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1 IN THE HOUSE

BY THE RULES COMMITTEE

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SENATE CS FOR CS FOR HOUSE BILL NO. 260 (Rules)

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IN THE LEGISLATURE OF THE STATE OF ALASKA

4

ELEVENTH LEGISLATURE - FIRST SESSION

5

A BILL

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For an Act entitled: "An Act relating to retirement and benefits; and providing for an effective date."

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

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* Section 1. AS 14.25.040 is amended by adding new subsections to read:

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(b) A state legislator who was an active member of this system under other sections of this chapter within the 12 months immediately preceding his election to office may elect to be an active member of this system for as long as he serves continuously as a state legislator, subject to the requirements of (c) of this section, if, within 90 days after taking the oath of his office,

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(1) he directs his employer in writing to

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(A) pay into this system the employer contributions required for a member under this chapter; and

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(B) deduct from his salary and pay into this system

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(i) the employee contributions required for a member under this chapter; and

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(ii) an amount equal to the difference between the total employer and state contributions required for a member under this chapter and the employer contributions which would be required under the public employees' retirement system (AS 39.35) if the legislator were covered under that system; and

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(2) notice is given the administrator in writing.

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(c) A state legislator is not entitled to elect membership under

1 (b) of this section if he is covered for the same period of service
2 under the public employees' retirement system (AS 39.35). An election
3 of membership under (b) of this section is retroactive to the date the
4 state legislator took the oath of his office. A state legislator may
5 not receive membership credit under (b) of this section for legislative
6 service performed before the legislative session during which he elected
7 membership under (b) of this section. In order to continue in member-
8 ship service under (b) of this section, the state legislator must earn
9 at least 0.3 years of membership service under other sections of this
10 chapter during each five-year period.

11 * Sec. 2. AS 14.25.142(b) is amended to read:

12 (b) A person receiving a cost-of-living allowance under this
13 section shall notify the administrator when he expects to be absent from
14 the state for a continuous period that exceeds 90 [60] days. After that
15 notification, the person is no longer entitled to receive the monthly
16 cost-of-living allowance, except that a person may be absent from the
17 state for not more than six months without loss of the cost-of-living
18 allowance if the absence is the result of illness and required by order
19 of a licensed physician. Upon his return to the state, and upon noti-
20 fication to the administrator, the person is again entitled to receive
21 the monthly cost-of-living allowance, commencing with the first monthly
22 benefit payment made after notification of the person's return.

23 * Sec. 3. AS 14.25.142(c) is amended to read:

24 (c) For purposes of this section, "residing in the state" means
25 domiciled and physically present in the State of Alaska. Being absent
26 from the state for a continuous period of 90 [60] days or less or six
27 months or less when ordered by a physician does not change a person's
28 status as "residing in the state".

29 * Sec. 4. AS 14.25.180(b) is amended by adding a new paragraph to read:

1 (18) gold bullion of a fineness that meets marketing and
2 delivery requirements of the trade, not to exceed in aggregate 10 per
3 cent of total invested funds.

4 * Sec. 5. AS 14.25.220(2) is amended to read:

5 (2) "base salary" or "basic salary"

6 (A) means any remuneration accrued under a contract to a
7 teacher for professional services rendered during any school year;
8 for purposes of AS 14.25.050, base salary accrued includes any pay-
9 ments made after June 30 of a school year for services rendered
10 before the end of the school year;

11 (B) has the same meaning as "compensation" under AS 39.-
12 35.680(8) when applied to a state legislator who elects membership
13 under AS 14.25.040(b);

14 * Sec. 6. AS 14.25.220(4) is amended to read:

15 (4) "employer" means a public school district, the Board of
16 Regents of the University of Alaska, [OR] the Department of Education,
17 or the state legislature with respect to a state legislator who elects
18 membership under AS 14.25.040(b);

19 * Sec. 7. AS 14.25.220(5) is amended to read:

20 (5) "membership service" means

21 (A) service as a teacher in a public school within the
22 Territory or State of Alaska, or both, under the supervision and
23 control of the Territorial Board of Education, [OR] the Department
24 of Education, the school board of any city or borough school dis-
25 trict, or the Board of Regents of the University of Alaska; [, OR]

26 (B) any period during which the teacher is on an ap-
27 proved sabbatical leave granted in accordance with AS 14.20.310 or
28 is receiving a disability retirement salary; or

29 (C) continuous service as a state legislator when per-

1 formed by a state legislator who elects membership under AS 14.25.-
2 040(b), subject to the requirements of AS 14.25.040(c);

3 * Sec. 8. AS 14.25.220(15) is amended to read:

4 (15) "teacher" or "member" means a certified teacher, certi-
5 fied school nurse, principal, supervisor, or superintendent employed on
6 a full-time or a part-time basis in a position having duties which
7 normally require a year of service in the public schools of the state,
8 the commissioner of education, supervisors within the Department of
9 Education, [AND] all full-time resident professional and administrative
10 personnel of the University of Alaska, and a state legislator who elects
11 membership under AS 14.25.040(b); in case of doubt, the administrator
12 shall finally determine whether or not a person is a teacher as defined
13 in this chapter;

14 * Sec. 9. AS 39.30.100(1)(A) is repealed and re-enacted to read:

15 (A) an employee, except an emergency employee, who has
16 served with the same governmental unit as

17 (i) a permanent full-time employee for 30 days or
18 more;

19 (ii) a permanent part-time employee for 30 days or
20 more; or

21 (iii) a temporary employee for 30 days or more, who
22 is presently employed with that governmental unit, and who has
23 served as a temporary employee of the state for a total of 180
24 days or more in any consecutive three-year period; however, a
25 temporary employee employed by a municipality participating in
26 the provisions of AS 39.30.090 need not be provided coverage.

