

HOUSE BILL NO. 248

IN THE LEGISLATURE OF THE STATE OF ALASKA
THIRTY-SECOND LEGISLATURE - SECOND SESSION

BY REPRESENTATIVE SHAW

Introduced: 1/7/22
Referred: Prefiled

A BILL

FOR AN ACT ENTITLED

1 **"An Act relating to reemployment of peace officers who retired under the Public**
2 **Employees' Retirement System of Alaska."**

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

4 *** Section 1.** AS 39.35 is amended by adding a new section to read:

5 **Sec. 39.35.145. Reemployment of peace officer.** (a) Subject to (b) - (d) of this
6 section, an employer may reemploy as a peace officer a member who is retired from
7 employment as a peace officer under AS 39.35.095 - 39.35.680.

8 (b) A member who is retired under AS 39.35.095 - 39.35.680 may not be
9 reemployed under (a) of this section unless the member

10 (1) certifies that the member and the employer did not arrange before
11 the member retired from the employer for the member to be reemployed by the
12 employer after the member retired; and

13 (2) has been retired for at least

14 (A) 60 days if the member is at least 62 years of age; or

1 (B) six months if the member is less than 62 years of age.

2 (c) Before reemploying a retired member under (a) of this section to fill a
3 position, an employer shall

4 (1) adopt a policy that describes the circumstances of a shortage or
5 anticipated shortage of applicants, other than retired members, who are qualified for
6 particular positions and permits rehiring that complies with the requirements of this
7 section; and

8 (2) publicly advertise the position for 10 business days and actively
9 recruit to fill the position by hiring a person other than a member who is retired.

10 (d) A contract for reemployment under (a) of this section may not exceed 12
11 consecutive months.

12 (e) An employer that reemploys a member under this section who is retired
13 under AS 39.35.095 - 39.35.680 is required to

14 (1) provide the administrator with

15 (A) a copy of the policy adopted under (c) of this section; and

16 (B) for every retired member who is rehired, a report
17 identifying the member by name and describing the

18 (i) circumstances of the shortage that necessitated the
19 rehire; and

20 (ii) actions taken by the employer to comply with the
21 policy adopted under (c) of this section and the requirements of this
22 section; and

23 (2) make contributions under AS 39.35.255.

24 (f) Notwithstanding AS 39.35.370(g) and (h), this section applies only to a
25 retired member who, while an active member, had been employed as a peace officer.

26 (g) In this section, "peace officer" means an employee occupying a position as
27 a peace officer, chief of police, or regional public safety officer, but does not include a
28 village public safety officer employed by a village public safety officer program
29 established under AS 18.65.670.

30 * **Sec. 2.** AS 39.35.150(a) is amended to read:

31 (a) **Except as provided in (i) of this section, if** [IF] a retired employee

1 subsequently becomes an active member, benefit payments may not be made during
 2 the period of re-employment. During the period of re-employment, deductions from
 3 the employee's salary shall be made in accordance with AS 39.35.160. Upon
 4 subsequent retirement, the retired employee is entitled to receive an additional pension
 5 based on the credited service and the average monthly compensation earned during the
 6 period of re-employment in accordance with AS 39.35.370.

7 * **Sec. 3.** AS 39.35.150(d) is amended to read:

8 (d) **Except as provided in (i) of this section, if** [IF] the initial benefit
 9 payments to which the retired member is eligible have been reduced because the
 10 member retired early under AS 39.35.370(b) or increased because the member elected
 11 to receive a level income option benefit under former AS 39.35.460, the member shall
 12 also receive an incremental benefit based on the amount of the reduction imposed by
 13 AS 39.35.370(b) or the increase under former AS 39.35.460 on the first benefit and
 14 the length of time that the employee was reemployed and not receiving retirement
 15 benefits. The amount of the incremental benefit is equal to the difference between the
 16 normal retirement benefit to which the member would have been entitled had the
 17 member taken a normal retirement and the early retirement benefit or benefit under the
 18 level income option that the member has been receiving based on the member's initial
 19 period of employment multiplied by the total number of months that the member did
 20 not receive retirement benefits because of reemployment and that amount actuarially
 21 adjusted to be paid over the expected lifetime of the member. In the case of a member
 22 who selected benefits under the level income option, the total number of months may
 23 not include any month in which the member was 65 years of age or older.

24 * **Sec. 4.** AS 39.35.150 is amended by adding new subsections to read:

25 (i) If a member who retired under AS 39.35.095 - 39.35.680 is reemployed by
 26 an employer under AS 39.35.145,

27 (1) the member does not become an active member;

28 (2) the member shall continue to receive retirement benefits from the
 29 plan as though the member were not reemployed by the employer;

30 (3) deductions from the member's salary may not be made under
 31 AS 39.35.160; and

1 (4) the member may not receive credited service in the plan during the
2 period of reemployment.

3 (j) Notwithstanding (i) of this section, a member who is retired under
4 AS 39.35.095 - 39.35.680 and reemployed by an employer under AS 39.35.145 is
5 eligible to receive the group health plan coverage provided to active members
6 employed by that employer.

7 * **Sec. 5.** AS 39.35.255(a) is amended to read:

8 (a) Each employer, except as provided in (i) of this section, shall contribute to
9 the system every payroll period an amount calculated by applying a rate of 22 percent
10 of the greater of the total of all base salaries

11 (1) paid by the employer to employees who are active members of the
12 system **and to members who are retired from the plan and reemployed under**
13 **AS 39.35.145**, including any adjustments to contributions required by AS 39.35.520;
14 or

15 (2) paid by the employer to employees who were active members of
16 the system during the corresponding payroll period for the fiscal year ending

17 (A) June 30, 2008; or

18 (B) June 30, 2012, if that total is less than the total under (A) of
19 this paragraph, and the employer is a municipality in which the population
20 decreased by more than 25 percent between 2000 and 2010, according to the
21 decennial census conducted by the United States Bureau of the Census.

22 * **Sec. 6.** The uncodified law of the State of Alaska is amended by adding a new section to
23 read:

24 **APPLICABILITY.** This Act applies to contracts made on or after the effective date of
25 this Act for the reemployment of a member who is receiving benefits under AS 39.35.095 -
26 39.35.680.