

Position Paper

SB 110

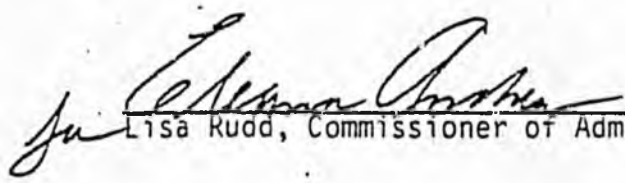
The issue of guaranteeing automatic post-retirement pension adjustments in the Public Employees' Retirement System (PERS) and the Teachers' Retirement System (TRS) has been before the legislature for several sessions. It is clearly desirable to protect the value of retirement benefits from inflation, and continuing to grant adjustments under the existing mechanisms over the long run will increase costs and weaken the funds. However, this proposal would saddle public employers with a huge financial burden which would be very difficult to reduce.

The Department is opposed to this bill because of the high costs to the State and other public employers at a time when future revenues are uncertain. The constitutional limit on spending must also be considered.

In addition to providing for post-retirement pension adjustments, the bill also increases the benefit formula in the PERS and TRS and lowers the retirement age in the judicial and elected public officers systems. It is not clear what public purpose is served by these changes although they contribute to the increase in cost to employers.


J.K. Humphreys, Director, Division of Retirement & Benefits

3/14/83
Date


Lisa Rudd, Commissioner of Administration

3/14/83
Date

ALASKA STATE LEGISLATURE

SENATE STATE AFFAIRS COMMITTEE

SENATOR VIC FISCHER, CHAIRMAN

POUCH V, JUNEAU 99811

(907) 465-4954



MEMORANDUM

TO: Ken Humphries,
Division of Retirement

FROM: Senator Vic Fischer, Chair
Senate State Affairs Committee

RE: SB 110 fiscal note

DATE: March 25, 1983

The fiscal note for SB 110 is more than 50 million dollars higher than the fiscal note for a similar bill, SB 813, from the last legislature. To determine the exact reasons for the cost increase, I would like you to prepare:

1. a separate cost analysis of sections 4 and 15.
2. a separate cost analysis for sections 6 through 10, and sections 17 through 21.
3. a separate analysis of the increased amount of retirement funds generated by sections 2 and 13.

Regarding your fiscal note dated 2/4/83:

1. what are the basic assumptions used to determine the costs to school districts and political subdivisions on page 1?
2. why is the computer systems updating on pages 2 and 3 so expensive?
3. what is the basis for the expenditures for FY 85, 86, 87 and 88-- a 75% increase over 3 years?
4. what assumptions were used to estimate the PERS, TRS, JRS, and EPORS payrolls under the analyses sections of the fiscal note?
5. what are the bases for the school district and the political subdivisions cost estimates?

I would also like to have the division prepare an accurate summary analysis similar to the format shown on the attached document.

Lastly, would you please prepare an analysis of the seven following alternative options:

1. SB 110 based on a payroll with rate of inflation growth at 3% maximum.

Memo to Div. of Retirement from Sen. V. Fischer 3/25/83

2. same as number 1, but using an inflation rate of 5% maximum,
3. amending AS 14.25.143 and 39.35.475 by deleting (a) and inserting in (b) at age 60 or over the PRPA shall be determined using a CPI up to 6%. Include in this option sections 4 and 17 from Sb 110, and base the calculations on a payroll with a 3% maximum rate of inflation.
4. same as number 3, but use an inflation rate of 5% maximum.
5. amending AS 14.25.143 and 39.35.475 by deleting (a), and inserting in (b) CPI or 4% whichever is less-- based on a payroll with a 3% maximum rate of inflation.
6. same as number 5, but adding sections 4 and 17 from SB 110 with a payroll rate of inflation at 3% maximum.
7. same as number 6, but using an inflation rate of 5% maximum.

I need this information as quickly as possible as I would like to move SB 110 out of Senate State Affairs Committee during the first part of April. If you have any questions please contact my staffperson Suzanne Tryck.

STATE OF ALASKA

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 Employers Social Security Contributions

Bill Sheffield, Governor

(907) 465-4460

April 15, 1983

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

Dear Senator Fischer:

This is in response to your memorandum of March 25, 1983 in which you asked a number of questions regarding the fiscal note for Senate Bill 110 and requested additional information regarding the cost of various other versions of a PRPA for retirees. I have answered your questions and requests in the order in which they were raised.

1. Following is a separate cost analysis of sections 4 and 15.

Section 4

<u>FY85</u>	<u>FY86</u>	<u>FY87</u>	<u>FY88</u>
\$15,631,700	\$16,882,200	\$18,232,800	\$19,691,400

Section 15

<u>FY85</u>	<u>FY86</u>	<u>FY87</u>	<u>FY 88</u>
\$14,586,800	\$15,753,700	\$17,014,000	\$18,375,100

2. Following is a separate cost analysis for sections 6 through 10, and sections 17 through 21.

Sections 6 through 10

<u>FY85</u>	<u>FY86</u>	<u>FY87</u>	<u>FY88</u>
\$30,030,000	\$42,512,100	\$52,938,000	\$57,173,000

Sections 17 through 21

<u>FY85</u>	<u>FY86</u>	<u>FY87</u>	<u>FY88</u>
\$37,240,800	\$50,604,500	\$64,062,500	\$69,187,500

Letter / Admin. Retirement 4/15/83

3. Following is a separate analysis of the increased amount of retirement funds generated by sections 2 and 13. As reflected here, the 2% increase in employer contributions amount to a real gain to the PERS of 1.52% of payroll and to the TRS of 1.70% of payroll as a result of employees terminating and receiving a refund of contributions.

Section 2

<u>FY85</u>	<u>FY86</u>	<u>FY87</u>	<u>FY88</u>
\$6,628,400	\$7,158,600	\$7,731,300	\$8,349,800

Section 13

<u>FY85</u>	<u>FY86</u>	<u>FY87</u>	<u>FY88</u>
\$7,129,200	\$7,699,600	\$8,315,500	\$8,980,700

Regarding our fiscal note dated 3-17-83:

1. The basic assumption used to determine the costs to school districts and political subdivisions on page 1 are:

School Districts:

- a. It is estimated that the school district payroll will be \$320,052,000 in FY85;
- b. it is estimated that the TRS payroll will increase by 8.0% per year; and
- c. school district contributions are estimated to increase 8.49% in FY85; 10.52% in FY86; and 11.83% in FY87.

Political Subdivisions:

- a. It is estimated that the PERS political subdivision payroll will be \$345,166,000 in FY85;
- b. it is estimated that the PERS political subdivision payroll will increase by 8.0% per year; and
- c. on the average, political subdivision contributions are estimated to increase 9.53% in FY85; 11.58% in FY86; and 13.30% in FY87.

2. Why is the computer systems updating on pages 2 and 3 so expensive?

This bill would require extensive modifications to our data processing systems to accommodate major changes in PRPA calculation logic for three successive years. Additionally, the TRS and PERS benefit calculation subsystem would require a considerable amount of reprogramming to accommodate the new benefit multiplier.

Our estimate is, in fact, a conservative one.

3. What is the basis for the expenditures for FY85, 86, 87 and 88--a 75% increase over 3 years?

As we have indicated in the analysis on pages 2 and 3 of the fiscal note, the contribution rates for both systems will increase in FY85, FY86 and FY87 as a result of some sections of the bill having effective dates commencing in each of those fiscal years; additionally, as stated earlier, we are assuming an 8.0% increase in payroll each year, which causes the increase in FY88 over FY87.

4. What assumptions were used to estimate the PERS, TRS, JRS, and EPORS payrolls under the analysis sections of the fiscal note?

It is assumed that the PERS and TRS payrolls will increase at a rate of 8.0% per year, and the JRS at 7.5% per year. The EPORS is a closed system, so payroll will decrease each year at an undeterminable rate. In any event, the EPORS is not a pre-funded system.

5. What are the bases for the school district and the political subdivisions cost estimates?

Please see our answer to question number 1.

You asked to have an accurate summary analysis in a format similar to that of the document you attached to your request. That analysis is enclosed.

Last, you asked that an analysis be prepared for seven different options. I have also responded to that request in the same order as asked.

1. SB 110 based on a payroll with rate of inflation growth at 3% maximum.

<u>FY85</u>	<u>FY86</u>	<u>FY87</u>	<u>FY88</u>
\$80,737,800	\$101,771,200	\$118,146,100	\$121,690,400

2. Same as number 1, but using an inflation rate of 5% maximum.

<u>FY85</u>	<u>FY86</u>	<u>FY87</u>	<u>FY88</u>
\$82,327,800	\$105,778,800	\$125,162,900	\$131,421,000

3. Amending AS 14.25.143 and 39.35.475 by deleting (a) and inserting in (b) at age 60 or over the PRPA shall be determined using a CPI up to 6%. Include in this option sections 4 and 15 from SB 110, and base the calculations on a payroll with a 3% maximum rate of inflation.

Honorable Vic Fischer
April 15, 1983
Page 4

<u>FY85</u>	<u>FY86</u>	<u>FY87</u>	<u>FY88</u>
\$183,782,400	\$189,295,900	\$194,974,700	\$200,823,900

4. Same as number 3, but use an inflation rate of 5% maximum.

<u>FY85</u>	<u>FY86</u>	<u>FY87</u>	<u>FY88</u>
\$187,350,900	\$196,718,400	\$206,554,300	\$216,882,000

5. Amend AS 14.25.143 and 39.35.475 by deleting (a), and inserting in (b) CPI or 4% whichever is less--based on a payroll with a 3% maximum rate of inflation.

<u>FY85</u>	<u>FY86</u>	<u>FY87</u>	<u>FY88</u>
\$103,028,200	\$107,119,000	\$109,302,500	\$112,581,500

6. Same as number 5, but adding sections 4 and 15 from SB 110 with a payroll rate of inflation at 3% maximum.

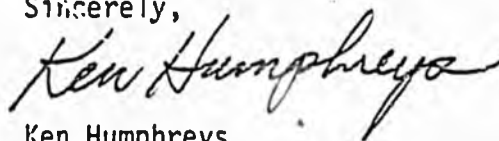
<u>FY85</u>	<u>FY86</u>	<u>FY87</u>	<u>FY88</u>
\$148,148,000	\$152,592,400	\$157,170,100	\$161,885,200

7. Same as number 6, but using an inflation rate of 5% maximum.

<u>FY85</u>	<u>FY86</u>	<u>FY87</u>	<u>FY88</u>
\$151,024,600	\$158,575,800	\$166,504,500	\$174,829,700

If you require additional information, please let me know.

Sincerely,



Ken Humphreys
Director

KH/sd
Enclosure
cc: Rebecca Burch

SB 110

APPROXIMATE COST DISTRIBUTION

- o 75% - 50% - 25% PRPA Provision
Total FY 85 Cost - \$115 million.

Cost shares (in millions):	<u>TOTAL</u>	<u>PERS</u>	<u>TRS</u>
State -	\$ 53	\$ 30	\$ 23
Polysubs & Districts -	\$ 38	\$ 22	\$ 16
Employees/Teachers -	\$ 24	\$ 16	\$ 8
Total -	\$115	\$ 68	\$ 47

- o 2 1/2% Benefit Formula Increase
Total FY 85 Cost - \$51 million.

Cost shares (in millions):	<u>TOTAL</u>	<u>PERS</u>	<u>TRS</u>
State -	\$ 30	\$ 14.5	\$ 15.5
Polysubs & Districts -	\$ 21	\$ 10.5	\$ 10.5
Employees/Teachers -	0	0	0
Total -	\$ 51	\$ 25	\$ 26

- o Overall Package
Total FY 85 Cost - \$166 million

Cost shares (in millions):	<u>TOTAL</u>	<u>PERS</u>	<u>TRS</u>
State -	\$ 83	\$ 44.5	\$ 38.5
Polysubs & Districts -	\$ 59	\$ 32.5	\$ 26.5
Employees/Teachers -	\$ 24	\$ 16	\$ 8
Total -	\$166	\$ 93	\$ 73

STATE OF ALASKA
THE LEGISLATURE

FOUCH Y. STATE CAPITOL
JUNEAU, ALASKA 99811
907-465-3800

LEGISLATIVE AFFAIRS AGENCY

MEMORANDUM

May 3, 1983

SUBJECT: State retirement systems
(CSSB 110 (State Affairs))

TO: Senator Vic Fischer
Chairman, Senate State
Affairs Committee

FROM: *(LHCA)* Linn H. Asper
Legislative Counsel

You have requested a sectional analysis of the State Affairs Committee proposed committee substitute for SB 110, relating to state retirement systems. Since I have already done a sectional analysis of SB 110 for your committee, this analysis deals with the differences between the original bill and the proposed committee substitute.

Section 4 of the proposed substitute limits the increase in teachers' retirement benefits to those persons with 20 years or more of service. The original bill provided for one increase if the teacher had at least 10 years of service and another for 20 years or more.

Section 6 of the proposed substitute provides for a post-retirement cost-of-living retirement benefit adjustment, but limits that adjustment to persons who are 65 or older. The original bill provided for a phased implementation of cost-of-living adjustments that would have eventually extended different adjustments to groups of retired persons, aged 55-60, 60-65, and 65 and older.

Section 11 of the proposed substitute would make the same changes in the public employees' retirement system that Sec. 4 makes in the teacher's retirement system.

Section 13 of the proposed substitute would make the same changes in the public employees' retirement system that Sec. 6 makes in the teachers' retirement system.

Memo/ Legislative Counsel 5/3/83

Senator Vic Fischer
Page 2
May 3, 1983

Sections 14 and 15 of the proposed substitute are transition sections for the implementation of the new provisions for post-retirement pension adjustments.

LHA:ljb
17/021

STATE OF ALASKA
THE LEGISLATURE

POUCH Y - STATE CAPITOL
JUNEAU ALASKA 99801
907-465-3800

LEGISLATIVE AFFAIRS AGENCY

M E M O R A N D U M

March 15, 1983

SUBJECT: Amendments to state retirement systems
(SB 110)

TO: Senator Vic Fischer

FROM: CHC Linn H. Asper
Legislative Counsel

You have requested a sectional analysis of SB 110, relating to amendments to state retirement systems.

Section 1 makes a technical amendment to the Teacher's Retirement System (TRS) to conform AS 14.20.345(d) with changes made in subsequent sections of AS 14.25.

Section 2 increases the amount of contributions from members of TRS from seven to nine percent of base salary.

Section 3 changes the rules for computing arrearage indebtedness for outside, military, and Alaska BIA service. Increases retroactive contributions for such service from seven to nine percent of base salary. Removes the limit on the total amount of outside and military service that can be claimed under TRS.

Section 4 increases benefits for members of TRS who have more than ten years credited service at retirement.

Section 5 allows years of credited service under the Public Employee's Retirement System (PERS) to be considered in determining the percentage multiplier for each year of service under AS 14.25.110(d).

Section 6 provides for a mandatory cost-of-living adjustment to benefits received by retired members of TRS, age 65 and older. This section is made effective July 1, 1984.

Section 7 extends the cost-of-living adjustment to retired members age 60 and older, effective July 1, 1985.

Memo / Legislative Counsel 3/15/83

Section 8 provides for different cost-of-living adjustments for those retired TRS members who are 65 or older, and those who are 60 through 65 years old, effective July 1, 1985.

Section 9 extends the cost-of-living adjustment to retired TRS members who are 55 and older, effective July 1, 1986.

Section 10 provides for different cost-of-living adjustments for those retired members of TRS who are age 55 through 60, those 60 through 65, and those who are over 65, effective July 1, 1986.

Section 11 amends the judicial retirement system (JRS) to provide an earlier retirement option, at age 55 or 50 for members of that system.

Section 12 provides a 20 year retirement option without actuarial reduction under JRS.

Section 13 increases contributions of employees under PERS from five to seven percent for peace officers and firemen and from four and one-quarter percent to six percent for other PERS members.

Section 14 amends the rules for computing credited service under PERS for military service and increases the amount required as retroactive contributions for military service from six to eight percent.