27 * Sec. 10. AS 39.35.110(a) is amended by adding a new paragraph to read:

28 (18) gold bullion of a fineness that meets marketing and
29 delivery requirements of the trade, not to exceed in aggregate 10 per

1 cent of invested funds.

2 * Sec. 11. AS 39.35.125(a) is amended to read:

3 (a) An elected official, other than a state legislator who is an
4 active member of the teachers' retirement system, may be included in the
5 system if, within 60 days after taking the oath of his office or within
6 60 days after May 12, 1966

7 (1) he directs his employer in writing to make the necessary
8 deductions from his salary and to pay into the system the contributions
9 required by and for an employee under this chapter and

10 (2) notice is given the commissioner of administration in
11 writing.

12 * Sec. 12. AS 39.35.125(c) is amended to read:

13 (c) An elected official, other than a state legislator who is an
14 active member of the teachers' retirement system, may be included retro-
15 actively in the system if he makes retroactive contributions equal to
16 what he would have made if he had elected to be included when he became
17 eligible under (a) of this section.

18 * Sec. 13. AS 39.35.360 is amended by adding a new subsection to read:

19 (g) An employee is eligible to receive up to 10 years of credited
20 service for service rendered before July 1, 1979 as a temporary employee
21 of the legislature of the state or territory during legislative ses-
22 sions. To receive retroactive credited service under this subsection,
23 an employee must, before July 1, 1980, claim the service and pay retro-
24 active contributions equal to what he would have paid if he had been
25 eligible for membership in the system. The rate used to calculate the
26 retroactive contributions may not be less than the rate in effect on
27 January 1, 1961.

28 * Sec. 14. AS 39.35.385 is amended by adding a new subsection to read:

29 (f) An employee is eligible for a normal retirement benefit at age

1 55 or an early retirement benefit at age 50 if he has at least 60 days
2 of credited service as a temporary employee of the legislature during
3 each of five legislative sessions.

4 * Sec. 15. AS 39.35.480(b) is amended to read:

5 (b) A person receiving a cost-of-living allowance under this
6 section shall notify the administrator when he expects to be absent from
7 the state for a continuous period that exceeds 90 [60] days. After that
8 notification, the person is no longer entitled to receive the monthly
9 cost-of-living allowance, except that a person may be absent from the
10 state for not more than six months without loss of the cost-of-living
11 allowance if the absence is the result of illness and required by order
12 of a licensed physician. Upon his return to the state, and upon notifi-
13 cation to the administrator, the person is again entitled to receive the
14 monthly cost-of-living allowance, commencing with the first monthly
15 benefit payment made after notification of the person's return.

16 * Sec. 16. AS 39.35.480(d) is amended to read:

17 (d) For purposes of this section, "residing in the state" means
18 domiciled and physically present in the State of Alaska. Being absent
19 from the state for a continuous period of 90 [60] days or less or six
20 months or less when ordered by a physician does not change a person's
21 status as "residing in the state."

22 * Sec. 17. AS 39.35.680(35) is amended to read:

23 (35) "seasonal" refers to an employee who is occupying a
24 position for less than 12 months each year where it is anticipated that
25 the same employee will return to the position when needed and includes
26 a temporary employee of the legislature if part of the service for the
27 legislature during each calendar year is performed during a legisla-
28 tive session;

29 * Sec. 18. Sections 13, 14 and 17 of this Act apply to a temporary em-

1 ployee of the Eleventh Legislature, First Session, even though he may not be
2 an employee under the public employees' retirement system on July 1, 1979.

3 * Sec. 19. A qualified member of the Eleventh State Legislature is eli-
4 gible to elect membership under AS 14.25.040(b), enacted in sec. 1 of this
5 Act, if he complies with the requirements for electing membership within 30
6 days after the effective date of that subsection.

7 * Sec. 20. A person receiving benefits under AS 14.25 on July 1, 1979 is
8 eligible for any increase in benefits resulting from the amendments to
9 AS 14.25 enacted in secs. 2 and 3 of this Act.

10 * Sec. 21. A person receiving benefits under AS 39.35 on July 1, 1979 is
11 eligible for any increase in benefits resulting from the amendments to
12 AS 39.35 enacted in secs. 15 and 16 of this Act.

13 * Sec. 22. Sections 2 - 4, 9, 10, 13 - 17, 20, and 21 of this Act take
14 effect July 1, 1979. Sections 1, 5 - 8, 11, 12, 18, 19, and 22 of this Act
15 take effect immediately in accordance with AS 01.10.070(c).

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