

NOTICE OF PROPOSED CHANGES ON THE OPERATION OF STATE RETIREMENT  
SYSTEMS IN THE REGULATIONS OF THE DEPARTMENT OF ADMINISTRATION,  
DIVISION OF RETIREMENT AND BENEFITS

The Division of Retirement and Benefits proposes to change regulations in Title 2, Chapters 5, 35, 36, and 37 of the Alaska Administrative Code, dealing with records kept, transmitted, and audited in the Public Employees' Retirement System (PERS), Teachers' Retirement System (TRS), Judicial Retirement System (JRS), and Supplemental Benefits System (SBS) including the following:

- (1) 2 AAC 05.100, 2 AAC 05.110, and 2 AAC 05.120, relating to the existence, powers, and duties of the State Internal Auditor are proposed to be repealed. The intended effect of this repeal is to eliminate the State Internal Auditor, and replace that position with the State Social Security Administrator.
- (2) 2 AAC 05 is proposed to be amended by adding a new section, 2 AAC 05.125, describing the duties of the State Social Security Administrator, who will be tasked with administering the State's Section 218 federal coverage agreement and will be generally supervised by the commissioner of administration.
- (3) 2 AAC 35.220 is proposed to be repealed and readopted to explain the submission and audit of employer records under PERS. The proposed regulation will provide greater detail regarding the employer's duties in submitting employee records to the PERS administrator, and the administrator's role in performing audits. The proposed regulation also contains definitions of "audit," "desk audit," and "field audit."
- (4) 2 AAC 36.021 is proposed to be repealed and readopted to describe in greater detail the submission of employment records by employers in TRS, and the TRS administrator's role in performing audits. The proposed regulation also contains definitions of "audit," "desk audit," and "field audit."
- (5) 2 AAC 37 is proposed to be amended by adding a new section, 2 AAC 37.033, requiring the court system to supply certain employment records of judges to the administrator of JRS and the JRS administrator's role performing audits. The proposed regulation also contains definitions of "audit," "desk audit," and "field audit."
- (6) 2 AAC 37.180 is proposed to be repealed and readopted to clarify the operation of the SBS annuity plan, including details regarding the management of individual contributions and audits of employee records by the administrator of SBS. The proposed regulation also contains definitions of "audit," "desk audit," and "field audit."

You may comment on the proposed regulation changes, including the potential costs to private persons of complying with the proposed changes, by submitting written comments to Jim Puckett at PO Box 110203, 333 Willoughby Avenue, Juneau, Alaska 99811-0203 and [jim.puckett@alaska.gov](mailto:jim.puckett@alaska.gov). Additionally, the Division of Retirement and Benefits will accept comments by facsimile at 907-465-3086 and by electronic mail at [jim.puckett@alaska.gov](mailto:jim.puckett@alaska.gov). Comments may also be submitted through the Alaska Online Public Notice System by accessing this notice on the system and using the comment link. The comments must be received no later than 5:00p.m. on October 7, 2016.

Oral or written comments also may be submitted at a hearing to be held on September 22, 2016 in the Atwood Conference Center, Room 104, Robert Atwood Building, 550 West 7<sup>th</sup> Avenue, Anchorage. The hearing will be held from 3:30 p.m. to 5:00 p.m. and might be extended to accommodate those present before 4:00 p.m. who did not have an opportunity to comment. You may also call the hearing on a conference line at 1-800-315-6338, access code: 82190.

You may submit written questions relevant to the proposed action to Jim Puckett by email at [jim.puckett@alaska.gov](mailto:jim.puckett@alaska.gov) and at 333 Willoughby Avenue, Juneau, AK. The questions must be received at least 10 days before the end of the public comment period. The Division of Retirement and Benefits will aggregate its response to substantially similar questions and make the questions and responses available on the Alaska Online Public Notice System and the Division of Retirement and Benefits website.

If you are a person with a disability who needs a special accommodation in order to participate in this process, please contact Jim Puckett at (907) 465-4471 no later than Friday, September 30, 2016 to ensure that any necessary accommodations can be provided.

A copy of the proposed regulation changes is available on the Alaska Online Public Notice System on the Division of Retirement and Benefits web site at <http://doa.alaska.gov/drj> and by contacting Jim Puckett at PO Box 110203, 333 Willoughby Avenue, Juneau, Alaska 99811-0203 or [jim.puckett@alaska.gov](mailto:jim.puckett@alaska.gov).

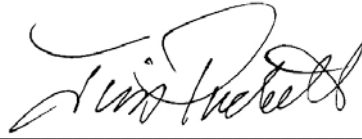
After the public comment period ends, the Division of Retirement and Benefits will either adopt the proposed regulation changes or other provisions dealing with the same subject, without further notice, or decide to take no action. The language of the final regulations may be different from that of the proposed regulations. **YOU SHOULD COMMENT DURING THE TIME ALLOWED IF YOUR INTERESTS COULD BE AFFECTED.**

**Statutory Authority:** AS 14.25.003, AS 14.25.004, AS 14.25.005, AS 22.25.025, AS 22.25.027, AS 37.05.020, AS 39.30.010, AS 39.30.030, AS 39.30.040, AS 39.30.060, AS 39.30.154, AS 39.30.155, AS 39.30.160, AS 39.35.003, AS 39.35.004, AS 39.35.005, AS 39.35.070,

**Statutes being Implemented, Interpreted, or Made Specific:** AS 14.25.003, AS 14.25.004, AS 14.25.005, AS 22.25.025, AS 22.25.027, AS 37.05.020, AS 39.30.010, AS 39.30.030, AS 39.30.040, AS 39.30.060, AS 39.30.154, AS 39.30.155, AS 39.30.160,

**Fiscal Information:** The proposed regulation changes are not expected to require an increased appropriation.

DATE: September 7, 2016

A handwritten signature in black ink, appearing to read "Jim Puckett", written in a cursive style.

Jim Puckett, Chief Operations Officer