Section 15 increases benefits for retiring PERS members who have more than ten years credited service.

Section 16 allows years of credited service under TRS to be considered in determining the percentage multiplier for each year of service under AS 39.35.370(c).

Section 17 provides for a mandatory cost-of-living adjustment in PERS similar to the amendment to TRS in * Sec. 6.

Section 18 does the same for PERS that * Sec. 7 does for TRS.

Section 19 does the same for PERS that * Sec. 8 does for TRS.

Section 20 does the same for PERS that * Sec. 9 does for TRS.

Senator Vic Fischer
Page 3
March 15, 1983

Section 21 does the same for PERS that * Sec. 10 does for TRS.

Section 22 provides an earlier retirement option for members of the Elected Public Officer's Retirement System (EPORS).

Sections 23, 24, 25, and 26 provide effective dates for the various sections of the Act as well as other dates relevant to the applicability of the Act.

LHA:ljb
10/002



NEA - ALASKA

AFFILIATED WITH THE NATIONAL EDUCATION ASSOCIATION

JUNEAU OFFICE
147 SOUTH FRANKLIN #207
JUNEAU, ALASKA 99801
PHONE: (907) 586-3090

ANCHORAGE REGIONAL OFFICE
1411 WEST 33RD
ANCHORAGE, ALASKA 99503
PHONE: (907) 274-0535

FAIRBANKS REGIONAL OFFICE
825 COLLEGE ROAD
FAIRBANKS, ALASKA 99701
PHONE: (907) 456-4435

Robert C. Manners
Executive Secretary,
Juneau Office

Robert C. Cooksey
Deputy Executive Secretary,
Juneau Office

James D. Alter
Field Staff
Juneau Office

Charles L. O'Connell
Deputy Executive Secretary,
Anchorage Office

Dianne Anderson
Field Staff
Anchorage Office

Steve Pulkkinen
Field Staff
Anchorage Office

Mary Ann Eininger
Deputy Executive Secretary,
Fairbanks Office

May 11, 1983

TO: Senator Vic Fischer, Chair
Members, Senate State Affairs Committee

FROM: NEA-Alaska

RE: SB 110 "An act relating to State Retirement Systems"

NEA-Alaska strongly supports and urges passage of SB 110. While recognizing that the cost of this legislation is significant, it is equally significant that a number of teacher retirees are now on relatively modest fixed incomes with no assurance of any protection against the adverse effects of inflation.

The three major components of this bill address not only a critical need but reflect a sincere commitment on the part of current employees to assume a significant share of the cost.

Providing for an annual post retirement pension adjustment meets a critical need, especially for those who have been retired for a number of years already, in assuring them that they will have some protection against the debilitating effects of inflation. It should also be noted that teachers in Alaska do not have access to Social Security so their only retirement benefits will be those that derive from the TRS.

Secondly, current employees are willing to increase their rate of contribution from 7% to 9% which is a rate increase for them in excess of 28%. This is at a time when their salary increases are minimal, if even increased at all.

Finally, by establishing an age requirement for eligibility for the PRPA, some current retirees and many who will be retiring will not have immediate access to the PRPA. The benefit multiplier has been increased to partially address this concern. The benefit multiplier increase serves another extremely useful purpose in that it is a clear incentive for stability and continuity of employees, an essential component of quality public education.

Provision for an annual, as opposed to ad hoc, PRPA includes a fully funded program based upon actuarial analysis of the current TRS. We understand the current "pay as you go" concept is leading to an even greater obligation in the long run.

Stu/NEA-AK 5/11/83

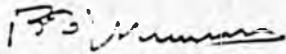
In an effort to somewhat contain the magnitude of the initial costs, the benefits provision of this bill have been staged in over a period of three years rather than making them immediately available, while increasing the employees' contribution rate immediately.

Currently there are approximately 7,560 active members of the TRS with an average annual income slightly in excess of \$35000.

We have around 1,360 teacher retirees at this time whose average annual retirement income is around \$14000. There are another 120 people, approximately, who receive benefits from TRS through disability or as survivors.

Thank you for your consideration of this bill. We urge its passage.

Respectfully submitted,



Robert Manners
Executive Secretary

RM:jc

6821 East Third Avenue
Anchorage, AK 99504

March 3, 1983

Hon. Vic Fischer
Alaska State Senate
Pouch V
Juneau, AK 99811

Dear Senator Fischer:

Re: SB No. 110 Sec. 4 AS 14.25.110(d) and HB 213 Sec 4
AS 14.25.110(d)

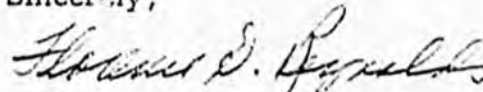
It is my concern that if either of these bills are passed as they read it will be discriminatory to those employees who are already retired. We must remember that these employees also devoted many years of service to the State. Dedicated employees do not just retire. They retire because of age, illness, or forced to retire to make room for younger employees.

Those citizens who have retired, retired on much lower salaries than those of us who are now employed. Their retirement income makes it impossible for them to continue to live in their beloved Alaska. Especially those who were not highly paid executive types.

My recommendation is that according to Sec. 39.35.547 an amendment be passed to include these "already retired" state employees to be effective at whatever date you deem reasonable.

I urge you to look into this matter and make whatever changes are necessary.

Sincerely,



Florence D. Reynolds

Ltr/ Florence Reynolds. 3/3/84

which are based on retroactive credited service under this subsection. (§ 17 ch 143 SLA 1960; am § 4 ch 80 SLA 1964; am §§ 5, 6 ch 155 SLA 1966; am § 4 ch 235 SLA 1968; am § 1 ch 55 SLA 1973; am §§ 1, 2 ch 26 SLA 1974; am §§ 1, 2 ch 245 SLA 1976; am §§ 31 — 33 ch 128 SLA 1977; am §§ 1, 7 ch 174 SLA 1978; am § 3 ch 81 SLA 1979; am § 10 ch 82 SLA 1979; am §§ 31, 32, 41 ch 146 SLA 1980)

Revisor's note. — Subsection (a) of this section apparently has no effect after January 1, 1980, since it applies only to employees employed before that date.

Subsection (g) of this section apparently has no effect after July 1, 1980, since credited service under this subsection must have been claimed by that date.

Effect of amendments. — The 1977 amendment, among other things, added the language beginning "and heavy equipment operators" to the end of that sentence, and added subsection (e).

The 1977 amendment, among other things, substituted "credited service for employment before January 1, 1961" for "service credit for prior service" and "this chapter" for "this system for the period of prior service credit" in subsection (b) and

substituted "credited service" for "service credit" in the first and second sentences of subsection (e).

The 1978 amendment, among other things, added subsection (f).

The second 1979 amendment added subsection (g).

Sections 31 and 32, ch. 146, SLA 1980, rewrote subsection (a) and added subsection (h). Section 41 of ch. 146, effective January 1, 1981, repealed subsection (c).

Editor's note. — Section 15, ch. 82, SLA 1979 provides that AS 39.35.360(g) applies to a temporary employee of the Eleventh Legislature, First Session, even though he may not be an employee under the public employee's retirement system on July 1, 1979.

Article 6 Benefits.

Section

- 370. Retirement benefits
- 380. [Repealed]
- 385. Conditional service retirement benefits
- 390. [Repealed]
- 395. Voluntary contribution benefit
- 400. Nonoccupational disability pensions
- 410. Occupational disability pensions
- 420. Nonoccupational death benefits
- 430. Occupational death benefit
- 440. Death after occupational disability
- 450. Joint and survivor option
- 451. Spouse survivor benefits under Public Employees Retirement Act of 1949
- 460. Level income option
- 470. Other forms of payment
- 475. Post-retirement pension adjustment

Section

- 480. Cost-of-living allowance
- 485. Minimum benefit
- 490. Designation of beneficiary
- 495. Time limit for application
- 500. Safeguard of employee funds held by the system
- 510. Voluntary waiver of benefits
- 520. Adjustments
- 522. Waiver of adjustments
- 525. Limitation on use of credited service as peace officer or fireman
- 530. Limit on pension
- 535. Medical benefits
- 540. Minimum benefit
- 545. [Repealed]
- 546. Tax exemption
- 547. Effect of amendments

Sec. 39.35.370. Retirement benefits. (a) A terminated employee is eligible for a normal retirement benefit (1) at age 55 with at least five years credited service, or (2) with at least 20 years of credited service as a peace officer or fireman, or (3) with at least 30 years of credited service for all other employees.

(b) A terminated employee is eligible for an early retirement benefit at age 50 with at least five years credited service.

St. Louis

(c) The monthly amount of a retirement benefit for a peace officer or fireman is two per cent of the average monthly compensation times the years of credited 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 years of service. An actuarial adjustment must be made for an early retirement benefit.

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

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

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

Effect of amendments. -- The 1977 amendment rewrote this section.

The 1980 amendment added subsection (f).

Editor's note. -- Section 49, ch. 146, SLA 1980, provides: "The retirement benefit payable to a member of the public employees' retirement system who is receiving a normal retirement benefit under AS 39.35.370 on the effective date of this Act, and who at the time of his retirement was receiving a disability

pension under the public employees' retirement system, shall be increased by a percentage equal to the percentage of all post-retirement pension adjustments payable under AS 39.35.475 during the period that the member was receiving a disability benefit."

Legislative history report. -- For report on ch. 159, SLA 1972 (FCCS HCS CSSB 264), see 1972 House Journal, p. 992.

Sec. 39.35.380. Early retirement benefits.

Repealed by § 55 ch 128 SLA 1977.

Editor's note. -- The repealed section derived from § 19, ch. 143, SLA 1960; am. § 7, ch. 109, SLA 1970; am. § 8, ch. 159, SLA 1972; am. §§ 11, 12, ch. 205, SLA 1975.

Sec. 39.35.385. An employee is eligible for a normal retirement benefit if the employee has at least two years of credited service and has not received a normal retirement benefit under AS 39.35.380 (AS 14.25).

(b) An employee is eligible for an early retirement benefit if the employee has at least two years of credited service and has not received a normal retirement benefit under AS 14.25.

(c) Credited service means credited service that has not been repaid. For purposes of this section, an employee does not have credited service if the employee has not received a normal retirement benefit under AS 14.25.

(d) The monthly amount of a retirement benefit for a peace officer or fireman is two per cent of the average monthly compensation times the years of credited service over 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 years of service. An actuarial adjustment must be made for an early retirement benefit.

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

(f) An employee who is vested in the system as a peace officer or fireman at the time he incurs a permanent disability of at least 33-1/3 per cent under workers' compensation and who (1) undergoes retraining because of the disability; and (2) is subsequently employed with the state or other employer in a position other than peace officer or fireman, is eligible for a normal retirement benefit as a peace officer or fireman under (a) and (c) of this section when he has completed 20 years of credited service. (§ 18 ch 143 SLA 1960; am § 2 ch 102 SLA 1963; am § 7 ch 155 SLA 1966; am § 5 ch 235 SLA 1968; am § 6 ch 109 SLA 1970; am §§ 6, 7 ch 159 SLA 1972; am § 15 ch 47 SLA 1974; am § 34 ch 128 SLA 1977; am § 33 ch 146 SLA 1980)

Effect of amendments. -- The 1977 amendment added this section. The 1980 amendment added subsection (f).

Editor's note.

Sec. 39.35.385.

Repealed by § 55 ch 128 SLA 1977.

Revisor's note. — Section 39.35.485(a) provides that after January 1, 1981 each employee eligible for a benefit under AS 39.35.370 is entitled to at least \$25 a month. Consequently, this section apparently has no legal effect.

Sec. 39.35.475. Post-retirement pension adjustment. (a) When the administrator determines that the cost of living has increased and the financial condition of the retirement fund permits, he shall increase benefit payments to persons receiving benefits under this system.

(b) The amount of the increase in benefit payments may not exceed the greater of

- (1) the increase in the cost of living since the date of retirement; or
- (2) four percent of the retirement benefit compounded for each year of retirement.

(c) If at the time of first receiving a retirement benefit a member was receiving a disability benefit under this system, the administrator shall include the time during which the member received the disability benefit in determining the number of years of retirement under this section.

(d) An increase in benefit payments under this section is effective July 1 of the year for which the increase is granted.

(e) The administrator shall implement this section by regulation. (§ 9 ch 235 SLA 1968; am § 14 ch 159 SLA 1972; am § 34 ch 146 SLA 1980)

Effect of amendment. — The 1980 amendment rewrote the section.

Editor's note. — Section 49, ch 146, SLA 1980 provides: "The retirement benefit payable to a member of the public employees' retirement system who is receiving a normal retirement benefit under AS 39.35.370, July 1, 1980, and who

at the time of his retirement was receiving a disability pension under the public employees' retirement system, shall be increased by a percentage equal to the percentage of all post-retirement pension adjustments payable under AS 39.35.475 during the period that the member was receiving a disability benefit."

Sec. 39.35.480. Cost-of-living allowance. (a) While residing in the state, a person receiving a benefit under this chapter is entitled to receive a monthly cost-of-living allowance in addition to his basic benefit. The amount of this allowance shall be \$50 or 10 per cent of the basic benefit, whichever is greater.

(b) A person receiving a cost-of-living allowance under this section shall notify the administrator when he expects to be absent from the state for a continuous period that exceeds 90 days. After that notification, the person is no longer entitled to receive the monthly cost-of-living allowance, except that a person may be absent from the state for not more than six months without loss of the cost-of-living allowance if the absence is the result of illness and required by order of a licensed physician. Upon his return to the state, and upon notification to the administrator, the person is again entitled to receive

the monthly
monthly bene

(c) While r
Alaska who
established b
date of ch. 1
equal to 25 p

(d) For pu
Jomiciled and
from the stat
or less when
as "residing i
1967; am § 2
128 SLA 197

Effect of am
amendment rew
The 1979 am
days" for "60 da
sentence of sub
language beginn

Sec. 39.35.
1981] An er
accordance w
\$17.50 a mo
adjustments r
and 39.35.480

[Effectiv
benefit calcul
benefit of at
including adju
39.35.475 and

(b) Repeale
§ 16 ch 47 SL
1976; am § 5

Effect of am
amendment in
"whose terminat
1, 1972 and" follo
substituted "\$17.
The 1977
subsection (b), w
who retired unde
1, 1975 shall be
computed under
under this sectio

employment rendered to the Territory of Alaska before January 3, 1959, regardless of the office, department, division or agency of the territory in which employed. Credited service allowed under this section may not exceed five years.

(b) A teacher may not be credited with service under this section if credit for service as an employee of the Territory of Alaska was granted for the same period under the public employees' retirement system (AS 39.35).

(c) A teacher who elects to receive credited service under this section for service to the Territory of Alaska shall make a retroactive contribution under this system for the period of territorial employment following June 30, 1955. (§ 1 ch 146 SLA 1980)

Editor's notes. — In subsection (a), the word "he" was deleted preceding "employed" in the first sentence by the revisor of statutes under AS 01.05.031 and § 4, ch. 58, SLA 1982.

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. (§ 8 ch 137 SLA 1982)

Sec. 14.25.110. Retirement benefits. (a) A member is eligible for a normal retirement benefit if the member

(1) was first hired before July 1, 1975, has attained the age of 55 years, and has at least 15 years of credited service, the last five of which have been membership service;

(2) has attained the age of 55 years and has at least eight years of membership service;

(3) has attained the age of 55 years, has at least five years of membership service, and has at least three years of Alaska BIA service;

(4) has at least 25 years of credited service, the last five of which have been membership service;

(5) has at least 20 years of membership service; or

(6) has at least 20 years of combined membership service and Alaska BIA service, the last five of which have been membership service.

(b) A member is eligible for an early retirement benefit upon completing any one of the service requirements in (a)(1), (2), or (3) of this section and attaining the age of 50 years.

(c) The burden is on the applicant to prove eligibility for retirement benefits to the full satisfaction of the administrator.

(d) The monthly amount of a retirement benefit for a member who has paid the full amount of any indebtedness is two percent of the member's average base salary during any three school years of membership service times the years of credited service, including credited

fractional years for early retirement.

