

CS FOR SENATE BILL NO. 145(STA)

IN THE LEGISLATURE OF THE STATE OF ALASKA

TWENTY-THIRD LEGISLATURE - FIRST SESSION

BY THE SENATE STATE AFFAIRS COMMITTEE

Offered: 5/1/03

Referred: Health, Education and Social Services

Sponsor(s): SENATOR GARY STEVENS

A BILL

FOR AN ACT ENTITLED

1 "An Act relating to reemployment of and benefits for retired teachers or employees,
2 including those who participated in retirement incentive programs, and to the
3 employment as teachers of members of the public employees' retirement system who
4 participated in a retirement incentive program; relating to benefits for retired teachers
5 or employees who participated in retirement incentive programs and are subsequently
6 reemployed as a commissioner; and providing for an effective date."

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

8 * **Section 1.** AS 14.20.135(a) is amended to read:

9 (a) **If the Department of Education and Early Development, the**
10 **Department of Labor and Workforce Development, a** [A] school district, **or a**
11 regional educational attendance area [THAT] has or anticipates having a shortage of
12 teachers qualified to teach **or work** in a particular **educational** discipline or specialty,
13 **the department, district, or attendance area** may [, BY RESOLUTION,] adopt a

1 policy that permits the employment of retired teachers **or employees** who are qualified
 2 to teach **or work** in the **educational** discipline or specialty in accordance with this
 3 section. The policy must describe the circumstances that constitute the shortage. If a
 4 shortage of teachers exists as described in the policy, the **department,** district, or
 5 attendance area shall notify the administrator of the teachers' retirement system
 6 (AS 14.25) that it is hiring retired teachers under this section.

7 * **Sec. 2.** AS 14.25.043(a) is amended to read:

8 (a) If a retired member again becomes an active member, benefit payments
 9 may not be made during the period of reemployment unless the teacher makes an
 10 election under **(d)** [(b)] of this section. The retirement benefit must be suspended for
 11 the entire school year if the teacher is reemployed as an active teacher for a period
 12 equivalent to a year of service. During the period of reemployment, the member is
 13 subject to AS 14.25.050, and deductions from the member's salary will be made in
 14 accordance with AS 14.25.050.

15 * **Sec. 3.** AS 14.25.043(b) is amended to read:

16 (b) **The Department of Education and Early Development, the**
 17 **Department of Labor and Workforce Development, a** [A] school district, or a
 18 regional educational attendance area that has adopted a policy that permits the
 19 employment of retired teachers in accordance with AS 14.20.135 shall notify the
 20 administrator that it is hiring retired teachers under AS 14.20.135. [A TEACHER
 21 WHO RETIRED UNDER AS 14.25.110(a) AND SUBSEQUENTLY BECOMES AN
 22 ACTIVE MEMBER UNDER A POLICY ADOPTED IN ACCORDANCE WITH
 23 AS 14.20.135 MAY, WITHIN 30 DAYS OF THE DATE OF REEMPLOYMENT,
 24 ELECT TO CONTINUE RECEIVING BENEFIT PAYMENTS DURING THE
 25 PERIOD OF REEMPLOYMENT BY FILING A WAIVER OF COVERAGE WITH
 26 THE ADMINISTRATOR ON A FORM PROVIDED BY THE ADMINISTRATOR.
 27 AN ELECTION UNDER THIS SUBSECTION WAIVES COVERAGE FOR THE
 28 PERIOD OF REEMPLOYMENT AND IS IRREVOCABLE DURING THE PERIOD
 29 OF REEMPLOYMENT. DEDUCTIONS FROM THE MEMBER'S SALARY MAY
 30 NOT BE MADE UNDER AS 14.25.050 DURING THE PERIOD OF
 31 REEMPLOYMENT, AND THE MEMBER MAY NOT RECEIVE CREDITED

1 SERVICE FOR THE PERIOD OF REEMPLOYMENT. A MEMBER WHO
 2 PARTICIPATED IN A RETIREMENT INCENTIVE PROGRAM UNDER CH. 26,
 3 SLA 1986; CH. 89, SLA 1989; CH. 65, SLA 1996; CH. 4, FSSLA 1996; OR CH. 92,
 4 SLA 1997, IS NOT ELIGIBLE TO MAKE AN ELECTION UNDER THIS
 5 SUBSECTION.]

