

CS FOR HOUSE BILL NO. 323(HES)

IN THE LEGISLATURE OF THE STATE OF ALASKA

TWENTIETH LEGISLATURE - SECOND SESSION

BY THE HOUSE HEALTH, EDUCATION AND SOCIAL SERVICES COMMITTEE

Offered: 5/1/98

Referred: Finance

Sponsor(s): REPRESENTATIVES BRICE, Kubina

A BILL

FOR AN ACT ENTITLED

1 "An Act relating to the calculation of employee contributions and credited service
2 in the public employees' retirement system for noncertificated employees of school
3 districts, regional educational attendance areas, and state boarding schools; and
4 providing for an effective date."

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

6 * **Section 1.** AS 39.35.160 is amended by adding a new subsection to read:

7 (c) An employee who has made an irrevocable election under AS 39.35.300(c)
8 or 39.35.310(c) to have the employee's years of service as a noncertificated employee
9 of a state boarding school or of a school district or regional educational attendance
10 area determined by reference to AS 14.25.220 shall pay a contribution surcharge for
11 that service. The amount of the surcharge is the difference between the amount the
12 employer would have had to contribute under AS 39.35.250 - 39.35.290 for the
13 employee when treating the employee's credited service as service earned under
14 AS 39.35.300(c) or 39.35.310(c) less the amount the employer would have had to

1 contribute under AS 39.35.250 - 39.35.290 without treating the employee's credited
2 service as service earned under AS 39.35.300(c) or 39.35.310(c).

3 * **Sec. 2.** AS 39.35.300 is amended by adding a new subsection to read:

4 (c) A noncertificated employee of a state boarding school who first becomes
5 a member of the system on or after the effective date of this Act may, within 90 days
6 after the employee first joins the system, make an irrevocable election under this
7 subsection to have the years of service that the employee earns in that employment
8 determined using the table for service on or after July 1, 1969, that is set out in the
9 definition of "year of service" in AS 14.25.220. A noncertificated employee of a state
10 boarding school who is an active member of the system on the effective date of this
11 Act may, within 180 days after the effective date of this Act, make the irrevocable
12 election. A member of the system who is an inactive member on the effective date
13 of this Act and who is later employed as a noncertificated employee of a state
14 boarding school may, within 90 days after beginning the subsequent employment,
15 make the irrevocable election. An election under this subsection shall be made in
16 writing on a form provided by the administrator. The election applies to the
17 employee's service earned on or after the date that the administrator accepts it. An
18 employee who makes an election under this subsection shall pay the contribution
19 surcharge as set out in AS 39.35.160(c).

20 * **Sec. 3.** AS 39.35.310 is amended by adding a new subsection to read:

21 (c) A noncertificated employee of a school district or regional educational
22 attendance area who first becomes a member of the system on or after the effective
23 date of this Act may, within 90 days after the employee first joins the system, make
24 an irrevocable election under this subsection to have the years of service that the
25 employee earns in that employment determined using the table for service on or after
26 July 1, 1969, that is set out in the definition of "year of service" in AS 14.25.220. A
27 noncertificated employee of a school district or regional educational attendance area
28 who is an active member of the system on the effective date of this Act may, within
29 180 days after the effective date of this Act, make the irrevocable election. A member
30 of the system who is an inactive member on the effective date of this Act and who
31 later is employed as a noncertificated employee of a school district or regional

1 educational attendance area may, within 90 days after beginning the subsequent
2 employment, make the irrevocable election. An election under this subsection shall
3 be made in writing on a form provided by the administrator. The election applies to
4 the employee's service earned on or after the date that the administrator accepts it. An
5 employee who makes an election under this subsection shall pay the contribution
6 surcharge as set out in AS 39.35.160(c).

7 * **Sec. 4.** This Act takes effect July 1, 1998.