(e) The monthly amount in accordance with the termination of service.

(f) The annual contribution for a member who was a member under the Retirement Act of 1946.

(g) A member who elects this chapter or who has a salary of at least \$25,000 shall make adjustments in the monthly contribution to the indebtedness which would have been paid if the member had elected option (b) of this section.

(h) The monthly amount of a retirement benefit for a member at least 55 years of age.

(i) Benefits payable the month after the member meets the requirements of this section shall be reduced by the amount of any retirement benefit payable to the member under this section for the same period. (§ 12 ch 145 SLA 1960; am § 4 ch 137 SLA 1971; am § 57 SLA 1974; am § 14 ch 137 SLA 1982)

Effect of an 1980 amendment.

The second sentence of subsection (g) substituted "\$25" for "month" near the end of the sentence.

The 1982 amendment substituted the sentence of subsection (g).

Editor's notes: The words "member" were substituted in subsection (a) and subsection (b).

fractional years, divided by 12. An actuarial adjustment must be made for early retirement.

(e) The monthly amount of a retirement benefit must be determined in accordance with (d) of this section as it is in effect on the date of termination of the retiring member's last segment of employment.

(f) The annual amount of retirement benefits for a retiring member who was a member of the retirement system established by the Retirement Act of 1945 may not be less than \$975 plus 10 percent of the total contribution made by the member to the retirement fund of 1945.

(g) A member who is eligible for a service retirement salary under this chapter or under the Retirement Act of 1945 is entitled to a benefit of at least \$25 per month for each year of credited service, excluding adjustments made under AS 14.25.142 or 14.25.143. If the member elected option two under AS 14.25.063(b)(2) for payment of any indebtedness when the member initially applied for a retirement benefit, or if the member elected to receive an early retirement benefit under (b) of this section, the resulting benefit reduction continues in effect.

(h) The monthly retirement benefit for a member who was receiving a retirement benefit on July 1, 1955, is \$50 a month if the member was at least 55 years of age on July 1, 1955.

(i) Benefits payable under this section accrue from the first day of the month after which all of the following requirements are met: (1) the member meets the eligibility requirements of this section; (2) the member terminates employment; and (3) the member applies for retirement. Benefits are not payable under this section during a school year in which credit for a full year of service is granted. The benefits are payable the last day of the month. If payment is delayed, a retroactive payment must be made for the month in which a benefit is payable under this section. The last payment shall be for the month in which the member dies or is no longer eligible for a benefit under this section. (§ 12 ch 145 SLA 1955; am § 4 ch 142 SLA 1957; am § 9 ch 19 SLA 1960; am § 4 ch 86 SLA 1963; am § 6 ch 151 SLA 1966; am § 2 ch 85 SLA 1971; am § 8 ch 66 SLA 1973; am § 1 ch 77 SLA 1973; am § 2 ch 57 SLA 1974; am §§ 1 — 3 ch 173 SLA 1975; am § 5 ch 169 SLA 1976; am § 14 ch 13 SLA 1980; am § 2 ch 146 SLA 1980; am § 9 ch 137 SLA 1982)

Effect of amendments. — The first 1980 amendment rewrote the section.

The second 1980 amendment substituted "\$25" for "\$20" preceding "per month" near the beginning of subsection (g).

The 1982 amendment added the last sentence of subsection (i).

Editor's notes. — The words "the member" were substituted for "he" in subsection (a) and subsection (g) by the revisor of

statutes pursuant to AS 01.05.031 and § 4, ch. 58, SLA 1982.

Opinions of attorney general. — The legislature did not intend such a strict interpretation as to require a teacher to work the last 5 school years for the full 140-day year. 1986 Op. Att'y Gen., No. 2.

A teacher satisfies the requirement of subsection (a) by working any five creditable years or combination of fractional years totalling 5 years, as long

Sec. 14.25.142. Cost of living allowance. (a) While residing in the state, a person receiving a benefit under this chapter is entitled to receive a monthly cost of living allowance in addition to the basic benefit. The amount of this allowance is 10 per cent of the basic benefit.

(b) A person receiving a cost-of-living allowance under this section shall notify the administrator when the person expects to be absent from the state for a continuous period that exceeds 90 days. After that notification, the person is no longer entitled to receive the monthly cost-of-living allowance, except that a person may be absent from the state for not more than six months without loss of the cost-of-living allowance if the absence is the result of illness and required by order of a licensed physician. Upon return to the state, and upon notification to the administrator, the person is again entitled to receive the monthly cost-of-living allowance, commencing with the first monthly benefit payment made after notification of the person's return.

(c) For purposes of this section, "residing in the state" means domiciled and physically present in the State of Alaska. Being absent from the state for a continuous period of 90 days or less or six months or less when ordered by a physician does not change a person's status as "residing in the state." (§ 10 ch 151 SLA 1966; am § 18 ch 66 SLA 1973; am § 6 ch 128 SLA 1977; am §§ 2, 3 ch 82 SLA 1979)

Effect of amendments. -- The 1979 amendment substituted "90 days" for "60 days" at the end of the first sentence of subsection (b), added the language beginning "except that a person may be absent" to the end of the second sentence of subsection (b), and substituted "90 days or less or six months or less when ordered by a physician" for "60 days or less" in the second sentence of subsection (c).

Editor's notes. — Section 17, ch. 82, SLA 1979 provides: "A person receiving benefits under AS 14.25 [AS 14.25.010 — 14.25.220] on July 1, 1979 is eligible for

any increase in benefits resulting from the amendments to AS 14.25 [AS 14.25.010 — 14.25.220] enacted in secs. 2 and 3 of ch. 82, SLA 1979."

In subsection (a), the word "the" was substituted for "his" in the first sentence and in subsection (b), the words "the person" was substituted for "he" in the first sentence and the word "his" was deleted preceding "returned to the state" in the third sentence by the revisor of statutes under AS 01.05.031 and § 4, ch. 58, SLA 1982.

Sec. 14.25.143. Post retirement pension adjustment. (a) When the administrator determines that the cost of living has increased and that the financial condition of the retirement fund permits, the administrator shall increase benefit payments to persons receiving benefits under this system.

(b) The amount of the increase in benefit payments may not exceed the lesser of

- (1) the increase in the cost of living since the date of retirement; or
- (2) four percent of the retirement benefit compounded for each year of retirement.

(c) The administrator shall implement this section by regulation.

(d) A person receiving benefits under this chapter shall be granted a 10 per cent increase in the current base benefit if the person was receiving benefits on July 1, 1976. The increase shall be effective July 1, 1977.

(e) If at the time of first receiving a retirement benefit a member was receiving a disability benefit, the administrator shall include the time during which the member received the disability benefit in determining the number of years of retirement under this section.

(f) An increase in benefit payments under this section is effective July 1 of the year for which the increase is granted. (§ 11 ch 151 SLA 1966; am § 5 ch 86 SLA 1971; am § 19 ch 66 SLA 1973; am § 3 ch 99 SLA 1974; am § 7 ch 128 SLA 1977; am § 17 ch 13 SLA 1980; am §§ 3 — 6 ch 146 SLA 1980; am § 13 ch 137 SLA 1982)

Revisor's notes. — Subsection (a) was amended by sec. 17, chapter 13, SLA 1980, and repealed and re-enacted by sec. 3, chapter 146, SLA 1980. Since chapter 146 was enacted later, it repeals the earlier amendment.

Effect of amendments. — The first 1980 amendment in subsection (a), as it existed prior to the second 1980 amendment, substituted "the administrator" for "he" preceding "may increase" near the middle of the subsection, substituted "annuitant's" for "service retirement" following "may increase all" near the middle of the subsection, and deleted "salaries" following "survivor's benefits" near the end of the subsection.

The second 1980 amendment rewrote subsections (a) through (c), and added subsections (e) and (f).

The 1982 amendment substituted

"lesser" for "greater" in the introductory language of subsection (b).

Editor's notes. — Section 48, ch. 146, SLA 1980 provides: "The retirement benefit payable to a member of the teachers' retirement system who is receiving a normal retirement benefit under AS 14.25.110 on the effective date of this Act, and who at the time of his retirement was receiving a disability benefit under the teachers' retirement system, shall be increased by a percentage equal to the percentage of all post-retirement pension adjustments payable under AS 14.25.143 during the period that the member was receiving a disability benefit."

In subsection (d), "the" was substituted for "his" and "the person" was substituted for "he" in the first sentence by the revisor of statutes under AS 01.05.031 and § 4, ch. 58, SLA 1982.

Sec. 14.25.145. Interest on individual accounts. Interest shall be credited to each teacher's account at the end of each school year at the rate prescribed by regulation for that year. (§ 16 ch 145 SLA 1955; am § 6 ch 142 SLA 1957; am § 4 ch 78 SLA 1962; am § 7 ch 138 SLA 1970; am § 20 ch 66 SLA 1973)

Sec. 14.25.150. Refund upon termination. A terminated member is entitled to a refund of the balance of the member contribution account. A member is not entitled to a refund of supplemental contributions except as provided in AS 14.25.160(a). (§ 16 ch 145 SLA 1955; am § 6 ch 142 SLA 1957; am § 4 ch 78 SLA 1962; am § 7 ch 86 SLA 1963; am § 12 ch 151 SLA 1966; am § 5 ch 84 SLA 1969; am §§ 21 — 23 ch 66 SLA 1973; am § 8 ch 128 SLA 1977; am § 14 ch 137 SLA 1982)

Effect of amendments. Amendment substituted "contribution account" for "contributions and account"

Sec. 14.25.155. No
of a member occurs af
service and the pro
sustained or hazard
the scope of the mem
nated beneficiary sha
account.

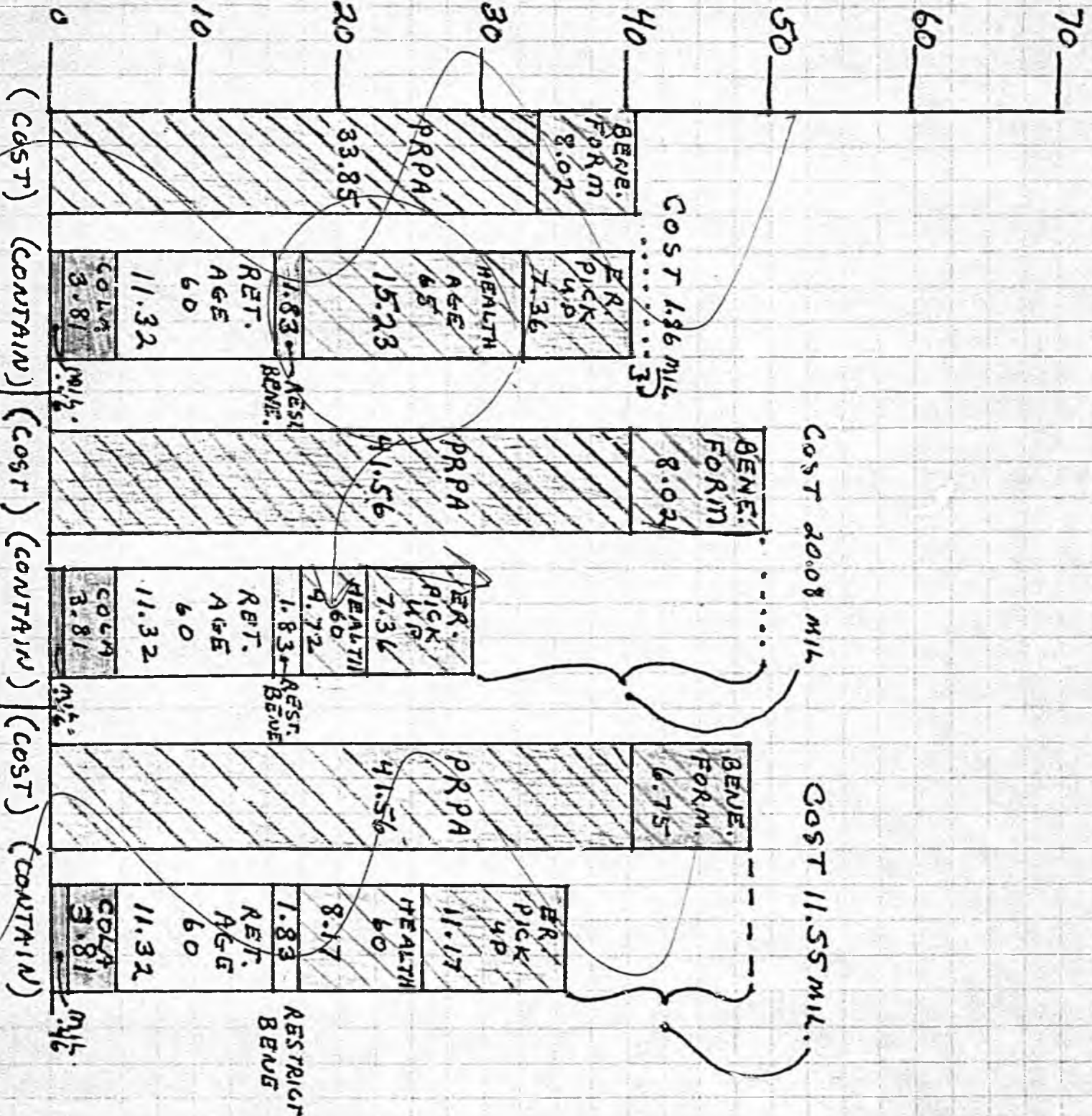
(b) If the death of a
of membership servic
proximate cause of d
undergone while in t
ber's duties of emplo
AS 14.25.160(b) and
the member.

(c) If the death of a
and the proximate c
hazard undergone w
member's duties of
receive either the be
joint and survivor op
credited service to t
survives a vested or
the spouse is desig
shall be paid the ben
accrue from the fir
and are payable the

(d) Benefits are n
under AS 14.25.15
(§ 15 ch 137 SLA

Sec. 14.25.157.
of a member occurs
mal retirement, an
sustained or hazar
the scope of the me
hazard is not the p
the member, a mo
member's base sa
divided by 12, sha
is no surviving spo
equal parts to the
normal retirement
had lived, monthl

PEERS



MILLIONS

DRAFT #1

DRAFT #2

REC. ALT. #1

(COST) (CONTAIN) (COST) (CONTAIN) (COST) (CONTAIN) (COST) (CONTAIN)

SENATE

2/4/83

FURTHER: Judiciary
Finance

Date: 4-12-84

Mr. President:

The Committee on State Affairs has had SB 110

An Act relating to public employees', judicial, elected public officers', and teachers' benefits, and eff. date.

under consideration and (a majority of the committee) (the committee) reports it back with the following recommendations:

- do pass do not pass
- do pass with attached amendments(s)
- replace with CS for CS SB 110 (sa) same title
 new title
- and recommends _____
- AND attaches a "Letter of Intent" New Fiscal Note
- reports it back without recommendation
- referred to the _____ Committee

MEMBERS SIGNING
DO PASS

MEMBERS HAVING
OTHER RECOMMENDATIONS:

Sen. Steve Link

Rep. Rodney Mason

W. Fischer

CHAIRMAN

COMMITTEE REPORT
SENATE

2/4/83

FURTHER: Judiciary
Finance

Date: 4-12-84

Mr. President:

The Committee on State Affairs has had SE 110

An Act relating to public employees', judicial, elected public officers', and teachers' benefits; and eff. date.

under consideration and (a majority of the committee) (the committee) reports it back with the following recommendations:

- do pass do not pass
- do pass with attached amendments(s)
- replace with CS for CSSE 110 (SA) same title
 new title
- and recommends _____
- AND attaches a "Letter of Intent" New Fiscal Note
- reports it back without recommendation
- referred to the _____ Committee

MEMBERS SIGNING
DO PASS

MEMBERS HAVING
OTHER RECOMMENDATIONS:

[Signature]
[Signature]

[Signature]
CHAIRMAN

Appendix V

EFFECT OF "PICKED UP" CONTRIBUTIONS
ON TAKE-HOME PAY

	After-Tax Contributions	"Picked Up" Before-Tax Contributions					
	7%	7%	8%	9%	10%	11%	12%
<u>TRS Example</u>							
Gross Monthly Pay*	\$3,100	\$3,100	\$3,100	\$3,100	\$3,100	\$3,100	\$3,100
Taxes Withheld**	721	641	629	618	608	597	587
Contributions	<u>217</u>	<u>217</u>	<u>248</u>	<u>279</u>	<u>310</u>	<u>341</u>	<u>372</u>
Take-Home Pay	\$2,162	\$2,242	\$2,223	\$2,203	\$2,182	\$2,162	\$2,141
Increased Take-Home		80	61	41	- 20	0	- 21
Increase as a Percent of Gross		2.6%	2.0%	1.3%	0.6%	0%	- 0.7%

	After-Tax Contributions	"Picked Up" Before-Tax Contributions			
	4.25%	4.25%	5%	6%	7%
<u>PERS Example</u>					
Gross Monthly Pay	\$2,300	\$2,300	\$2,300	\$2,300	\$2,300
Taxes Withheld**	445	417	411	404	397
Contributions	<u>96</u>	<u>96</u>	<u>115</u>	<u>138</u>	<u>161</u>
Take-Home Pay	\$1,759	\$1,787	\$1,774	\$1,758	\$1,742
Increased Take-Home		28	15	- 1	- 17
Increase as a Percent of Gross		1.2%	0.7%	0%	- 0.7%

* Systemwide Average

** Based on single person with one exemption

Retirement Age

TRS - The age for normal retirement is increasing from 55 to 60 years of age. The age for early retirement is increasing from 50 to 55. This provision will only affect members first hired after the effective date of the bill.

