

Introduced: 2/28/77
Referred: Health, Education &
Social Services and Finance

1 IN THE HOUSE

BY THE RULES COMMITTEE BY
REQUEST OF THE GOVERNOR

2 HOUSE BILL NO. 284

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 TENTH LEGISLATURE - FIRST SESSION

5 A BILL

6 For an Act entitled: "An Act relating to service credit in the Teachers'
7 Retirement System and the Public Employees' Retirement
8 System; and providing for an effective date."

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

10 * Section. 1. AS 14.25 is amended by adding a new section to read:

11 Sec. 14.25.125. CONDITIONAL SERVICE RETIREMENT BENEFITS. (a) A
12 member is eligible for a normal retirement salary at age 55 with at
13 least two years membership service if the member also is eligible for
14 a normal retirement benefit under the Public Employees' Retirement
15 System, AS 39.35.

16 (b) A member is eligible for an early retirement salary at age
17 50 with at least two years of membership service if the member also is
18 eligible for an early retirement benefit under the Public Employees'
19 Retirement System, AS 39.35.

20 (c) Membership service for which contributions were refunded is
21 not creditable under this section unless the refunded contributions
22 have been repaid while the member is employed as a teacher.

23 (d) The monthly amount of a normal retirement salary is two per
24 cent of the average monthly compensation times the number of years of
25 membership service. An actuarial adjustment of this amount must be
26 made for an early retirement salary.

27 (e) Benefits payable under this section accrue from the first
28 day of the month (1) in which the member meets the eligibility require-
29 ments of this section, (2) following the date of termination, and (3)

1 following application for retirement, and are payable the last day of
2 the month. If payment is delayed, a retroactive payment shall be made
3 to cover the period of deferment. The last payment shall be made for
4 the month in which the member dies or is no longer eligible for a
5 benefit under this section.

6 * Sec. 2. AS 39.35 is amended by adding a new section to read:

7 Sec. 39.35.385. CONDITIONAL SERVICE RETIREMENT BENEFITS. (a) An
8 employee is eligible for a normal retirement benefit at age 55 with at
9 least two years of credited service if the employee also is eligible
10 for a normal retirement salary under the Teachers' Retirement System,
11 AS 14.25.

12 (b) An employee is eligible for an early retirement benefit at
13 age 50 with at least two years of credited service if the employee
14 also is eligible for an early retirement salary under the Teachers'
15 Retirement System, AS 14.25.

16 (c) Credited service for which contributions were refunded is
17 not creditable under this section unless the refunded contributions
18 have been reinstated while the member is an active employee.

19 (d) The monthly amount of a normal retirement pension for a
20 peace officer or fireman is two per cent of the average monthly com-
21 pensations times the years of service up through 10 years, plus two and
22 one-half per cent of the average monthly compensation times the years
23 of service over 10 years. For all other employees it is two per cent
24 of the average monthly compensation times the number of years of
25 service. An actuarial adjustment of this amount must be made for an
26 early retirement benefit.

27 (e) Benefits payable under this section accrue from the first
28 day of the month (1) in which the member meets the eligibility require-
29 ments of this section, (2) following the date of termination, and (3)

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28
29

following application for retirement, and are payable the last day of the month. If payment is delayed, a retroactive payment shall be made to cover the period of deferment. The last payment shall be made for the month in which the member dies or is no longer eligible for a benefit under this section.

* Sec. 3. This Act takes effect July 1, 1978.