

1 IN THE SENATE

BY THOMAS BY REQUEST

2 SENATE BILL NO. 327

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 SEVENTH LEGISLATURE - SECOND SESSION

5 A BILL

6 For an Act entitled: "An Act relating to teachers' retirement."

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

8 * Section 1. AS 14.25.110(a) is amended to read:

9 (a) A teacher who has completed [EITHER (1)] 15 years of
10 creditable service, the last five years of which have been membership
11 service in the state, and who has attained the age of 55 years [, OR
12 (2) 30 YEARS OF CREDITABLE SERVICE, THE LAST FIVE YEARS OF WHICH HAVE
13 BEEN MEMBERSHIP SERVICE IN THE STATE,] may retire from service, and
14 apply in writing to the administrator for retirement salary. A retired
15 teacher who has been receiving a disability retirement salary shall
16 be eligible for a service retirement salary upon or after attaining
17 age 60.

18 * Sec. 2. AS 14.25.110(b) is amended to read:

19 (b) A teacher who has completed 20 [15] years of creditable
20 service, the last five years of which have been membership service in
21 the state, [AND WHO HAS ATTAINED THE AGE OF 65 YEARS DURING A SCHOOL
22 YEAR,] shall be retired on July 1 following his 20th year of service
23 [65TH BIRTHDAY] unless the teacher is retained on a year-to-year basis
24 by request of his employer. In no case, however, may a teacher be
25 retained on a year-to-year basis for more than 10 years. Provisions
26 of this subsection regarding compulsory retirement shall not apply to
27 personnel of the University of Alaska.

28 * Sec. 3. AS 14.25 is amended by adding a new section to read:

29 Sec. 14.25.115. MAXIMUM NUMBER OF YEARS OF CREDITABLE SERVICE.

1 No teacher may receive service credit for more than 25 years of
2 teaching service. All retirement benefits under this chapter cease
3 to accrue after completion of 25 years of creditable service.

4 * Sec. 4. AS 14.25.120(c)(1) is amended to read:

5 (1) If the teacher is either 60 years of age or older or
6 has 20 [30] years of creditable service on the date which the applica-
7 tion for a retirement salary is filed and has paid into the retirement
8 fund the full amount of his indebtedness, his annual retirement salary
9 is two per cent of his highest average base salary during any three
10 of the last eight years of membership service multiplied by the total
11 number of years of creditable service, including credited fractional
12 years.

13 * Sec. 5. AS 14.25.120(c)(4) is amended to read:

14 (4) If the teacher has not attained the age of 60 or com-
15 pleted 20 [30] years of creditable service on the date when application
16 for retirement salary is filed, the annual retirement salary that
17 would be due and owing to the teacher if he were at least 60 shall be
18 reduced annually by the amount derived from the following computations:
19 multiply one-half of one per cent times the number of months, to the
20 nearest month, by which the applicant's attained age on date of filing
21 application falls short of 60 times the amount of annual retirement
22 salary that would be due and owing the teacher if he were at least 60.
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