Also, members first hired after the effective date of the bill will not be eligible for a 20-and-out retirement.

All current members are eligible to retire under the existing law.

PERS - As in the TRS the ages for early and normal retirement are being increased by 5 years. All current members are eligible to retire under the existing law. The new law will only affect members first hired after the effective date of the bill.

PRPA

TRS - This provision would affect all current and future eligible benefit recipients. Disabled members and recipients age 65 or older would receive an automatic, annual post retirement pension adjustment (PRPA) equal to 75% of the increase in the cost of living in the preceding calendar year or 9%, whichever is less; recipients at least 60 but less than 65 would receive an automatic, annual PRPA equal to 50% of the increase in the cost of living in the preceding calendar year or 6%, whichever is less.

PERS - This provision would affect all current and future eligible benefit recipients. The amount of the PRPA's would be the same as in the TRS.

Military Service

TRS - Members hired after the effective date of the bill will not be eligible to receive military service credit if they are eligible for a retirement from the US Government for that same service. This provision does not apply to members who are active or deferred prior to the effective date of the bill.

PERS - Same as the TRS.

Cost of Living Adjustment (COLA)

TRS - Cost-of-living allowances will be provided to retirees living in Alaska if the retiree is 65 years of age or older or a disability recipient.

This provision applies only to members first hired after the effective date. Existing retirees will continue to receive COLA when living in Alaska, and all active and deferred members prior to the effective date of the Act remain eligible for COLA at retirement regardless of age.

PERS - Same as the TRS.

Benefit Formula

TRS - This provision would affect all current and future employees who accrue more than 10 years of credited service. The benefit formula multiplier would remain at 2% for the first 10 years of service, but it would increase to 2½% for the period of service from 10 years through 20 and to 2¾% for all years in excess of 20.

PERS - This provision would affect all current non-peace officers/firemen (current peace officers/firemen would not be affected) and all future employees who accrue more than 10 years of credited service. The increase in the benefit formula multiplier would be the same as in the TRS.

Restricted Benefit

TRS - This provision would provide Teachers with a one-time temporary benefit after 20 years of membership service instead of a lifetime 20-and-out benefit. This benefit could be drawn for a maximum of 36 months and would facilitate retraining and conversion to other employment. This provision would affect all future members first hired after the effective date of this bill.

PERS - This provision would provide Peace Officers and Firemen with a one-time temporary benefit after 20 years of membership service instead of a lifetime 20-and-out benefit. This benefit could be drawn for a maximum of 36 months and would facilitate retraining, stress relief, and conversion to other employment. This provision would affect all future members first hired after the effective date of this bill.

Full Health Premiums at age 60

TRS - This cost containment provision would provide disabled members and TRS retirees who are age 60 or over medical benefits and the TRS system would pay 100% of the premiums. Retirees less than 60 years old would pay 50% of the group rate for Medical Benefits up to the age of 60. This provision will affect members first hired after the effective date of the bill.

PERS - This cost containment provision would provide disabled benefits recipients and PERS retirees who are age 60 years or older medical benefits and the PERS would pay 100% of the premium. Retirees less than 60 years old would pay 50% of the group rate for Medical Benefits up to the age of 60. This provision will affect members first hired after the effective date of the bill.

Employer "Pick-Up"

This refers to a process where the contribution to PERS is deducted before taxes are taken out of the members gross salary. The affect of this is to increase the contribution to PERS (by increasing the percent of the employees contribution) without decreasing the employees take-home pay (see page 2).

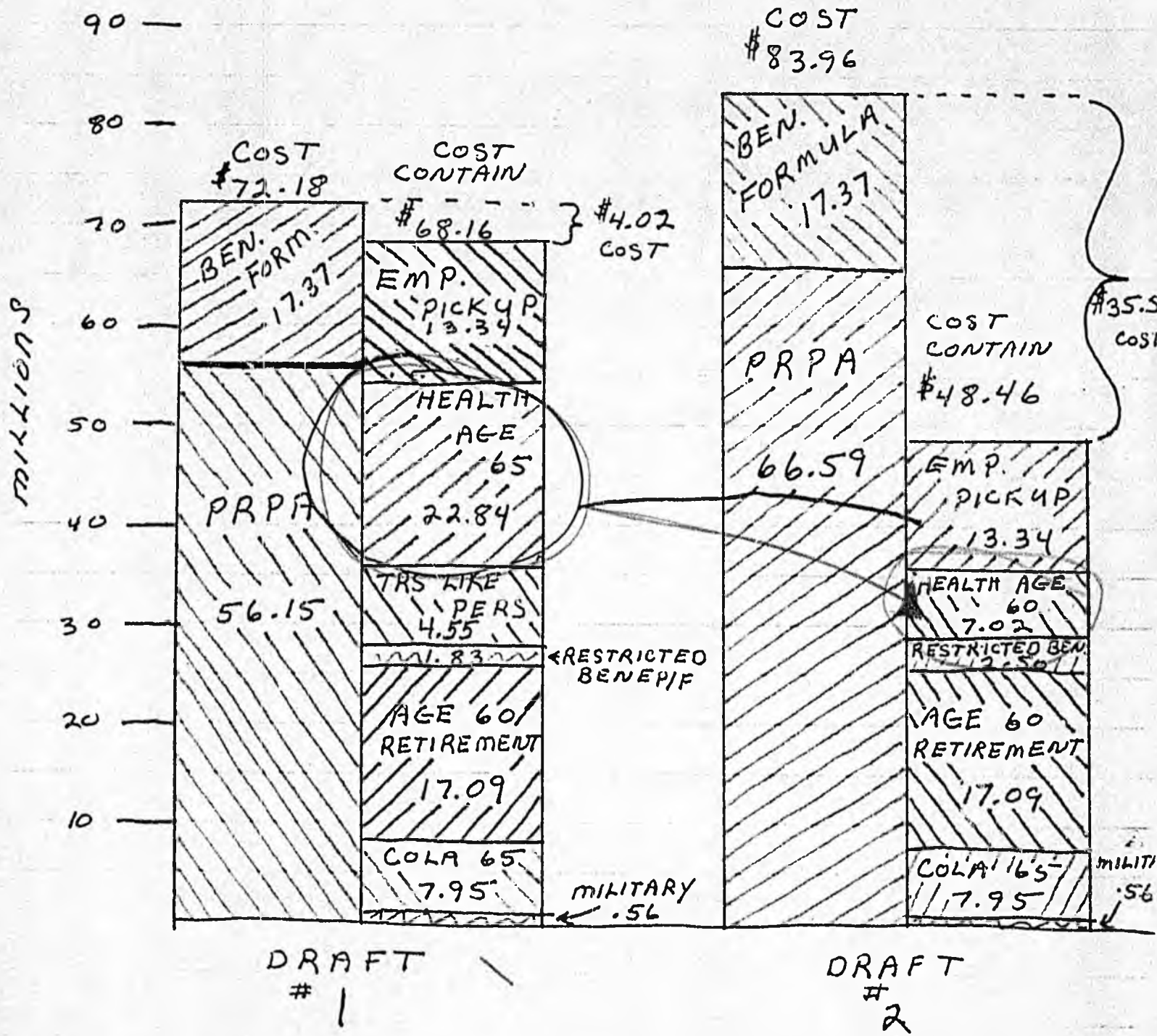
Upon retirement the employee would pay taxes on the benefit.

- Section 15 amends the employee contributions section in the PERS to increase the percentage from 4.25% (5% for P/F) to 6.25% and to provide for the employer to "pick-up" employees' contributions. This provision would improve cash flow for the system while providing deferred compensation for employees. With employer "pick-up", contributions would be taken before taxes rather than after so the average employee's net take-home pay would remain substantially unchanged.
- Section 16 would prevent members from receiving PERS credit for military service for which they are eligible to receive benefits from the federal government.
- Section 17 amends AS 39.35.340(b) to conform to the change made in the employee contribution rate in section 15 of this bill.
- Sections 18-19, 22-24 increase the normal and early retirement ages in the PERS by five years (from 55 to 60 for normal retirement) and eliminate the peace officer/fireman 20-year-and-out provision (see Sec. 21).
- Section 20 amends the multiplier in the PERS benefit formula from 2% per year of service to 2% per year of service for the first ten years, 2½% for the next ten years of service, and 2½% for all years over 20. The new formula would also apply to future peace officers and firemen.
- Section 21 creates a new section which would allow a peace officer or fireman a one-time, temporary benefit after 20 years of service instead of a lifetime 20-and-out benefit. This benefit could be drawn for a maximum of 36 months and would facilitate retraining and conversion to other employment.
- Section 25 creates an automatic, annual post retirement pension adjustment (PRPA) for disabled members and persons age 60 or older in the PERS. The PRPA would be 75% of the increase in the cost of living in the preceding calendar year as measured by the Anchorage Consumer Price Index for Urban and Clerical Workers or nine percent, whichever is less, for disabled members and recipients age 65 or older; and 50% of the increase in the cost of living or six percent, whichever is less, for recipients at least 60 but less than 65.
- Section 26 limits the Alaska cost-of-living allowance (COLA) currently paid to all PERS benefit recipients who reside in Alaska to those age 65 or older and persons receiving a disability benefit who reside in Alaska.
- Section 27 amends AS 39.35.535, Medical Benefits, to create a two-tiered health payment plan. Under this provision, members under age 60 would pay one-half the major medical insurance premium; disabled members and members over 60 would not be required to pay a premium.
- Section 28 amends the definition of "compensation" to include the employer "picked-up" contributions under section 15 of this bill.

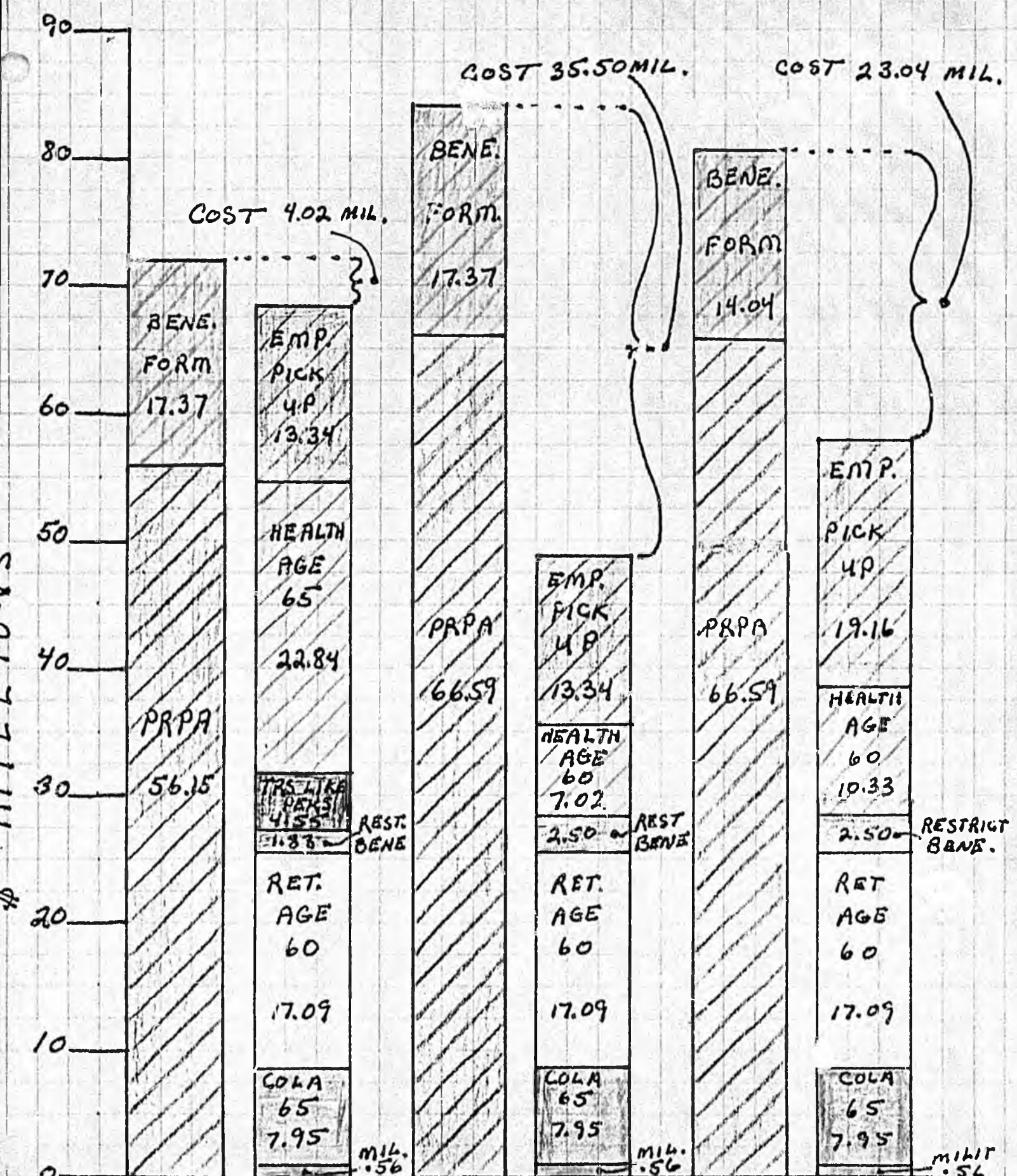
Section 29 amends the definition of "early retirement" to increase the eligible age from 50 to 55.

Section 30, in accordance with the Hoffbeck v. Hammond doctrine, specifies that the provisions of this bill requiring a reduction in benefits would apply only to future employees.

Section 31 sets an effective date of 7/1/85.



PERS & PMS



(COST) (CONT.)

