement and Benefits to request annual verification of
the amount of any federal retirement benefits for Alaska
BIA service for which state benefits are also received.

MEMORANDUM

State of Alaska

TO: Teresa B. Cramer
Administrative Assistant
Blue Ribbon Commission

DATE: December 9, 1982

FILE NO:

TELEPHONE NO: 465-4462

FROM: John A. Logan 
Deputy Director
Division of Retirement & Benefits
Department of Administration

SUBJECT: Fiscal Note
on Prohibiting Duplicate
Teachers' Ret. Ben. for
AK BIA Service

Attached is a draft of the fiscal note as you requested.

JL/jb
Attachment

THE LEGISLATURE OF THE STATE OF ALASKA
TWELFTH LEGISLATURE

DRAFT

FISCAL NOTE

I. REQUEST

Bill/Resolution No. Draft 13-0060 Lear 11-01-82

Title An Act Prohibiting Duplicate Teachers' Retirement Benefits for Alaska BIA Service

Requested by _____ Date _____

II. FISCAL DETAIL

Agency Affected Administration - Division of Retirement & Benefits

Program Category Affected Centralized Administrative Services & Secondary Education

BRU, Program, or Subprogram(s) Affected Retirement & Benefits

(Note: If more than one budget component is affected, separate line-item amounts and funding for each component in the analysis section.)

EXPENDITURES (Thousands of Dollars)

	FY 82	FY 83	FY 84	FY 85	FY 86	FY 87
100 PERSONAL SERVICES						
100 RETIREMENT BENEFITS						
200 TRAVEL						
300 CONTRACTUAL						
400 COMMODITIES						
500 EQUIPMENT						
600 LAND & STRUCTURES						
700 GRANTS, CLAIMS, ETC.						
700 STATE TRS MATCHING						
TOTAL		-0-	-0-	-0-	-0-	-0-

FUNDING (Thousands of Dollars)

GENERAL FUND						
FEDERAL FUNDS						
VETERAN'S FUND						
FISH & GAME FUND						
HIGHWAY FUND						
AIRPORT FUND						
CAPITAL FUND						
PERS						
TRS						

POSITIONS NONE

FULL TIME						
PART TIME						
TEMPORARY						

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

IV. DATE 12-07-82

PREPARED BY J.K. Humphreys, Director

AGENCY Division of Retirement & Benefits

PHONE 465-4460

Original: Legislative Finance

cc: Budget and Management

Prime Sponsor (First Legislator Named)

MEMORANDUM

November 8, 1982

TO: John Logan, Deputy Director
Division of Retirement and Benefits

FROM: Teresa B. Cramer
Administrative Assistant

SUBJECT: Prohibiting Duplicate Teachers' Retirement Benefits for
Alaska BIA Service

The Blue Ribbon Commission on the State Personnel Act has requested that the enclosed work draft be prepared for introduction in the next legislative session. Could you please prepare a fiscal note for the commission's consideration.

Thank you for your assistance.

TBC:lmk
Enclosure

BY THE RULES COMMITTEE
BY REQUEST OF THE
LEGISLATIVE COUNCIL
(for the Blue Ribbon
Commission on the
State Personnel Act)

1 IN THE SENATE

2 SENATE BILL NO.

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 THIRTEENTH LEGISLATURE - FIRST SESSION

5 A BILL

6 For an Act entitled: "An Act prohibiting duplicate
7 teachers' retirement benefits for Alaska BIA
8 service."

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

10 * Section 1. AS 14.25.107 is amended to read:

11 Sec. 14.25.107. CREDIT FOR ALASKA BIA SERVICE. A
12 member who joins the system on or after July 1, 1978,
13 who has Alaska BIA service may claim all of that
14 service as credited service. [A RETIREMENT BENEFIT
15 PAYABLE UNDER THIS CHAPTER FOR ALASKA BIA SERVICE
16 SHALL BE REDUCED BY AN AMOUNT EQUAL TO THE RETIREMENT
17 BENEFITS PAID TO THE MEMBER BY THE UNITED STATES
18 GOVERNMENT FOR THE SAME SERVICE.]

19 * Sec. 2. AS 14.25.169 is amended to read:

20 Sec. 14.25.169. DUPLICATE BENEFITS. (a) If
21 payments from this retirement system are due to a
22 teacher or to the teacher's spouse under more than
23 one provision of this plan, the teacher or spouse
24

1 shall elect under which provision and which benefit
2 the teacher or spouse wishes to receive and no pay-
3 ments may be made under any other provision. Howev-
4 er, benefits under AS 14.25.155, 14.25.157, 14.25.-
5 160, 14.25.162, 14.25.164, and 14.25.167 shall be
6 paid in addition to those benefits or that service
7 credit a person is entitled to receive because of the
8 person's own membership in the retirement system.

9 (b) A teacher may not receive

10 (1) duplicate credit under this system for the
11 same period of service,

12 (2) more than one year of service credit in
13 the course of a school year, or

14 (3) a benefit while accruing service credit
15 under this system, except as provided in this sec-
16 tion.

17 (c) A retirement benefit payable under this
18 chapter for Alaska BIA service shall be reduced by an
19 amount equal to the retirement benefits paid to the
20 member by the United States government for the same
21 service. Before appointment to retirement under this
22 chapter, and once each year thereafter, the adminis-
23 trator may require a member who has received credit
24 for Alaska BIA service under AS 14.25.107 to produce
25 verification of the benefit amount the member is
26 receiving from the United States government for that
27 same service or verification that the member is not
28 entitled to receive a benefit from the United States
29 government for that same service.

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Sec. 14.25.107. CREDIT FOR ALASKA BIA SERVICE. A member who joins the system on or after July 1, 1978, who has Alaska BIA service may claim all of that service as credited service. A retirement benefit payable under this chapter for Alaska BIA service shall be reduced by an amount equal to the retirement benefits paid to the member by the United States government for the same service. Prior to appointment to retirement under this chapter, and once each year thereafter, the administrator may require a member who has received credit for Alaska BIA service under this section, to obtain verification from the United States government of the amount the member is receiving from them for that same service or verification that the member is not entitled to receive a benefit from them for that same service.

10/12/82

10/19 Called Jim Hear & left msg
(let him know BEC approved for
introduction - let me review
a draft & then hold for introduction)

AS 14.25.107 is amended to read:

Sec. 14.25.107. CREDIT FOR ALASKA BIA SERVICE. A member who joins the system on or after July 1 1978, who has Alaska BIA service may claim all of that service as credited service. A retirement benefit payable under this chapter for Alaska BIA service shall be reduced by an amount equal to the retirement benefits paid to the member by the United States government for the same service. Prior to appointment to retirement under this chapter, and once each year thereafter, the administrator may require a member who has received credit for Alaska BIA service under this section, to obtain verification from the United States government of the amount the member is receiving from them for that same service or verification that the member is not entitled to receive a benefit from them for that same service.

11/4 Should get draft tomorrow