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1 IN THE HOUSE

2 SCSCS HOUSE BILL NO. 343 (Min.) am S

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 teachers' retirement; and providing
7 for an effective date."

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

9 * Section 1. AS 14.25.050 is amended to read:

10 Sec. 14.25.050. CONTRIBUTIONS BY TEACHERS. Beginning July 1, 1977
11 [1970], each teacher shall contribute to the retirement fund an amount
12 equal to 7.8 [SEVEN] per cent of his base salary accrued from July 1 to
13 the following June 30. The contribution shall be deducted by the
14 employer at the end of each payroll period.

15 * Sec. 2. AS 14.25.143 is repealed and re-enacted to read:

16 Sec. 14.25.143. POST-RETIREMENT PENSION ADJUSTMENT. (a) When the
17 administrator determines that the cost of living has increased, he shall
18 increase all service retirement and survivor's benefits salaries to
19 reflect this cost-of-living increase, to those age 60 and over.

20 (b) Increases accrue from July 1 next following the effective date
21 of eligibility and shall accrue beginning July 1 of each year.

22 (c) Persons 60 years of age or older shall be allowed an increase
23 based on 80 per cent of the increases in the cost of living, as deter-
24 mined by the United States Bureau of Labor Statistics Consumer Price
25 Index for Anchorage, Alaska, for the 12-month period ending March 31 of
26 the current year. The increase may not exceed 4.0 per cent of the bene-
27 fits in any year. This increase shall be compounded for each year of
28 retirement and shall accrue from July 1 next following the effective
29 date of eligibility under this subsection and shall be paid beginning

1 July 1 each year. No retiree may receive an annual post-retirement
2 pension increase more than 20 per cent greater than the increase applied
3 to the average base benefit. The "average base benefit" shall be deter-
4 mined in March of each year for the following fiscal year by dividing
5 the total base benefits paid in that month by the total number of bene-
6 ficiaries receiving them.

7 (d) The administrator may implement this section by regulation.

8 * Sec. 3. This Act takes effect July 1, 1977.