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Referred: Health, Education
& Social Services and Finance

1 IN THE SENATE

BY RAY

2 SENATE BILL NO. 119

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 ELEVENTH LEGISLATURE - FIRST SESSION

5 A BILL

6 For an Act entitled: "An Act relating to the public employees' and teachers'
7 retirement systems; and providing for an effective
8 date."

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

10 * Section 1. AS 39.35 is amended by adding a new section to article 2 to
11 read:

12 Sec. 39.35.157. ALASKA STATE OFFICE IN TOKYO EMPLOYEES. An em-
13 ployee of the Alaska State Office in Tokyo (AS 44.19.640 - 44.19.680) is
14 an employee of the state for purposes of inclusion in the system and may
15 be included retroactively in the system and receive service credit for
16 time previously served as an employee if, before July 1, 1980, he author-
17 izes the state to contribute to the system the amount held by the state
18 on his behalf in an individual account in the Far East severance account
19 within the Department of Administration. If the employee does not make
20 the election to be included retroactively, the state shall pay the
21 employee the amount held by the state on the employee's behalf in the
22 Far East severance account on July 1, 1980. The amount paid to the
23 employee from the severance account shall be converted to yen at the
24 rate of 360 yen to one dollar.

25 * Sec. 2. AS 14.25 is amended by adding a new section to read:

26 Sec. 14.25.105. CREDIT FOR SERVICE AS AN EMPLOYEE OF THE TERRITORY
27 OF ALASKA. (a) A teacher who completes 15 years of membership service
28 under this chapter may elect to receive creditable service for employ-
29 ment rendered to the Territory of Alaska before January 3, 1959, regard-

1 less of the office, department, division or agency of the territory in
2 which he was employed. Creditable service allowed under this section
3 may not exceed five years.

4 (b) A teacher may not be credited with service under this section
5 if credit for service as an employee of the Territory of Alaska was
6 granted for the same period under the public employees' retirement
7 system (AS 39.35).

8 (c) A teacher who elects service credit under this section for
9 prior service to the Territory of Alaska shall make retroactive con-
10 tributions under this system for the period of territorial employment
11 following June 30, 1955.

12 (d) The retirement benefits payable to a teacher under this sec-
13 tion shall be reduced by the amount of the retirement pension benefits
14 paid to him by the United States government for the same period of
15 employment. If the teacher has made retroactive contributions under
16 this system for such a period of employment, he is entitled to have
17 those contributions credited against the reduction in benefits.

18 * Sec. 3. AS 14.25.120(h) is repealed and re-enacted to read:

19 (h) A teacher who is eligible for a service retirement salary
20 under this chapter or the retirement system of 1945 is entitled to a
21 benefit of at least \$20 per month for each year of creditable service,
22 not including adjustments made under AS 14.25.142 or 14.25.143. If, on
23 the date the teacher originally applied for the retirement salary, the
24 teacher elected option two under (c)(2)(B) of this section as payment of
25 his indebtedness or a reduced benefit under (c)(4) of this section, the
26 amount of the dollar reduction shall remain in effect.

27 * Sec. 4. AS 14.25.142(b) is amended to read:

28 (b) A person receiving a cost of living allowance under this
29 section shall notify the administrator when he expects to be absent from

1 the state for a continuous period that exceeds 90 [60] days. After that
2 notification, the person is no longer entitled to receive the monthly
3 cost of living allowance, except that a person may be absent from the
4 state for not more than six months without loss of the cost of living
5 allowance if the absence is the result of illness and required by order
6 of a licensed physician. Upon his return to the state, and upon notifi-
7 cation to the administrator, the person is again entitled to receive the
8 monthly cost of living allowance, commencing with the first monthly
9 benefit payment made after notification of the person's return.

10 * Sec. 5. AS 14.25.142(c) is amended to read:

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

16 * Sec. 6. AS 14.25.120(g) is repealed.

17 * Sec. 7. A retired teacher on the effective date of this Act is eligible
18 for any increase in benefits resulting from the amendments to AS 14.25 in
19 secs. 3 - 5 of this Act.

20 * Sec. 8. This Act takes effect immediately in accordance with AS 01.10.-
21 070(c).