DRAFT #1

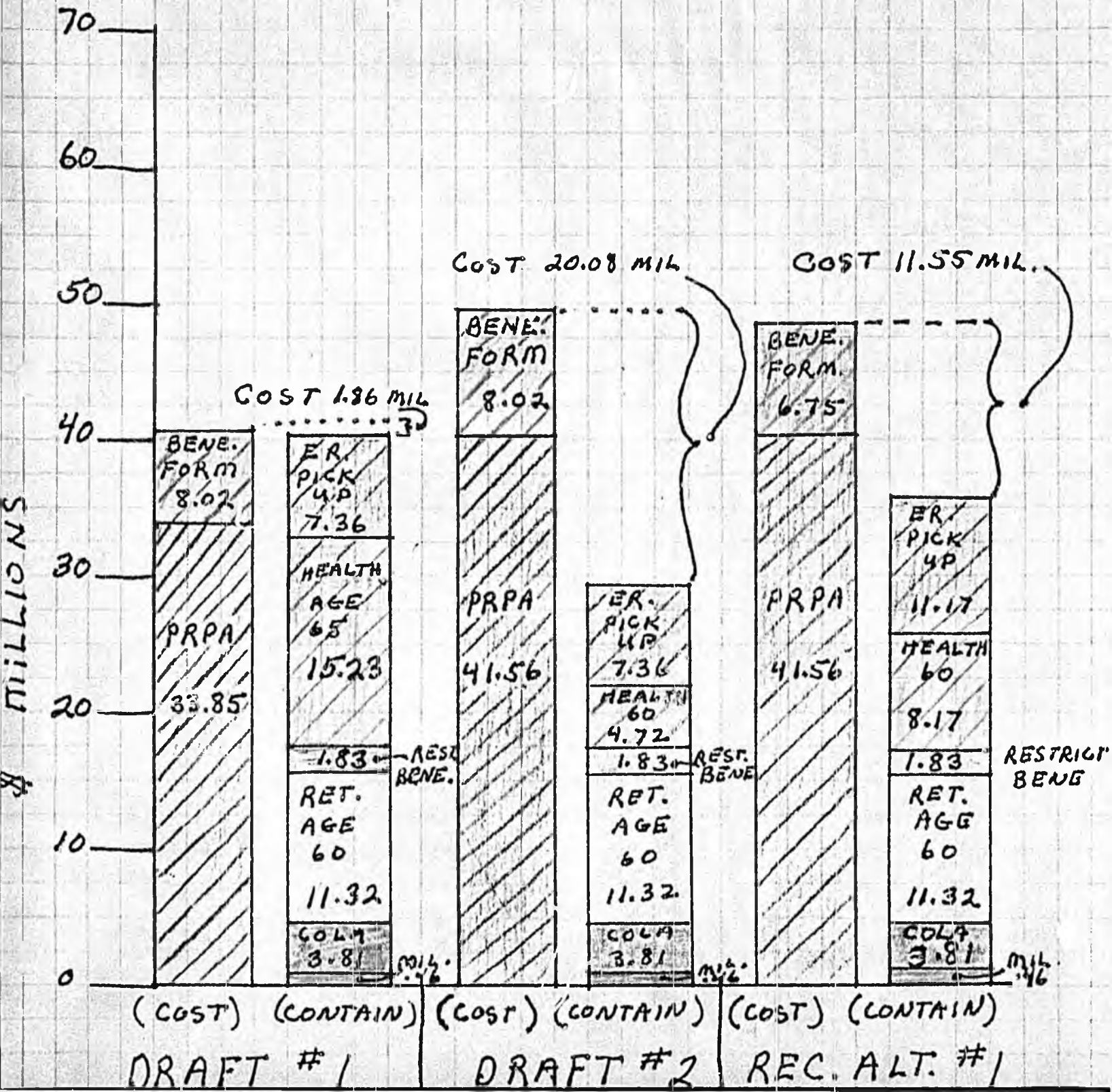
(COST) (CONT.)

DRAFT #2

(COST) (CONTAIN)

REC. ALT. #1

PERS



S

B

|

|

|

THE LEGISLATURE OF THE STATE OF ALASKA
THIRTEENTH LEGISLATURE

517

FISCAL NOTE

I. REQUEST
Bill/Resolution No. _____
Title "An act relating to the use of teleconferencing under the Administrative
Requested by Procedure Act" Date 1/31/83
By the Rules Committee by request of the Governor

II. FISCAL DETAIL
Agency Affected Potentially, all _____
Program Category Affected _____
BRU, Program, or Subprogram(s) Affected _____
(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 83	FY 84	FY 85	FY 86	FY 87	FY 88
100 PERSONAL SERVICES						
200 TRAVEL						
300 CONTRACTUAL						
400 COMMODITIES						
500 EQUIPMENT						
600 LAND & STRUCTURES						
700 GRANTS, CLAIMS, ETC.						
TOTAL	-0-	-0-	-0-			

FUNDING (Thousands of Dollars)

GENERAL FUND						
FEDERAL FUNDS						
OTHER (Specify Source)						

POSITIONS

FULL TIME						
PART TIME						
TEMPORARY						

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

IV. DATE 1/31/83 PREPARED BY Sioux Plummer, Director *slp*
AGENCY Division of Telecommunications Services
PHONE 465-2041

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

/FORMS/1203-3

OMB Reviewed by: Liz Blecker

RECEIVED

FEB 10 1983

LEGISLATIVE FINANCE

Introduced: 2/7/83
Referred: State Affairs and
Judiciary

BY THE RULES COMMITTEE BY
REQUEST OF THE GOVERNOR

1 IN THE SENATE

2 SENATE BILL NO. 111

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 the use of teleconferencing under
7 the Administrative Procedure Act."

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

9 * Section 1. INTENT. The amendments in this Act are intended to allow
10 state agencies and the public to employ advances in teleconferencing tech-
11 nology that can increase the efficiency and convenience of transacting
12 business with or by a state agency. Nothing in this Act is intended to
13 diminish the constitutional or statutory rights of the parties, or existing
14 procedural safeguards.

15 * Sec. 2. AS 44.62.210(a) is amended to read:

16 (a) On the date and at the time and place designated in the
17 notice the agency shall give each interested person or his authorized
18 representative, or both, the opportunity to present statements, argu-
19 ments, or contentions in writing, with or without opportunity to
20 present them orally. The state agency may accept material presented
21 by any form of communication authorized by this chapter, unless other-
22 wise designated in the notice, and shall consider all relevant matter
23 so presented to it before adopting, amending or repealing a regula-
24 tion.

25 * Sec. 3. AS 44.62.310(a) is amended to read:

26 (a) All meetings of a legislative body, of a board of regents,
27 or of an administrative body, board, commission, committee, subcommit-
28 tee, authority, council, agency, or other organization, including
29 subordinate units of the above groups, of the state or any of its

universities

1 political subdivisions, including but not limited to municipalities,
2 boroughs, school boards, and all other boards, agencies, assemblies,
3 councils, departments, divisions, bureaus, commissions or organiza-
4 tions, advisory or otherwise, of the state or local government sup-
5 ported in whole or in part by public money or authorized to spend
6 public money, are open to the public except as otherwise provided by
7 this section. Attendance and participation at meetings by the public
8 or members of a body may be by teleconferencing according to reason-
9 able ground rules established by the body conducting the meeting. The
10 ground rules must include guidelines for making agency materials, or
11 summaries of them, which are to be considered at the meeting, avail-
12 able at teleconference locations. The ground rules must also include
13 guidelines for suspending or rescheduling a teleconference meeting if
14 a teleconferencing system failure occurs during the meeting. The
15 ground rules are not considered regulations and need not be adopted
16 under AS 44.62.040 -- 44.62.290. All participants must be afforded
17 the opportunity to hear ^{and/or see} everything transpiring at the meeting and to
18 speak on any issue upon which oral testimony is accepted. Except when
19 voice votes are authorized, the vote shall be conducted in such a
20 manner that the public may know the vote of each person entitled to
21 vote. This section does not apply to any votes required to be taken
22 to organize the afore-mentioned bodies.

23 * Sec. 4. AS 44.62.310(e) is amended to read:

24 (e) Reasonable public notice shall be given for all meetings
25 required to be open under this section. The notice must include the
26 date, time, and place of the meeting, general topics to be discussed
27 or considered, and the location of any teleconferencing facilities
28 which will be used.

29 * Sec. 5. AS 44.62.312(a) is amended by adding a new paragraph to read

1 (6) the use of teleconferencing under this chapter is for
2 the convenience of the parties, the public, and the governmental units
3 conducting the meetings and is to provide the broadest input and
4 dissemination of information practicable.

5 * Sec. 6. AS 44.62.410 is amended by adding a new subsection to read:

6 (b) Upon the mutual agreement of the parties, the agency may in
7 its discretion use teleconferencing in the conduct of a hearing under
8 this section.

9 * Sec. 7. AS 44.62.600 is amended to read:

10 Sec. 44.62.600. VOTING PROCEDURE [MAIL VOTE]. When normal,
11 in-person voting is not reasonably possible, a [A] member of an agency
12 qualified to vote on a question may vote by mail or by teleconferenc-
13 ing. A vote by teleconferencing must be ~~recorded~~ ^{entered into record} in a manner that
14 identifies each person who has voted and on which side of the question
15 the person voted.

16 * Sec. 8. AS 44.62 is amended by adding a new section in Article 9 to
17 read:

18 Sec. 44.62.635. TELECONFERENCING. (a) In addition to the spe-
19 cific authorizations in this chapter of the use of teleconferencing,
20 an agency may use teleconferencing for the benefit or convenience of
21 the parties, the public, or the agency, in connection with any pro-
22 ceeding or act authorized under this chapter, so long as all statutory
23 and constitutional rights of the parties are either waived or ade-
24 quately protected.

25 (b) If teleconferencing is used for consideration of an issue
26 during a meeting or hearing, then it must be used for the entire time
27 that that issue is being considered.

28 (c) Teleconferencing may be used to establish quorums, receive
29 public input, and, if all voting individuals have a substantially

1 equal opportunity to evaluate all testimony and evidence, to vote on
2 actions.

3 * Sec. 9. AS 44.62.640 is amended by adding a new subsection to read:

4 (c) In this chapter "teleconferencing" means information ex-
5 change by audio, ^{and/or} video, ~~or computerized~~ electronic media.
A

SENATE AMENDMENT

By STATE AFFAIRS COMMITTEE

To: _____ SENATE BILL No. 111

To: _____ HOUSE BILL No. _____

PAGE: 2 LINE: 1

After the phrase "limited to" add "universities,"

FISCAL NOTE

I. REQUEST
 Bill/Resolution No. _____
 Title "An act relating to the use of teleconferencing under the Administrative
Requested by Procedure Act" Date 1/31/83
 By the Rules Committee by request of the Governor

II. FISCAL DETAIL
 Agency Affected Potentially, all
 Program Category Affected _____
 BRU, Program, or Subprogram(s) Affected _____
 (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 83	FY 84	FY 85	FY 86	FY 87	FY 88
100 PERSONAL SERVICES	_____	_____	_____	_____	_____	_____
200 TRAVEL	_____	_____	_____	_____	_____	_____
300 CONTRACTUAL	_____	_____	_____	_____	_____	_____
400 COMMODITIES	_____	_____	_____	_____	_____	_____
500 EQUIPMENT	_____	_____	_____	_____	_____	_____
600 LAND & STRUCTURES	_____	_____	_____	_____	_____	_____
700 GRANTS, CLAIMS, ETC.	_____	_____	_____	_____	_____	_____
TOTAL	-0-	-0-	-0-	_____	_____	_____

FUNDING (Thousands of Dollars)

GENERAL FUND	_____	_____	_____	_____	_____	_____
FEDERAL FUNDS	_____	_____	_____	_____	_____	_____
OTHER (Specify Source)	_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____	_____

POSITIONS

FULL TIME	_____	_____	_____	_____	_____	_____
PART TIME	_____	_____	_____	_____	_____	_____
TEMPORARY	_____	_____	_____	_____	_____	_____

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

IV. DATE 1/31/83 PREPARED BY Sioux Plummer, Director
 AGENCY Division of Telecommunications Services
 PHONE 465-2041

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

/FORMS/1203-3

OMB Reviewed by: Liz Blecker

RECEIVED

FEB 10 1983

LEGISLATIVE FINANCE

TO: WENDY REDMAN
FROM: ASTRID DE PARRY
RE: SB111

AT YOUR REQUEST, I ATTEMPTED TO CONTACT DAVID DYE IN SENATOR FISCHER'S OFFICE. DAVID WAS OUT SICK TODAY, SO, INSTEAD, I LEFT A MESSAGE WITH SUZANNE TRYCK. IN PARTICULAR, I REFERRED HER TO A LETTER DATED APRIL 19, 1982, WHICH I WROTE TO SENATOR PAT RODEY REGARDING THE OPEN MEETINGS LAW, WHICH READ, IN RELEVANT PART, AS FOLLOWS:

"THE SECOND ENCLOSURE RELATES TO THE STATE ADMINISTRATIVE PROCEDURE ACT, INCLUDING THE PUBLIC MEETINGS LAW. AS YOU CAN WELL IMAGINE, A UNIVERSITY COMMUNITY IS ABSOLUTELY UNIQUE IN AFFORDING ITS MEMBERS UNPARALLELED OPPORTUNITIES TO PARTICIPATE IN THE DECISION-MAKING PROCESSES OF THE UNIVERSITY. WE HAVE LITERALLY HUNDREDS OF COMMITTEES, COUNCILS, TASK FORCES, AND OTHER SUCH BODIES WHICH ASSIST THE UNIVERSITY ADMINISTRATION IN THE DAY-TO-DAY OPERATION OF THE UNIVERSITY. IF ALL OF THOSE GROUPS WERE REQUIRED TO HOLD DULY PUBLICLY-NOTICED OPEN MEETINGS, EITHER THE UNIVERSITY WOULD COME TO A STANDSTILL OR WE WOULD HAVE TO OPERATE BY ADMINISTRATIVE FIAT ALONE. NEITHER ALTERNATIVE WOULD APPEAR TO BE BENEFICIAL TO THE UNIVERSITY ITSELF, MEMBERS OF THE UNIVERSITY COMMUNITY, OR THE PUBLIC IN GENERAL. THE REASON I AM SEEKING TO CLARIFY THE SCOPE OF

CONTINUED ON NEXT MAIL MESSAGE

#16 SYJPEMMERT MON MAR 14 14:21 (5) U

ATTN: ALL UAITC STATEWIDE COMMITTEE MEMBERS:
THE AUDIO CONFERENCE WAS REFERRED FOR MONDAY, MARCH 21
FROM 8:30-10:30 AM. BRIDGE #562-2580. PLEASE BE SURE
TO CALL IN 10 - 15 MINUTES EARLY SO WE CAN GET STARTED
ON TIME. THANKS. JANE POLLARD DEMMERT/BY JAC

#17 SYCOUNSEL MON MAR 14 14:28 (35) U REG. - ACKNOWLEDGEMENT SENT.

CONTINUATION OF MESSAGE RE SB111:

THE OPEN MEETINGS LAW PROVISION IS THAT I AM CURRENTLY DEFENDING A LAWSUIT BROUGHT BY A FORMER PROFESSOR WHO WAS REFUSED TENURE AND IS SEEKING TO VOID THAT DECISION ON THE BASIS THAT AN ELECTED FACULTY COMMITTEE FAILED TO DELIBERATE IN A DULY PUBLICLY-NOTICED OPEN MEETING. I BELIEVE I CAN FAIRLY STATE THAT THE INDIVIDUAL IN QUESTION HAS NO REAL DESIRE TO HAVE HIS TENURE APPLICATION DISCUSSED IN PUBLIC. RATHER, HE OR HIS ATTORNEY SEIZED UPON THE OPEN MEETINGS STATUTE AS A CONVENIENT VEHICLE TO AVOID THE NEGATIVE TENURE DECISION SO THAT HE COULD GET ANOTHER REVIEW. THEREFORE, THE PROPOSED STATUTORY AMENDMENT CLEARLY LIMITS THE APPLICATION OF THE OPEN MEETINGS LAW TO THE BOARD OF REGENTS, AND EXPLICITLY EXCLUDES THE UNIVERSITY OF ALASKA AND ITS MYRIAD COMMITTEES FROM THE ACT.

I WOULD AGAIN ENCOURAGE THE STATE OF ALASKA LEGISLATURE TO AMEND AS 44.62.310 BY ADDING A NEW SUBSECTION (D) (6) TO READ:

"THE UNIVERSITY OF ALASKA OR ANY SUBORDINATE UNITS THEREOF; PROVIDED, HOWEVER, THAT THE BOARD OF REGENTS IS NOT DEEMED TO BE A SUBORDINATE UNIT OF THE UNIVERSITY OF ALASKA."

