

Introduced: 5/19/83
Referred: Health, Education &
Social Services, State Affairs
and Finance

1 IN THE HOUSE BY ZHAROFF BY REQUEST

2 HOUSE BILL NO. 422

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 THIRTEENTH LEGISLATURE - FIRST SESSION

5 A BILL

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

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

9 * Section 1. AS 14.25.062 is amended to read:

10 Sec. 14.25.062. REINSTATEMENT INDEBTEDNESS. A teacher who has
11 received a refund of contributions under [IN ACCORDANCE WITH] AS 14.-
12 25.150 is indebted to the retirement fund in the amount of the total
13 refund. [COMPOUND INTEREST AT THE RATE PRESCRIBED BY REGULATION SHALL
14 BE ADDED TO THE REINSTATEMENT INDEBTEDNESS FROM THE DATE OF THE REFUND
15 TO THE DATE OF REPAYMENT OR THE DATE OF RETIREMENT, WHICHEVER OCCURS
16 FIRST.]

17 * Sec. 2. AS 14.25.063(a) is amended to read:

18 (a) For purposes of this chapter, a member does not have to be
19 reemployed under this system in order to make indebtedness payments.
20 However, a former member must be reemployed under this system in order
21 to make indebtedness payments. [PAYMENTS APPLY FIRST TO ACCRUED
22 INTEREST AND THEN TO PRINCIPAL.]

23 * Sec. 3. A member of the teachers' retirement system who has paid
24 interest or has become indebted to pay interest under AS 14.25.062, amended
25 by sec. 1 of this Act, shall receive a refund of any interest paid, and
26 forgiveness of any interest indebtedness.

27 * Sec. 4. This Act takes effect July 1, 1983.