

SENATE BILL NO. 16

IN THE LEGISLATURE OF THE STATE OF ALASKA

TWENTY-FIRST LEGISLATURE - FIRST SESSION

BY SENATORS ELTON, Ellis

Introduced: 1/19/99

Referred: Labor and Commerce, HES, Finance

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, the Alaska Vocational Technical
4 Center, and the state boarding schools; and 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 determined by reference to AS 14.25.220 shall pay a contribution surcharge for that
10 service. The amount of the surcharge is the difference between the amount the
11 employer would have had to contribute under AS 39.35.250 - 39.35.290 for the
12 employee when treating the employee's credited service as service earned under
13 AS 39.35.300(c) or 39.35.310(c) less the amount the employer would have had to
14 contribute under AS 39.35.250 - 39.35.290 without treating the employee's credited

1 service as service earned under AS 39.35.300(c) or 39.35.310(c).

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

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

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

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

1 Act may, within 180 days after the effective date of this Act, make the irrevocable
2 election. A member of the system who is an inactive member on the effective date
3 of this Act and who later is employed as a noncertificated employee of a school
4 district or regional educational attendance area may, within 90 days after beginning the
5 subsequent employment, make the irrevocable election. An election under this
6 subsection shall be made in writing on a form provided by the administrator. The
7 election applies to the employee's service earned for the school year in which the
8 election is accepted by the administrator and applies to all subsequent employment as
9 a noncertificated employee of a state boarding school, a school district or regional
10 educational attendance area, or the Alaska Vocational Technical Center. An employee
11 who makes an election under this subsection shall pay the contribution surcharge as
12 set out in AS 39.35.160(c).

13 * **Sec. 4.** This Act takes effect July 1, 1999.