

CS FOR SPONSOR SUBSTITUTE FOR SENATE BILL NO. 24(STA)

IN THE LEGISLATURE OF THE STATE OF ALASKA

TWENTY-FOURTH LEGISLATURE - FIRST SESSION

BY THE SENATE STATE AFFAIRS COMMITTEE

Offered: 4/18/05

Referred: Finance

Sponsor(s): SENATORS GARY STEVENS, Davis, Elton

A BILL

FOR AN ACT ENTITLED

1 **"An Act relating to reemployment of and benefits for retired teachers and public**
2 **employees and to teachers or employees who participated in retirement incentive**
3 **programs and are subsequently reemployed as a commissioner; and providing for an**
4 **effective date."**

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

6 * **Section 1.** The uncodified law of the State of Alaska enacted in sec. 13, ch. 57, SLA
7 2001, is amended to read:

8 Sec. 13. REPORT TO LEGISLATURE. Annually, beginning in 2002 and
9 ending in 2006, the administrator of the teachers' retirement system **and the**
10 **administrator of the public employees' retirement system** shall report to the
11 legislature by the 30th day of the regular legislative session concerning the effect of
12 this Act, as amended, on the retirement systems.

13 * **Sec. 2.** The uncodified law of the State of Alaska is amended by adding a new section to
14 read:

1 ONE-YEAR EXTENSION OF WAIVER FOR RETIRED TEACHERS WHO MADE
 2 AN ELECTION UNDER AS 14.25.043(b) OR (e) BEFORE JULY 1, 2005, AND
 3 CONDITIONS APPLICABLE TO SERVICE BETWEEN JULY 1, 2005, AND JUNE 30,
 4 2006. (a) A retired member who was rehired and made an election under AS 14.25.043(b) or
 5 (e) before July 1, 2005, may continue to receive retirement benefit payments during the same
 6 uninterrupted period of reemployment through June 30, 2006, except as provided in (b) of this
 7 section. Beginning July 1, 2006, a retired member who was rehired and continues to be an
 8 active member is subject to AS 14.25.043(a), and any waiver made under AS 14.25.043(b) or
 9 (e) is terminated.

10 (b) Beginning July 1, 2005, a school district or regional educational attendance area
 11 that employs a teacher who made an election under AS 14.25.043(b) or (e) shall provide the
 12 same health and medical benefits provided to other active teachers. Notwithstanding (a) of
 13 this section, a teacher who made an election under AS 14.25.043(b) or (e) may not receive
 14 retirement health benefits between July 1, 2005, and June 30, 2006, if that person is an active
 15 member employed by a school district or regional educational attendance area.

16 (c) Each employer of a retired teacher who made an election under AS 14.25.043(b)
 17 or (e) shall make contributions to the unfunded liability of the system on behalf of the teacher
 18 who made the election to continue to receive retirement benefits at the same rate that the
 19 employer is making contributions to the unfunded liability of the system for other teachers for
 20 the period between July 1, 2005, and June 30, 2006.

21 * **Sec. 3.** The uncodified law of the State of Alaska is amended by adding a new section to
 22 read:

23 ONE-YEAR EXTENSION OF WAIVER FOR RETIRED EMPLOYEES WHO
 24 MADE AN ELECTION UNDER AS 39.35.150(b) OR (e) BEFORE JULY 1, 2005, AND
 25 CONDITIONS APPLICABLE TO SERVICE BETWEEN JULY 1, 2005, AND JUNE 30,
 26 2006. (a) A retired employee who was rehired and made an election under AS 39.35.150(b)
 27 or (e) before July 1, 2005, may continue to receive retirement benefit payments during the
 28 same uninterrupted period of reemployment through June 30, 2006. Beginning July 1, 2006,
 29 a retired employee who was rehired under AS 39.35.150(b) or (e) and who continues to be an
 30 active employee is subject to AS 39.35.150(a), and any waiver made under AS 39.35.150(b)
 31 or (e) is terminated.

1 (b) Beginning July 1, 2005, an employer that employs an employee who made an
2 election under AS 39.35.150(b) or (e) shall provide the same health and medical benefits
3 provided to other active employees. Notwithstanding (a) of this section, an employee who
4 made an election under AS 39.35.150(b) or (e) may not receive retirement health benefits
5 between July 1, 2005, and June 30, 2006, if that person is an active employee employed by an
6 employer.

7 (c) Each employer of a retired employee who made an election under
8 AS 39.35.150(b) or (e) shall make contributions to the unfunded liability of the system on
9 behalf of the employee who made the election to continue to receive retirement benefits at the
10 same rate that the employer is making contributions to the unfunded liability of the system for
11 other employees for the period between July 1, 2005, and June 30, 2006.

12 * **Sec. 4.** The uncodified law of the State of Alaska is amended by adding a new section to
13 read:

14 CONDITIONAL RETROACTIVITY. If secs. 2 and 3 of this Act take effect after
15 July 1, 2005, secs. 2 and 3 of this Act are retroactive to July 1, 2005.

16 * **Sec. 5.** This Act takes effect immediately under AS 01.10.070(c).