

AMENDMENT

OFFERED IN THE SENATE
TO: SB 55

BY SENATOR BJORKMAN

Page 1, line 1:

Delete "**relating to employer contributions in the teachers' retirement system;**"

Page 1, lines 4 - 13:

Delete all material and insert:

"* Section 1. AS 39.30.150(a) is amended to read:

(a) In place of contributions to the federal social security system that would have been required on behalf of an employee had the participating employer belonged to the social security system, a [THE] participating employer **in the public employees' retirement system (AS 39.35)** shall contribute an amount equal to 6.13 percent of the wages of the employee up to the taxable wage base then in effect in the social security system, **and a participating employer in the teachers' retirement system (AS 14.25) shall contribute an amount required under (d) of this section. For each employee, the contributions required under this subsection and (d) - (g) of this section** [. THIS CONTRIBUTION] shall be paid into an individual employee annuity account in the Department of Administration under the terms of the State of Alaska Supplemental Annuity Plan. The department shall pay 6.13 percent of the wages of the employee up to the taxable wage base then in effect in the social security system into the individual employee annuity account established under this subsection. This wage reduction shall be treated as an employer contribution under 26 U.S.C. 414(h)(2). All costs of establishing and administering the programs established under AS 39.30.150 - 39.30.180 shall be paid from the contributions made to the individual employee annuity accounts under this section.

* **Sec. 2.** AS 39.30.150 is amended by adding new subsections to read:

(d) A participating employer in the teachers' retirement system (AS 14.25) shall contribute an amount equal to 6.13 percent of the wages of the employee up to the taxable wage base then in effect in the social security system, less a contribution by the department, if applicable, under (e) of this section.

(e) Of the amount under (d) of this section equal to 6.13 percent of the wages of the employee up to the taxable wage base then in effect in the social security system, the department shall contribute

(1) for the fiscal years ending June 30, 2027, through June 30, 2029, 100 percent;

(2) for the fiscal years ending June 30, 2030, through June 30, 2033, 66 and two-thirds percent;

(3) for the fiscal years ending June 30, 2034, through June 30, 2037, 33 and one-third percent.

(f) An employee in the teachers' retirement system (AS 14.25) shall contribute an amount equal to 6.13 percent of the wages of the employee up to the taxable wage base then in effect in the social security system, less a contribution by the department, if applicable, under (g) of this section.

(g) Of the amount under (f) of this section equal to 6.13 percent of the wages of the employee up to the taxable wage base then in effect in the social security system, the department shall contribute

(1) for the fiscal years ending June 30, 2027, through June 30, 2029, 100 percent;

(2) for the fiscal years ending June 30, 2030, through June 30, 2033, 66 and two-thirds percent;

(3) for the fiscal years ending June 30, 2034, through June 30, 2037, 33 and one-third percent."

Page 2, line 25:

Delete "2025"

Insert "2026"