

Original sponsor: Ray

1 IN THE SENATE BY THE FREE CONFERENCE COMMITTEE

2 FREE CONFERENCE CS FOR SENATE BILL NO. 39

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 SEVENTH LEGISLATURE - FIRST SESSION

5 A BILL

6 For an Act entitled: "An Act pertaining to the teachers' retirement system;
7 and providing for an effective date."

8 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF ALASKA:

9 * Section 1. AS 14.25.040 is amended to read:

10 Sec. 14.25.040. MEMBERSHIP. After June 30, 1955, a teacher
11 contracting for service with an employer, except one whose attained age
12 in completed years on the July 1 falling on or after the date of
13 commencement of service, less the number of years of creditable service
14 prior to that July 1, exceeds 50, and who can complete eight [10] years
15 of membership service by the first day of July following his 65th
16 birthday, is subject to this chapter.

17 * Sec. 2. AS 14.25.110 is amended to read:

18 Sec. 14.25.110. ELIGIBILITY FOR SERVICE RETIREMENT. (a) A
19 teacher who has completed either (1) 15 years of creditable service,
20 the last five years of which have [HAS] been membership service in the
21 state, [AND HAS COMPLETED AT LEAST 10 YEARS OF MEMBERSHIP SERVICE,] and
22 who has attained the age of 55 years, or (2) 30 years of creditable
23 service, the last five years of which have been membership service in
24 the state, may retire from service, and apply in writing to the
25 administrator for retirement salary. A retired teacher who has been
26 receiving a disability retirement salary shall be eligible for a service
27 retirement salary upon or after attaining age 60.

28 (b) A teacher who has completed 15 years of creditable service,
29 the last five years of which have been membership service in the state,

1 [AND HAS COMPLETED AT LEAST 10 YEARS OF MEMBERSHIP SERVICE,] and who
2 has attained the age of 65 years during a school year, shall be retired
3 on July 1 following his 65th birthday unless the teacher is retained
4 by request of his employer. Provisions of this subsection regarding
5 compulsory retirement shall not apply to personnel of the University
6 of Alaska.

7 (c) The burden is upon the applicant to prove eligibility for
8 retirement benefits to the full satisfaction of the administration.

9 * Sec. 3. AS 14.25.120(c)(1) is amended to read:

10 (1) If the teacher is [AT LEAST] either 60 years of age or
11 older or has [55 YEARS OF AGE WITH] 30 years of creditable service on
12 the date which the application for a retirement salary is filed and has
13 paid into the retirement fund the full amount of his indebtedness, his
14 annual retirement salary is two per cent of his highest average base
15 salary during any three of the last eight [10] years of membership
16 service multiplied by the total number of years of creditable service,
17 including credited fractional years.

18 * Sec. 4. AS 14.25.120 is amended by adding a new subsection to read:

19 (f) In (c)(1) of this section "average base salary" means
20 the highest average base salary during any three of the last 10 years
21 of membership service or the member's total period of membership
22 service, whichever is less.

23 * Sec. 5. AS 14.25.135(a) is amended to read:

24 (a) A teacher is eligible for a deferred benefit if
25 (1) he terminates his employment in or after the date on
26 which he attained age and credited service total at least 75 years;
27 (2) he has completed at least 15 years of creditable service,
28 [OF WHICH] at least eight years of which [10 YEARS] have been in member-
29 ship service; and

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(3) he does not withdraw his contributions to the retirement fund.

* Sec. 6. AS 14.25.137(a)(1) is amended to read:

(1) he terminates his employment after completing eight [10] years of membership service; and

* Sec. 7. This Act takes effect on July 1, 1971.