

SENATE BILL NO. 55

IN THE LEGISLATURE OF THE STATE OF ALASKA
THIRTY-FOURTH LEGISLATURE - FIRST SESSION

BY SENATORS STEDMAN, Myers, Shower, Cronk

Introduced: 1/24/25

Referred: Labor and Commerce, Finance

A BILL

FOR AN ACT ENTITLED

1 **"An Act relating to employer contributions in the teachers' retirement system; relating**
2 **to supplemental employee benefits; and providing for an effective date."**

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

4 * **Section 1.** AS 14.25.070(a) is amended to read:

5 (a) Each employer shall contribute to the system every payroll period an
6 amount calculated by applying a rate of 14.56 [12.56] percent to the total of all base
7 salaries paid by the employer to active members of the system and to members who
8 are retired from the plan and reemployed under AS 14.20.136, including any
9 adjustments to contributions required by AS 14.25.173(a).

10 * **Sec. 2.** AS 14.25.350(a) is amended to read:

11 (a) An employer shall contribute to each member's individual account an
12 amount equal to nine [SEVEN] percent of the member's compensation from July 1 to
13 the following June 30.

14 * **Sec. 3.** AS 39.30.170(a) is amended to read:

1 (a) An employer **in either the teachers' retirement system (AS 14.25) or the**
 2 **public employees' retirement system (AS 39.35) that does not participate in the**
 3 **federal social security system shall** [MAY] become a participating employer in the
 4 employee benefits program under AS 39.30.150 - 39.30.180 [, IF

5 (1) THE EMPLOYER PARTICIPATES AS AN EMPLOYER IN
 6 THE PUBLIC EMPLOYEES' RETIREMENT SYSTEM UNDER AS 39.35; AND

7 (2) THE EMPLOYER

8 (A) IS ELIGIBLE FOR MEMBERSHIP IN BUT HAS
 9 NEVER ELECTED TO BECOME A MEMBER OF THE FEDERAL
 10 SOCIAL SECURITY SYSTEM; OR

11 (B) WITHDRAWS FROM MEMBERSHIP IN THE
 12 FEDERAL SOCIAL SECURITY SYSTEM].

13 * **Sec. 4.** AS 39.30.180(3) is amended to read:

14 (3) "participating employer" means

15 (A) the State of Alaska; [AND]

16 (B) an employer **who**

17 (i) [WHO] is an employer as defined in **AS 14.25.220,**
 18 **14.25.590, AS 39.35.680, or 39.35.990; and**

19 (ii) **does not participate** [WHO HAS NEVER
 20 PARTICIPATED IN OR HAS WITHDRAWN FROM
 21 PARTICIPATION] in the federal social security system [; AND

22 (iii) WHOSE PARTICIPATION IN THE
 23 SUPPLEMENTAL EMPLOYEE BENEFIT PROGRAM HAS BEEN
 24 APPROVED BY THE COMMISSIONER].

25 * **Sec. 5.** This Act takes effect July 1, 2025.