

Introduced: 3/17/77  
Referred: Health, Education &  
Social Services and Finance

BY FERGUSON, HOHMAN,  
CROFT AND COLLETTA

1 IN THE SENATE

2 SENATE BILL NO. 258

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 provid-  
7 ing for an effective date."

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

9 \*Section 1. AS 14.25.060(c) is amended to read:

10 (c) If a teacher has creditable outside [OR BUREAU OF INDIAN  
11 AFFAIRS (BIA)] service he is indebted, in addition to the contributions  
12 required by sec. 50 of this chapter, as follows:

13 (1) If, at the time of becoming a member of the retirement  
14 system, a teacher has no membership service, his indebtedness is seven  
15 per cent of the base salary paid at the time of first becoming employed  
16 as a teacher under this chapter, multiplied by the total number of  
17 years of his creditable outside [AND BIA] service at the time of becom-  
18 ing a member. The combined total of outside [AND BIA] service claimed  
19 may not exceed 10 years [15 YEARS; HOWEVER, NO MORE THAN 10 YEARS OUT--  
20 SIDE SERVICE MAY BE CLAIMED]. Compound interest at the rate prescribed  
21 by regulation shall be added to the indebtedness beginning July 1, 1963,  
22 or at the time of first becoming employed as a teacher, whichever is  
23 later, to the date of payment or the date of retirement, whichever  
24 occurs first.

25 (2) If a teacher, after becoming a member of this retirement  
26 system, discontinues active membership and subsequently desires to be  
27 reinstated and to receive credit for outside service accumulated in the  
28 interim, his indebtedness to the retirement fund for the additional  
29 credit shall be computed as seven per cent of the base salary received

1 upon reinstatement multiplied by the number of years of interim outside  
2 [AND BIA] service. Compound interest at the rate prescribed by regula-  
3 tion shall be added to the indebtedness beginning on July 1, 1963, or at  
4 the time of reinstatement, whichever is later, to the date of payment or  
5 the date of retirement, whichever occurs first.

6 \* Sec. 2. AS 14.25.060(e)(2) is amended to read:

7 (2) The teacher shall contribute to the retirement fund an  
8 amount equal to seven per cent of the base salary paid at the time of  
9 first becoming employed as a teacher under this chapter, multiplied by  
10 the total number of years of creditable outside service [AND BIA SER-  
11 VICE] claimed at the time of becoming a member. However, the total  
12 outside [AND BIA] service claimed may not exceed that provided in sec.  
13 220(3) of this chapter. Compound interest at the rate prescribed by  
14 regulation shall be added to the amount beginning July 1, 1963, or at  
15 the time of first becoming employed as a teacher under this chapter,  
16 whichever occurs later, to the date of payment or the date of retire-  
17 ment, whichever occurs first.

18 \* Sec. 3. AS 14.25.220(3) and (5) are amended to read:

19 (3) "creditable service" means outside [AND BUREAU OF INDIAN  
20 AFFAIRS (BIA)] service not exceeding 10 years [15 YEARS, WITH OUTSIDE  
21 SERVICE LIMITED TO 10 YEARS,] plus all membership service as provided in  
22 (5) of this section;

23 (5) "membership service" means service as

24 (A) a teacher in a public school within the Territory or  
25 State of Alaska, or both, under the supervision and control of the  
26 Territorial Board of Education or the Department of Education, the  
27 school board of any city or borough school district or Regional  
28 Educational Attendance Area, or the Board of Regents of the Univer-  
29 sity of Alaska, or any period during which the teacher is on an

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approved sabbatical leave granted in accordance with AS 14.20.310  
or is receiving a disability retirement salary; or  
(B) a teacher in a Bureau of Indian Affairs school in  
Alaska;

\* Sec. 4. This Act takes effect July 1, 1977.

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