6 * **Sec. 4.** AS 14.25.043 is amended by adding new subsections to read:

7 (d) A teacher who retired under AS 14.25.110(a) and subsequently becomes
 8 an active member to whom this subsection applies may, within 30 days of the date of
 9 reemployment, elect to continue receiving benefit payments during the period of
 10 reemployment by filing a waiver of coverage with the administrator on a form
 11 provided by the administrator. An election under this subsection waives coverage for
 12 the period of reemployment and is irrevocable during the period of reemployment.
 13 Deductions from the member's salary may not be made under AS 14.25.050 during the
 14 period of reemployment, and the member may not receive credited service for the
 15 period of reemployment. This subsection applies only to a member who retired under
 16 AS 14.25.110(a) and who (1) subsequently becomes an active member under a policy
 17 adopted in accordance with AS 14.20.135, or (2) is reemployed as a commissioner.

18 (e) A member who participated in a retirement incentive program under ch.
 19 26, SLA 1986; ch. 89, SLA 1989; ch. 65, SLA 1996; ch. 4, FSSLA 1996; or ch. 92,
 20 SLA 1997, and makes an election under (d) of this section does not lose the incentive
 21 credit provided under the applicable retirement incentive plan and is not subject to any
 22 related reemployment indebtedness.

23 * **Sec. 5.** AS 14.25.043(d) is amended to read:

24 (d) A teacher who retired under AS 14.25.110(a) and subsequently becomes
 25 an active member to whom this subsection applies may, within 30 days of the date of
 26 reemployment, elect to continue receiving benefit payments during the period of
 27 reemployment by filing a waiver of coverage with the administrator on a form
 28 provided by the administrator. An election under this subsection waives coverage for
 29 the period of reemployment and is irrevocable during the period of reemployment.
 30 Deductions from the member's salary may not be made under AS 14.25.050 during the
 31 period of reemployment, and the member may not receive credited service for the

1 period of reemployment. This subsection applies only to a member who retired under
 2 AS 14.25.110(a) and [WHO (1) SUBSEQUENTLY BECOMES AN ACTIVE
 3 MEMBER UNDER A POLICY ADOPTED IN ACCORDANCE WITH
 4 AS 14.20.135, OR (2)] is reemployed as a commissioner.

5 * **Sec. 6.** AS 39.35.150(b) is amended to read:

6 (b) A member who retired under AS 39.35.370(a) and subsequently becomes
 7 an active member may, within 30 days of the date of reemployment, elect to continue
 8 receiving benefit payments during the period of reemployment by filing an election
 9 with the administrator on a form provided by the administrator. An election under this
 10 subsection waives coverage for the period of reemployment and is irrevocable during
 11 the period of reemployment. During the period of reemployment, deductions from the
 12 member's salary may not be made under AS 39.35.160 and the member may not
 13 receive credited service. A member who participated in a retirement incentive
 14 program under ch. 26, SLA 1986; ch. 89, SLA 1989; ch. 65, SLA 1996; ch. 4, FSSLA
 15 1996; or ch. 92, SLA 1997, is not eligible to make an election under this subsection
 16 **unless the member is reemployed as a commissioner.**

17 * **Sec. 7.** AS 39.35.150 is amended by adding a new subsection to read:

18 (e) A member who retired under 39.35.370(a) and participated in a retirement
 19 incentive program under ch. 26, SLA 1986; ch. 89, SLA 1989; ch. 65, SLA 1996; ch.
 20 4, FSSLA 1996; or ch. 92, SLA 1997, who is subsequently reemployed as a
 21 commissioner may become an active member without losing the incentive credit
 22 provided under the applicable retirement incentive plan and is not subject to any
 23 related reemployment indebtedness.

24 * **Sec. 8.** The uncodified law of the State of Alaska enacted in sec. 12, ch. 57, SLA 2001, is
 25 amended to read:

26 Sec. 12. AS 14.20.135, **as amended by sec. 1 of this 2003 Act;**
 27 AS 14.25.043(b), **as amended by sec. 3 of this 2003 Act;** AS 39.35.120(b)(2) [,
 28 39.35.150(b),] and 39.35.150(c) are repealed July 1, 2005.

29 * **Sec. 9.** AS 14.20.135(c) is repealed.

30 * **Sec. 10.** Section 5 of this Act takes effect on the effective date of the repeals specified in
 31 sec. 12, ch. 57, SLA 2001, as it may be amended.

1 * **Sec. 11.** Sections 1 - 4 and 6 - 9 of this Act take effect immediately under
2 AS 01.10.070(c).