PLEASE BE ADVISED THAT I SHARED THE SUGGESTED STATUTORY AMENDMENT WITH MS. TRYCK IN DAVID DYE'S ABSENCE, NOTING THAT I WOULD BE AVAILABLE FOR THE REMAINDER OF TODAY TO DISCUSS THIS MATTER IN GREATER DETAIL. AS FOR TOMORROW MORNING, UNFORTUNATELY, I HAVE A PRIOR COMMITMENT WHICH WILL KEEP ME TIED UP FROM 8:30 THROUGH NOON. OTHERWISE, I AM AT YOUR SERVICE. SO LET ME KNOW IF THERE IS ANYTHING MORE THAT YOU MAY NEED OR DESIRE REGARDING THIS BILL.

ADP/LSD

Sectional Analysis SB 111

Sec 1 Intent expand the use of teleconferencing under Administrative Procedures Act.

Sec 2 Allows state agencies to accept material presented by any form of communication (eg. by teleconference) at a public hearing for the purpose of adopting, amending or repealing a regulation

Sec 3 Allows the use of teleconferences at public agency meetings (including municipalities, boards and commissions, etc). Agencies are to establish reasonable ground rules, including those for submission of materials, suspension or rescheduling of meetings, assurance that all participants have an opportunity to hear everything transpiring at the meeting, and the opportunity to speak on any issue upon which oral testimony is accepted.

Sec 4 Sets out requirements for the content of public notices

Sec 5 States a policy that the use of teleconferences is for convenience and to provide broad input and dissemination of information.

Sec 6 Allows the use of teleconferences in administrative adjudications by mutual agreement of the parties

Sec 7 Allows a member of an agency to vote by teleconference in an administrative adjudication

Sec 8 Adds a new section under "general provisions" which allows teleconferencing under the Administrative Procedures Act so long as: 1) all statutory and constitutional rights of the parties are either waived or adequately protected, and 2) a teleconference is used for the entire time an issue is considered.

Also allow teleconferencing to establish quorums, receive public input and for voting.

Sec 9 Defines "teleconferencing" to mean information exchange by audio, video, or computerized electronic media.

P.O. Box 80662
Fairbanks, AK 99708

Senator Vic Fischer
Chairman
Senate State Affairs Committee
Pouch V
Juneau, AK 99811

Dear Senator Fischer:

I'd like to call a matter to your attention that might perhaps be solved by an amendment to SB 111 which relates to teleconferencing under the Administrative Procedure Act.

As you may or may not be aware, the University of Alaska, in responding to a suit by George A. Geistauts, is contending that the Board of Regents and only the Board of Regents is covered by AS 44.62.310--the open meetings statute. The question may or may not be resolved in the resolution of the law suit over Prof. Geistauts' tenure case. I think it can and should be resolved by the Legislature.

Other bodies operate within the University that should be covered by the open meetings law. Obvious examples are the various campus and statewide assemblies, the student government organizations and their various committees. Perhaps less obvious examples are the various administrative and executive councils where important decisions are made governing the local campuses and other operations of the university.

Among other contentions in his suit, Prof. Geistauts contends that the meeting of the Tenure Committee in his case should have been open to him under the statute. In response the university contends that the statute covers only the Board of Regents and its committees.

This situation could be clarified greatly with an amendment in SB 111 that would include the University of Alaska--and not just the board of regents--in the definition of agencies covered by the open meetings act.

I urge you and your committee to make such an amendment to SB 111 and work for its passage in the full Senate.

In advance, thank you very much for your consideration and assistance. If there are any further questions I can answer, please don't hesitate to contact me.

Sincerely yours,



Dean M. Gottehrer

SB 111

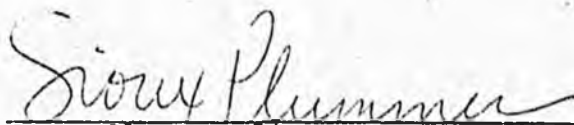
POSITION PAPER

The Division of Telecommunications Services, Department of Administration strongly supports the passage of SB 111, because it will clarify past and present ambiguities relating to the use of teleconferencing at public meetings. Specifically, it will clarify the legality regarding voting and quorum establishment.

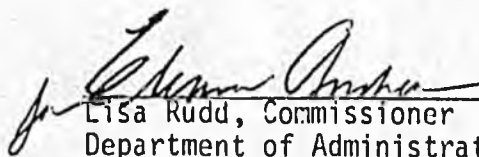
Teleconferencing has proven to be an effective communications medium when used to disseminate information or gather public opinion. Over the years many successful public hearing, staff meeting and training sessions have been held.

It is only when teleconferencing has been used for voting that questions regarding quorums and other legal requirements for meeting have arisen. Past users have dealt with these problems in one of three ways: 1) They have ignored the "gray areas" of the existing statutes and considered the meeting legal; 2) they discontinued the use of teleconferencing; or 3) they addressed the subject in their own ad hoc rules or bylaws.

The intent to legally clarify teleconferencing has no direct fiscal impact. However, it should be noted that if this legislation becomes law, there are potential fiscal side effects for all teleconference users. It may be assumed that by clearing up legal questions, teleconferenced meetings will become more popular and occur more frequently. This has the potential for reducing travel costs and for increasing equipment and telephone long distance costs. Equipment costs could be for purchase of various types of teleconference apparatus such as audio, video and computer equipment, as well as facsimile and photocopy machines. In the final analysis, the use of teleconferencing to replace most travel would save money for the State because it is cheaper to call than to travel.



Sioux Plummer, Director
Division of Telecommunications Services
Department of Administration



Lisa Rudd, Commissioner
Department of Administration

3/15/83

ALASKA STATE LEGISLATURE

SENATE STATE AFFAIRS COMMITTEE

SENATOR VIC FISCHER, CHAIRMAN

POUCH V, JUNEAU 99811

(907) 465-4954



March 15, 1983
3:00pm

Butrovich Room
Capitol Bldg.

Members Present

Senator Vic Fischer, Chair
Senator Pat Rodey
Senator Tim Kelly
Senator Arliss Sturgulewski

CSSB 27--Toll free telephone calls to state agencies

The committee discussed the committee substitute, a letter of intent and the fiscal note. The latter was delivered only minutes prior to the meeting. Several members questioned the congruence of the fiscal note with the CS and the letter of intent.

Ralph Walp of General Communications, Inc. spoke in favor of the bill and the letter of intent. He felt that the committee should consider enhancing toll-free service with a central information operator who would direct callers to the right agency. He also stressed the need to publicize the program.

The bill was held over.

SB 83--Court leave for non-permanent employees of the state.

Terry Cramer, Executive Director of the Blue Ribbon Commission on State Personnel explained that the bill allows statutory court leave for "non-permanent" employees who are not part of a bargaining unit covered by the collective bargaining agreement. All forms of leave, including court leave, are bargainable items. However no collective bargaining agreement currently covers this type of leave.

Mike McMullen, Deputy Director of Personnel explained certain technical drafting considerations. He also explained the difference between "non-permanent" and "temporary" employees. He stated that this bill would affect about 35-40 employees.

Senator Sturgulewski moved and asked unanimous consent to move the bill from committee with individual recommendations. There was no objection.

CSSB 111--Use of teleconferences under the Administrative Procedures Act.

David Dye, Aide to the committee explained the CS to the committee. Changes from the original bill were in the nature of clarification rather than changes in substance and had been suggested by a representative of the Department of Administration at the first hearing on the bill.

Senator Kelly moved and asked unanimous consent that the bill move from committee with individual recommendations. There was no objection.

Senator Fischer adjourned the meeting at 3:45pm.

by
David Dye
Committee Aide

ALASKA STATE LEGISLATURE

SENATE STATE AFFAIRS COMMITTEE

SENATOR VIC FISCHER, CHAIRMAN

POUCH V, JUNEAU 99811

(907) 465-4954



March 10, 1983
3:00pm

Butrovich Room
Capitol Bldg.

Members Present

Senator Vic Fischer, Chair
Senator Tim Kelly
Senator Bill Ray
Senator Arlis Sturgulewski

Senate Bill 106 -- Prison overcrowding

Roger Endell, Director, Division of Corrections spoke in favor of the bill. There are approximately 1700 prisoners in the state prison system but only about 1100 bed spaces. This is due to an increasing influx of felons. If present rates continue, the state will have to build a new 200 bed prison every year. This is very expensive.

Under this bill, prisoners who have 90 days or less to complete on a sentence for a non-violent crime would be automatically released when an overcrowding emergency was certified. Approximately 45 felons would be released.

Michael Stark, Assistant Attorney General for Corrections, joined Mr. Endell to testify. He stated that under this bill only misdemeanants with sentences longer than 45 days would be eligible for release.

Senator Ray was of the opinion that misdemeanants should be the first ones to be released since they had committed the least serious offenses. He also wanted to know how many prisoners were held for DWI. Mr. Endell stated that there were approximately 30-40 on any given day.

Mr. Endell said that several things could be done to help ease overcrowding. Persons convicted of low level crimes should not be placed in our most expensive bed spaces. He suggested initiating "community resource centers" which could provide several less restrictive alternatives to incarceration for certain classes of offenders. He described how Finland deals with drunk drivers. However, the real problem lies with the increasing number of felons. There is no way out of building new bedspace. There will be substantial increases in both operational and capital costs for corrections. The division expects a net gain of 24 prisoners per month for the foreseeable future.

Senator Ray was concerned that the public perception of this bill will be that the state is turning murderers and rapists loose on the public even though that would not be true in fact.

Senator Sturgulewski observed that the prison system would likely be in a continual state of emergency and that this legislation is actually a sentence shortening bill.

Senator Vic Fischer stated that the bill would be held over and asked Mr. Stark to work with committee staff to draft a committee substitute.

Senate Bill 116 -- Placing emergency guards in the Department of Public Safety in the exempt service

Terry Cramer, Executive Director of the Blue Ribbon Commission on State Personnel, proposed a committee substitute which would place emergency guards in the partially exempt service rather than the exempt service.

Frank Ray, Director of the Division of Personnel concurred with the committee substitute.

Senator Ray moved to adopt the committee substitute. There was no objection.

Senator Ray moved and asked unanimous consent to move the committee substitute from the committee with individual recommendations. There was no objection.

Senate Bill 111 -- Use of teleconferencing under the Administrative Procedures Act

Sioux Plummer, Director of the Division of Telecommunications spoke in support of the bill. The bill would probably save the state money in the long run. She suggested several minor changes relating to video and computer teleconferences.

Senator Vic Fischer stated that the bill would be held over pending incorporation of these changes in a committee substitute.

Senator Vic Fischer adjourned the meeting at 4:10pm.

by David D. [Signature]
Committee Aide

Sen SA Affairs

3-10-83

Sectional Analysis SB 111

Sec 1 Intent expand the use of teleconferencing under Administrative Procedures Act.

Sec 2 Allows state agencies to accept material presented by any form of communication (eg. by teleconference) at a public hearing for the purpose of adopting, amending or repealing a regulation

Sec 3 Allows the use of teleconferences at public agency meetings (including municipalities, boards and commissions, etc). Agencies are to establish reasonable ground rules, including those for submission of materials, suspension or rescheduling of meetings, assurance that all participants have an opportunity to hear everything transpiring at the meeting, and the opportunity to speak on any issue upon which oral testimony is accepted.

Sec 4 Sets out requirements for the content of public notices

Sec 5 States a policy that the use of teleconferences is for convenience and to provide broad input and dissemination of information.

Sec 6 Allows the use of teleconferences in administrative adjudications by mutual agreement of the parties

Sec 7 Allows a member of an agency to vote by teleconference in an administrative adjudication

Sec 8 Adds a new section under "general provisions" which allows teleconferencing under the Administrative Procedures Act so long as: 1) all statutory and constitutional rights of the parties are either waived or adequately protected, and 2) a teleconference is used for the entire time an issue is considered.

Also allow teleconferencing to establish quorums, receive public input and for voting.

Sec 9 Defines "teleconferencing" to mean information exchange by audio, video, or computerized electronic media.

S

B

1

1

5

1 IN THE SENATE

BY RODEY, KELLY, RAY,
STURGULEWSKI AND KERTTULA

2 SENATE BILL NO. 115

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 INDIVIDUAL RIGHTS OF PEACE OFFICERS."
7

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

9 * SECTION 1. AS 18.65 IS AMENDED BY ADDING NEW SECTIONS TO READ:

10 ARTICLE 7. INDIVIDUAL RIGHTS OF PEACE OFFICERS.

11 SEC. 18.65.530. INVESTIGATION OF CONDUCT OF PEACE OFFICER SUBJ
12 JECT TO CRIMINAL ACTION. IF A PEACE OFFICER IS UNDER INVESTIGATION
13 INSTITUTED BY THE PEACE OFFICER'S EMPLOYING AGENCY OR AS A RESULT OF A
14 COMPLAINT BEING FILED AGAINST THE PEACE OFFICER AND THE PEACE OFFICER
15 IS INTERROGATED OR INTERVIEWED BY THE EMPLOYING AGENCY FOR CONDUCT
16 THAT MAY SUBJECT THE PEACE OFFICER TO CRIMINAL ACTION, THE PEACE
17 OFFICER MAY EXERCISE ALL RIGHTS GRANTED THE ACCUSED UNDER LAW IN
18 ADDITION TO THE RIGHTS SPECIFIED IN AS 18.65.531.

19 SEC. 18.65.531. INVESTIGATION OF CONDUCT OF PEACE OFFICER SUBJ
20 JECT TO PUNITIVE ACTION. (A) IF A PEACE OFFICER IS UNDER INVESTIGATI
21 ON INSTITUTED BY THE PEACE OFFICER'S EMPLOYING AGENCY OR AS A RESULT
22 OF A COMPLAINT BEING FILED AGAINST THE PEACE OFFICER AND THE PEACE
23 OFFICER IS INTERROGATED OR INTERVIEWED BY THE EMPLOYING AGENCY FOR
24 CONDUCT THAT MAY SUBJECT THE PEACE OFFICER TO PUNITIVE ACTION,

25 (1) BEFORE AN INTERROGATION OR INTERVIEW IS COMMENCED THE
26 PEACE OFFICER SHALL BE PROVIDED WITH A FORMAL WRITTEN COMPLAINT CONT
27 TAINING ALL ESSENTIAL ALLEGATIONS AND SIGNED BY THE COMPLAINANT OR
28 SHALL BE INFORMED OF THE NATURE OF THE INVESTIGATION IF INSTITUTED BY

1 THIS SECTION;

2 (2) THE PEACE OFFICER IS ENTITLED TO SELECT AND HAVE PREO
3 SENT AT EACH STAGE OF THE INVESTIGATION A WITNESS OR OTHER PERSON THAT
4 MAY PARTICIPATE ON BEHALF OF THE PEACE OFFICER, *Does this not. supervision - } civil or crim*
holly: it was reviewed

5 (3) THE INTERROGATION OR INTERVIEW SHALL BE CONDUCTED WHILE
6 THE EMPLOYEE IS ON DUTY OR AT A REASONABLE HOUR UNLESS THE SERIOUSNESS
7 OF THE INVESTIGATION REQUIRES OTHERWISE, AND SHALL BE FOR A REASONABLE
8 PERIOD OF TIME WITH OPPORTUNITY FOR THE PEACE OFFICER TO ATTEND TO
9 BODY FUNCTIONS AS NECESSARY; *(CF AST. CONT. NO MORE THAN 4 HRS IN*
1/2 hr on / 1/2 hr off)

10 (4) THE PEACE OFFICER SHALL BE COMPENSATED AT THE REGULAR
11 RATE OF PAY FOR TIME SPENT IN AN INTERROGATION OR INTERVIEW WHILE THE
12 PEACE OFFICER IS NOT ON DUTY; *read by fed state wage (in 60s.*

13 (5) THE PEACE OFFICER MAY NOT BE SUBJECTED TO OFFENSIVE OR
14 THREATENING LANGUAGE OR PROMISES OF REWARD FOR COOPERATING | BUT SHALL
15 BE INFORMED THAT FAILURE TO ANSWER QUESTIONS RELEVANT TO THE INVESTIG
16 GATION OR COMPLAINT CAN RESULT IN PUNITIVE ACTION UNLESS THE PEACE
17 OFFICER'S ALLEGED CONDUCT WOULD BE CRIMINAL, IN WHICH CASE THE PEACE
18 OFFICER MAY EXERCISE THE RIGHT TO REMAIN SILENT; *(which express of the*
FD says that they
went bring crim. action

19 (6) THE PEACE OFFICER AND EMPLOYING AGENCY MAY TAPE RECORD
20 THE INTERROGATION OR INTERVIEW AFTER ADVISING THAT A RECORDING WILL BE
21 MADE AND EACH SHALL HAVE ACCESS TO THE OTHER'S TAPE RECORDING, IF ANY
22 IS MADE;

23 (7) THE PEACE OFFICER IS ENTITLED TO A TRANSCRIPT OF ANY
24 NOTES MADE BY A STENOGRAPHER OR TO A COPY OF ANY REPORT MADE BY AN
25 INVESTIGATOR OR OTHER PERSON RELEVANT TO THE COMPLAINT OR INVESTIGAT

27 NEL FILE, EXCEPT FOR CONFIDENTIAL INFORMATION;

what are charges ultimately pursued -

28 (8) INFORMATION THAT IS ADVERSE TO THE PEACE OFFICER OR
29 OTHERWISE CONSIDERED BY THE EMPLOYING AGENCY TO BE CONFIDENTIAL MAY

SB 115

-2-

*-removed from pers. file but kept in internal
affairs -
HP-CADIT we used for add'l discipline.*

1 NOT BE ENTERED IN THE PEACE OFFICER'S PERSONNEL FILE UNLESS THE PEACE
2 OFFICER IS FIRST GIVEN A COPY OF THAT INFORMATION AND ^{given the} ~~SIGNS THE FILE~~
3 ~~COPY OR NOTES ON THE FILE COPY THAT A RESPONSE WILL BE FILED;~~ OPPORTUNITY TO FILE A STATEMENT. IF THE
4 RESPONSE IS FILED BY THE PEACE OFFICER WITHIN 30 DAYS THE EMPLOYING
5 AGENCY SHALL ATTACH THE RESPONSE TO THE ADVERSE OR CONFIDENTIAL INFORO
6 MATION AND PROMPTLY REMOVE ALL PERTINENT INFORMATION UPON DETERMINING
7 THAT THE ALLEGATIONS ARE UNFOUNDED;

8 (9) THE PEACE OFFICER MAY NOT BE COMPELLED TO SUBMIT TO A
9 POLYGRAPH EXAMINATION AND THE EXERCISE OF THAT RIGHT MAY NOT BE USED
10 IN ANY WAY TO DISADVANTAGE THE PEACE OFFICER, INCLUDING BUT NOT LIMITO
11 ED TO THE USE OF THAT FACT IN A PROCEEDING INVOLVING THE PEACE OFFICER
12 OR NOTATION OF THAT FACT IN A PERSONNEL FILE; -

13 (10) SUBJECT TO RULES OF DISCOVERY OF EVIDENCE, THE PEACE
14 OFFICER MAY REFUSE TO DISCLOSE PERSONAL INFORMATION, INCLUDING BUT NOT
15 LIMITED TO PROPERTY POSSESSED, SOURCES AND AMOUNTS OF INCOME, DEBTS,
16 AND PERSONAL OR DOMESTIC EXPENDITURES; NOTHING IN THIS SECTION PROG
17 HIBITS INQUIRY BY THE ENPL YING AGENCY AS TO MATTERS REPRESENTING
18 POSSIBLE CONFLICTS OF INTEREST WITH RESPECT TO THE PERFORMANCE OF THE
19 PEACE OFFICER'S OFFICIAL DUTIES; *(HIGHLIGHTING)*

20 (11) THE PEACE OFFICER MAY EXERCISE THE RIGHT AGAINST UNLAWO
21 FUL SEARCH AND SEIZURE WITH RESPECT TO THE PEACE OFFICER'S LOCKER OR

24 TAKEN AGAINST A PEACE OFFICER BY THE EMPLOYING AGENCY THAT MAY LEAD TO
25 DISMISSAL, DEMOTION, SUSPENSION, WRITTEN REPRIMAND, OR TRANSFER IN
26 WORK ASSIGNMENTS FOR PURPOSES OF PUNISHING CONDUCT OF THE PEACE OFFICER.
27 CER.

28 SEC. 18.65.532. INVESTIGATION OF CONDUCT OF PEACE OFFICER SUBJ
29 JECT TO DISCIPLINARY ACTION. (A) IF A PEACE OFFICER IS UNDER

1 INVESTIGATION INSTITUTED BY THE PEACE OFFICER'S EMPLOYING AGENCY OR AS
2 A RESULT OF A COMPLAINT BEING FILED AGAINST THE PEACE OFFICER AND THE
3 PEACE OFFICER IS INTERROGATED OR INTERVIEWED BY THE EMPLOYING AGENCY
4 FOR CONDUCT THAT MAY SUBJECT THE PEACE OFFICER TO DISCIPLINARY ACTION,

5 (1) THE PEACE OFFICER MAY EXERCISE THE RIGHTS SPECIFIED IN
6 AS 18.65.531;

7 (2) THE EMPLOYING AGENCY SHALL WITHIN ONE YEAR REMOVE FROM
8 THE PEACE OFFICER'S PERSONNEL FILE ALL MATTERS PERTAINING TO THE
9 DISCIPLINARY PROCEEDING;

10 (3) THE PEACE OFFICER IS PRESUMED TO BE INNOCENT UNLESS
11 PROVEN OTHERWISE.

12 (B) AS USED IN THIS SECTION "DISCIPLINARY ACTION" MEANS ANY
13 ACTION TAKEN AGAINST A PEACE OFFICER BY THE EMPLOYING AGENCY THAT MAY
14 AFFECT THE PEACE OFFICER'S INTEGRITY AS A PEACE OFFICER, WORKING
15 CONDITIONS, WORK SCHEDULE, OR SALARY FOR PURPOSES OF PUNISHING CONDUCT
16 OF THE PEACE OFFICER, BUT DOES NOT INCLUDE MINOR INFRACTIONS SUCH AS
17 UNIFORM VIOLATIONS OR GROOMING AND DRESS STANDARDS THAT MERIT SPONTANEOUS
18 ADMONISHMENT.

20 JECT TO CIVIL LIABILITY. IF A PEACE OFFICER IS UNDER INVESTIGATION
21 INSTITUTED BY THE PEACE OFFICER'S EMPLOYING AGENCY OR AS A RESULT OF A
22 COMPLAINT BEING FILED AGAINST THE PEACE OFFICER AND THE PEACE OFFICER
23 IS INTERROGATED OR INTERVIEWED BY THE EMPLOYING AGENCY FOR CONDUCT
24 THAT MAY SUBJECT THE PEACE OFFICER TO CIVIL LIABILITY;

25 (1) THE PEACE OFFICER MAY EXERCISE THE RIGHTS SPECIFIED IN
26 ~~AS~~ 18.65.531; *Q-civil damages?*

27 (2) THE PEACE OFFICER MAY, AT THE PEACE OFFICER'S EXPENSE,
28 HAVE AN ATTORNEY PRESENT AT ALL STEPS OF THE INVESTIGATION.

29 SEC. 18.65.534. REPRISALS AGAINST PEACE OFFICER FOR EXERCISE OF

SB 115

-4-

1 RIGHTS. A PEACE OFFICER MAY NOT BE SUBJECTED TO ANY REPRISALS OR IN
2 ANY WAY BE DISADVANTAGED FOR EXERCISING THE RIGHTS SET OUT IN AS 18.0
3 65.530[- 18.65.533, INCLUDING BUT NOT LIMITED TO THE USE OF THE EXD
4 ERCISE OF THOSE RIGHTS

5 (1) AS EVIDENCE IN ANY PROCEEDING INVOLVING THE PEACE
6 OFFICER; OR

7 (2) AS JUSTIFICATION FOR ALTERING THE PEACE OFFICER'S WORK
8 SCHEDULE, WAGES, OR WORKING CONDITIONS.

9 * SEC. 2. AS 23.10.037(B) IS AMENDED TO READ:

10 (B) THE PROVISIONS OF (A) OF THIS SECTION DO NOT APPLY TO THE
11 STATE OR A POLITICAL SUBDIVISION OF THE STATE WHEN DEALING WITH
12 ~~PO~~ POLICEMEN IN ITS EMPLOY *delete* ~~OR WITH PERSONS APPLYING TO BE EMPLOYED AS~~
13 ~~PO~~ POLICEMEN.

April 5-1983

Written Testimony

To. Sen Fischer

Chairman:

Police Officer Bill ?

Back in 1959 or 1960 in Juneau
as a citizen living in Juneau
the Juneau Police Dept had
forms to fill out on any complaints
of their Police Officers,

I signed two complaints with
them charging two officers
with (Conduct unbecoming a
police officer)

These were two different charges
2 week apart.

Results:

1- The two officers resigned
immediately,

2- Comments:

The Juneau Police Officers never,
I repeat never harassed me in
anyway.

Yours
Fred A Lund
Box 122
Haines AK
99827

STATE OF ALASKA
PRELIMINARY STATEMENT OF FISCAL IMPACT

Bill No: SB 115 Date on Bill: 2-23-83
 Title: An Act relating to individual rights of peace officers
 Sponsor: Rodey
 Requestor: SENATE STATE AFFAIRS

1. Estimated fiscal impacts on:

a. Expenditures:

(Thousands of Dollars)

	FY 83	FY 84	FY 85	FY 86
Capital				
Operating				
Total	-0-	-0-	-0-	-0-

b. Revenues:

Revenue				
---------	--	--	--	--

2. Source of funds to offset fiscal impact of bill:

Source of funds not identified by sponsor

3. Assumptions:

No fiscal impact

4. Disclaimer:

This statement has not been reviewed by the OMB in the Office of the Governor. It therefore does not represent the final estimate of fiscal impact.

Prepared By: Francis C. Allan Phone: 269-5691
 Division: Alaska State Troopers Date: 2-23-83
 Approved by Commissioner: [Signature] Date: 3/1/83
 Department: Public Safety

5. Distribution:

- Original to Legislative Finance
- Copy to OMB
- Copy to Sponsor
- Copy to Requestor

2/15/83

COMMITTEE REPORT

SENATE

2/9/83

FURTHER: Judiciary

Date:

5-10-83

Mr. President:

The Committee on State Affairs has had SB 115

An Act relating to individual rights of peace officers.

under consideration and (a majority of the committee) (the committee) reports it back with the following recommendations:

do pass do not pass

do pass with attached amendments(s)

replace with CS for SB 115 same title new title

and recommends _____

AND attaches a "Letter of Intent" New Fiscal Note

reports it back without recommendation

referred to the _____ Committee

MEMBERS SIGNING
DO PASS

MEMBERS HAVING
OTHER RECOMMENDATIONS:

Kelly - Do Not Pass at this time.
Bill Ray DO NOT PASS

V. Fisher - no rec

CHAIRMAN

ROCKY
BY BUSSELL, LISKA, BARNES
SZYMANSKI AND LINDAUER

1 IN THE HOUSE

SENATE BILL NO. 115
~~HOUSE BILL NO. 200~~

2

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 individual rights of peace offi-

7

cers."

8

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

9

* Section 1. AS 18.65 is amended by adding new sections to read:

10

ARTICLE 7. INDIVIDUAL RIGHTS OF PEACE OFFICERS.

11

Sec. 18.65.530. INVESTIGATION OF CONDUCT OF PEACE OFFICER SUB-

12

JECT TO CRIMINAL ACTION. If a peace officer is under investigation

13

~~instituted by the peace officer's employing agency or as a result of a~~

14

~~complaint being filed against the peace officer and the peace officer~~

15

~~is interrogated or interviewed by the employing agency for conduct~~

16

that may subject the peace officer to criminal action, the peace

17

officer may exercise all rights ^{TO ANY OTHER CITIZEN} granted ~~the accused~~ ^{THE} under ^A law, in

18

~~addition to the rights specified in AS 18.65.531.~~

19

Sec. 18.65.531. INVESTIGATION OF CONDUCT OF PEACE OFFICER SUB-

20

JECT TO PUNITIVE ACTION. (a) If a peace officer is under investiga-

21

tion instituted by the peace officer's employing agency or as a result

22

of a complaint being filed against the peace officer and the peace

23

officer is interrogated or interviewed by the employing agency for

24

conduct that may subject the peace officer to punitive action,

25

(1) before an interrogation or interview is commenced the

26

peace officer ~~shall be provided with a formal written complaint con-~~

27

~~taining all essential allegations and signed by the complainant or~~

28

shall be informed of the nature of the investigation if ~~instituted by~~

29

~~the employing agency~~ and advised concerning the rights specified in

*Levin,
As we discussed -
fincher HP*

1 this section;

2 (2) the peace officer is entitled to select and have pre-
3 sent ^{at each interview} ~~at each stage of the investigation~~ a witness, ^{INCLUDING AN ATTORNEY, WHO} or other person that
4 may participate on behalf of the peace officer;

5 (3) the interrogation or interview shall be conducted while
6 the employee is on duty or at a reasonable hour unless the seriousness
7 of the investigation requires otherwise, and shall be for a reasonable
8 period of time with opportunity for the peace officer to attend to
9 body functions as necessary;

10 (4) the peace officer shall be compensated at the regular
11 rate of pay for time spent in an interrogation or interview while the
12 peace officer is not on duty;

13 (5) ~~the peace officer may not be subjected to offensive or~~
14 ~~threatening language or promises of reward for cooperating but shall~~
15 ~~be informed that failure to answer questions~~ ^{OR PROVIDE INFORMATION} relevant to the investi-
16 gation or complaint can result in punitive action unless the peace
17 officer's ^{ANSWER WOULD TEND TO INCRIMINATE HIM,} ~~alleged conduct would be criminal~~, in which case the peace
18 officer may exercise the right to remain silent;

19 (6) the peace officer and employing agency may tape record
20 the interrogation or interview after advising that a recording will be
21 made and each shall have access to the other's tape recording, if any
22 is made;

23 (7) the peace officer is entitled to a transcript of any
24 notes made by a stenographer ^{of the interrogation or interview} or ~~to a copy of any report made by an~~
25 ~~investigator or other person relevant to the complaint or investiga-~~
26 ~~tion, as well as any other information in the peace officer's person-~~
27 ~~nel file, except for confidential information;~~

28 (8) information that is adverse to the peace officer or
29 otherwise considered by the employing agency to be confidential may

(12) THE PEACE OFFICER IS TO BE PRESUMED INNOCENT UNLESS PROVEN OTHERWISE.

1 not be entered in the peace officer's personnel file unless the peace
2 officer is first given a copy of that information ^{and an opportunity to file} and signs the file
3 ^{a response within 30 days which shall be attached} ~~copy or notes on the file copy that a response will be filed; if the~~
4 ~~response is filed by the peace officer within 30 days the employing~~
5 ~~agency shall attach the response to the adverse or confidential infor-~~
6 ~~mation and promptly remove all pertinent information upon determining~~
7 ~~that the allegations are unfounded;~~

8 (9) the peace officer may not be compelled to submit to a
9 polygraph examination and the exercise of that right may not be used
10 in any way to disadvantage the peace officer, including but not limit-
11 ed to the use of that fact in a proceeding involving the peace officer
12 or notation of that fact in a personnel file;

13 (10) subject to rules of discovery of evidence, the peace
14 officer may refuse to disclose personal information, including but not
15 limited to property possessed, sources and amounts of income, debts,
16 and personal or domestic expenditures; ~~nothing in this section pro-~~
17 ~~hibits inquiry by the employing agency as to matters representing~~
18 possible conflicts of interest with respect to the performance of the
19 peace officer's official duties;

20 (11) the peace officer may exercise the right against unlaw-
21 ful search and seizure with respect to the peace officer's locker or
22 other space assigned to the peace officer by the employing agency.

23 (b) As used in this section, "punitive action" means any action
24 taken against a peace officer by the employing agency that may lead to
25 dismissal, demotion, suspension, written reprimand, or transfer in
26 work assignments for purposes of ^{PUNISHMENT, OR THAT MAY AFFECT THE} ~~punishing conduct of the peace offi-~~
27 ~~cer.~~ ^{PEACE OFFICER'S INTEGRITY AS A PEACE OFFICER, BUT DOES NOT}
28 ^{INCLUDE SPONTANEOUS ADMONISHMENT FOR MINOR INFRACTIONS,} ~~See 18.65.532. INVESTIGATION OF CONDUCT OF PEACE OFFICER, SUB-~~
29 ~~JECT TO DISCIPLINARY ACTION. (a) If a peace officer is under~~

1 ~~investigation instituted by the peace officer's employing agency or as~~
2 a result of a complaint being filed against the peace officer and the
3 peace officer is interrogated or interviewed by the employing agency
4 for conduct that may subject the peace officer to disciplinary action,

5 (1) the peace officer may exercise the rights specified in
6 AS 18.65.531;

7 (2) the employing agency shall within one year remove from
8 the peace officer's personnel file all matters pertaining to the
9 disciplinary proceeding;

10 (3) the peace officer is presumed to be innocent unless
11 proven otherwise.

12 (b) As used in this section "disciplinary action" means any
13 action taken against a peace officer by the employing agency that may
14 affect the peace officer's integrity as a peace officer, working
15 conditions, work schedule, or salary for purposes of punishing conduct
16 of the peace officer, but does not include minor infractions such as
17 uniform violations or grooming and dress standards that merit sponta-
18 neous admonishment.

19 Sec. 18.65.533. INVESTIGATION OF CONDUCT OF PEACE OFFICER SUB-
20 JECT TO CIVIL LIABILITY. If a peace officer is under investigation
21 instituted by the peace officer's employing agency or as a result of a
22 complaint being filed against the peace officer and the peace officer
23 is interrogated or interviewed by the employing agency for conduct
24 that may subject the peace officer to civil liability;

25 (1) the peace officer may exercise the rights specified in
26 AS 18.65.531;

27 (2) the peace officer may, at the peace officer's expense,
28 ~~have an attorney present at all steps of the investigation.~~

29 Sec. 18.65.534. REPRISALS AGAINST PEACE OFFICER FOR EXERCISE OF

1 RIGHTS. A peace officer may not be subjected to any reprisals or in
2 any way be disadvantaged for exercising the rights set out in AS 18.-
3 65.530 - 18.65.533, including but not limited to the use of the ex-
4 ercise of those rights

5 (1) as evidence in any proceeding involving the peace
6 officer; or

7 (2) as justification for altering the peace officer's work
8 schedule, wages, or working conditions.

9 * Sec. 2. AS 23.10.037(b) is amended to read:

10 (b) The provisions of (a) of this section do not apply to the
11 state or a political subdivision of the state when dealing with
12 [POLICEMEN IN ITS EMPLOY OR WITH] persons applying to be employed as
13 policemen.

Sec. 18.65.534. DEFINITIONS. AS USED IN
AS 18.65.530 - 533,

(1) "PEACE OFFICER" HAS THE MEANING ASCRIBED
TO IT IN AS 18.65.290(b), BUT DOES NOT INCLUDE
THE COMMISSIONER OF PUBLIC SAFETY, ANY DEPUTY
COMMISSIONERS OF PUBLIC SAFETY, THE DIRECTOR OF
THE DIVISION OF HERMIT STATE TROOPERS AND ANY
POLICE CHIEF OF A LOCAL LAW ENFORCEMENT AGENCY.

4/19/83

STATE AFFAIRS COMMITTEE MEMBERS

RE: SB 115

PLEASE NOTE THAT THIS FILE DOES NOT CONTAIN THE MINUTES
OF THE LAST MEETING ON THIS BILL.
THE SENATE RECORDS OFFICE IS FAR BEHIND ON PRODUCING THESE
MINUTES, AND THE INFORMATION THEY HAVE IS TOO ROUGH TO BE
OF MUCH UTILITY.

DAVID DYE

4/19 11.45A

VICTOR/DAVID

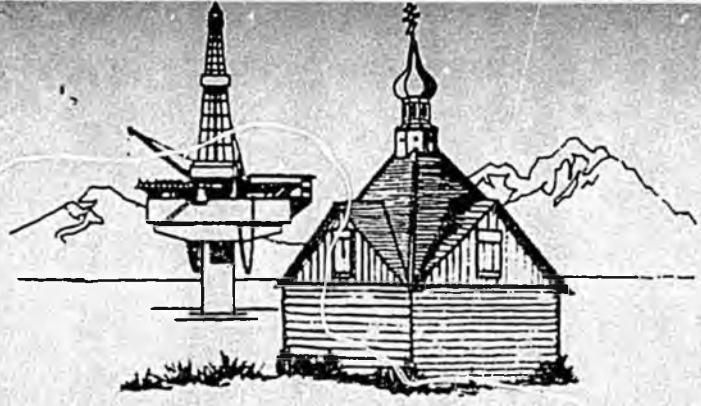
HOLLY PLOOG JUST CALLED. SHE SAYS THAT SHE'S WELL
SATISFIED WITH THE RE-WRITE OF SB115 AND ASKES
IF WE'LL SCHEDULE IT FOR A HEARING.

MAY 3 IS THE BEST POSSIBLE DATE FOR HER.

I DON'T SEE ANY REASON WHY WE SHOULDN'T HOLD A HEARING
ON IT THAT DATE. I'LL PHONE UP THE OPPOSITION AND GIVE
THEM PLENTY OF NOTICE. YOU MIGHT WANT TO CHECK W/ RODEY,
THOUGH.

LEWIS

55115



CITY OF KENAI

"Oil Capital of Alaska"

P. O. BOX 580 KENAI, ALASKA 99611
TELEPHONE 283 - 7535

February 22, 1983

Kenai Police Department
P. O. Box 3173
Kenai, Alaska 99611

The Honorable Vic Fischer
ALASKA STATE SENATE
Pouch V
Juneau, Alaska 99811

Dear Mr. Fischer:

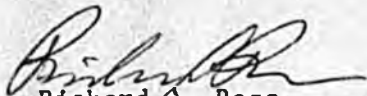
This letter is submitted to request that you oppose the enactment of Senate Bill 115. This Bill should not be enacted into law for the following reasons:

1. Proposed Sec. 18.65.530: Peace officers presently have all rights of any other citizen when accused under law in a criminal action.
2. Proposed Sec. 18.65.531-33: Most of the legislation in these sections is, or should be dealt with through municipal personnel ordinances. Enactment of a special State Law that supercedes Municipal Ordinances for one class of employee, peace officers, would appear unnecessary, and even divisive to each municipalities personnel system.
3. Proposed Sec. 18.65.531(9): In the matter of Polygraph examinations the police officer is presently treated substantially different than other citizens as a matter of law. Is it not justifiable through that in this one area that the greater benefit of society is placed ahead of the individual rights of the officer? This in view of the responsibilities and authorities of a police officer, and the importance of credibility in the law enforcement function.
4. Proposed Sec. 18.65.531(11): In contrast, this section provides a "right" that is beyond that provided to any other governmental worker or worker in private industry. Patrol cars, desks, and other assigned "spaces" would no longer be the property of the agency, for purposes of compliance inspections and review on which administrative actions could be taken, but would become the protected private space of the employee.

This Bill attempts to address a problem that may exist primarily in rumor and conjecture. If in fact it is a reaction to specific incidents, it is submitted they have been isolated and should not be the subject of Statutory over kill. On the

other hand, Statutory enactment of some of the "rights" could be counterproductive to law enforcement in the State of Alaska. In extreme applications it could prevent effective handling of occasional police misconduct. This would eventually erode public confidence in law enforcement in our State.

Respectfully,



Richard A. Ross
Chief of Police
Kenai Police Department

RAR/ga

3

Holly

representative - ~~part~~ at interviews
stage.

vic - P² L² - PARTICIPATE.

BRIAN POTTER

* → what AIC police officers ASSOC

Things not in the contract -

polygraph.
PIL 25 - complaint - counterproductive
All reports - WAD deal

#10A3113 - Rules of discovery -
locker not in contract.

Personnel file. Just had a
ruling - discard of evidence. Vic
request case.

RICK POTTER:

opposed to compelled use of
polygraph.

Chief Bernardino -

budget prob.
Attorney's reviewed -

Jean Krause -

DEA - AIC supports. money
shouldn't determine rights. written
statement.

Get statement from public safety

Carillo

Rep S.E. chiefs -
531(a)(2) - witness - what about
excuse

A-11, locker or office search,
inquest.

Polygraph

perjury from file -

written statement.

11001 police only.

John Stotko - Sgt Arch PD -

Ridgway Ross - Kenji chief -
city & union at present.

Ed Martin - Kodiak -

- complaint problem is
unreasonable - "rigged" is chilling.

- formal advice is awkward

Ghermany case is compelling

- when does ~~anyone~~ TAKE office

- source of other income - should
be OK TO ASK.

- transfer as a punitive action.

- RECORDS.

- written notice -

- only want written copy of written cit. compl, or just oral statements

NO prosecutors for crimes in AOC P.D.

Skelly v. Or. Pers Bd.
Amette v. Kennedy (74)

(72) 539 P2 774
416 US 134

P 9/6
#9

does not apply to pre-employed exams.

Polysyll -

- no criteria for who to take
- ~~personnel~~ not issued -
- not examiners (most in AOC) competent but not highly experienced - (12-14 yrs exp) need 3-5 yrs 300-500 exam to pt of reliability. Application of training is selective.
- P has more credibility in other places - where licensed poly examiners
- some people do pre-employment tests & not believed in that situation

no problem w/ pre-employment
tests.

WITNESSES

- Chiefs of Police
- AND -
- APEA - correctional
- Red Henderson
Palmer Chief
- now new F&W -

CORRECTION

CORRECTION

no problem w/ pre-employment
tests.

WITNESSES

Chiefs of Police
AND -
APEA - correctional
Red Hertzogson
Palmer Chief
- now new F&W -



NEA - ALASKA

AFFILIATED WITH THE NATIONAL EDUCATION ASSOCIATION

Jean Krause, President

JUNEAU OFFICE
147 S. FRANKLIN, #207
JUNEAU, ALASKA 99801
PHONE: (907) 586-3090

ANCHORAGE REGIONAL OFFICE
1411 WEST 33rd
ANCHORAGE, ALASKA 99503
PHONE: (907) 274 0536

FAIRBANKS REGIONAL OFFICE
825 COLLEGE ROAD
FAIRBANKS, ALASKA 99701
PHONE (907) 456 4435

Don Oberg
Past President
Box 1084
Natal, Alaska 99611

Gayle Pierce
President Elect
54 Box 51377
Fairbanks, Alaska 99701

Bill Potter
NEA State Director
177 Behrends Avenue
Juneau, Alaska 99801

Bob McGregor
Region I Director
Box 1043
Sitka, Alaska 99835

Noreen Cooks
Region I Director
9450 Berners
Juneau, Alaska 99801

Graham Ward
Region II Director
Box 23
Glennallen, Alaska 99588

Frank Parker
Region III Director
Box 2533
Kodiak, Alaska 99615

Jean Robb
Region IV Director
Box 103
Kolzebue, Alaska 99752

Ray Virgin
Region IV Director
Russian Mission, Alaska 99057

Gayle Harbo
Region V Director
Box 80522
Fairbanks, Alaska 99701

Pat Abney
Region VI Director
Box 481 SRA
Anchorage, Alaska 99507

Lee Wilson
Region VI Director
8410 Pioneer Drive
Anchorage, Alaska 99504

Lori Sears
Region VI Director
SRA Box 3110
Anchorage, Alaska 99511

Peg Stout
Region VI Director
6208 E. 34th Avenue
Anchorage, Alaska 99504

Frank Holmes
Director at Large
Box 103
Haines, Alaska 99827

March 31, 1983

Senate State Affairs Committee
Vic Fischer, Chair
Pouch V
Juneau, Alaska 99811

MEMORANDUM OF SUPPORT

Dear Members of the Senate State Affairs Committee:

The NEA-Alaska Board of Directors has taken a position in support of SB 115 "An Act relating to individual rights of peace officers." We took this position because we believe that all workers, including public employees, should be guaranteed due process rights in investigation, and interrogation procedures and in determination of changes in status related to the performance of duties. In extending this guarantee to peace officers this bill is consistent with the philosophy that helped shape this country - that we have the right to respond to those accusations, that we are innocent until proven guilty, that lawful, written procedures should replace the whims of powerfully placed individuals. Peace officers, sworn to uphold the law and promote public order should enjoy an orderly process, complete with rights protections, in questions related to their jobs.

We urge your support for Senate Bill 115.

Respectfully submitted:

Jean Krause
Jean Krause
President
JK:jc



Alaska State Legislature

SENATOR BETTYE FAHRENKAMP
CHAIRMAN RESOURCES COMMITTEE

401E EVERGREEN
FAIREANKS ALASKA 99701
907-475-3550



Senate

WHILE IN JUNEAU
POUCH V
JUNEAU, ALASKA 99811
OFFICE 907-465-3763
RESOURCES COMMITTEE
907-465-3834
HOME 907-789-9182

March 8, 1983

Mr. Richard A. Ross
Chief of Police
Kenai Police Department
P.O. Box 580
Kenai, Alaska 99611

Dear Richard:

Thank you for your letter stating your concerns regarding ~~SB 115~~. This bill is presently in the State Affairs Committee and I am taking the liberty of forwarding a copy of your letter on to them.

I know your comments will be of interest as the committee is in the process of trying to get this legislation in a form that will be acceptable to those that are in favor of the legislation as well as those opposed. To date it has not been scheduled for hearing.

Thanks again for writing and sending your concerns along.

Sincerely,

Bettye Fahrenkamp
Alaska State Senator

BF/ab

✓ cc: Senate State Affairs Committee w/encl.



FEB 28 1983

AM LOOKING
CITY OF KENAI
"Oil Capital of Alaska"

P. O. BOX 580 KENAI, ALASKA 99611
TELEPHONE 283 - 7535

February 22, 1983

Kenai Police Department
P. O. Box 3173
Kenai, Alaska 99611

The Honorable Bettye Fahrenkamp
ALASKA STATE SENATE
Pouch V
Juneau, Alaska 99811

Dear Ms. Fahrenkamp:

This letter is submitted to request that you oppose the enactment of Senate Bill 115. This Bill should not be enacted into law for the following reasons:

1. Proposed Sec. 18.65.530: Peace officers presently have all rights of any other citizen when accused under law in a criminal action.
2. Proposed Sec. 18.65.531-33: Most of the legislation in these sections is, or should be dealt with through municipal personnel ordinances. Enactment of a special State Law that supercedes Municipal Ordinances for one class of employee, peace officers, would appear unnecessary, and even divisive to each municipalities personnel system.
3. Proposed Sec. 18.65.531(9): In the matter of Polygraph examinations the police officer is presently treated substantially different than other citizens as a matter of law. Is it not justifiable through that in this one area that the greater benefit of society is placed ahead of the individual rights of the officer? This in view of the responsibilities and authorities of a police officer, and the importance of credibility in the law enforcement function.
4. Proposed Sec. 18.65.531(11): In contrast, this section provides a "right" that is beyond that provided to any other governmental worker or worker in private industry. Patrol cars, desks, and other assigned "space" would no longer be the property of the agency, for purposes of compliance inspections and review on which administrative actions could be taken, but would become the protected private space of the employee.

This Bill attempts to address a problem that may exist primarily in rumor and conjecture. If in fact it is a reaction to specific incidents, it is submitted they have been isolated and should not be the subject of Statutory over kill. On the