

Introduced: 2/25/85
Referred: State Affairs,
Judiciary and Finance

BY THE RULES COMMITTEE BY
REQUEST OF THE GOVERNOR

1 IN THE HOUSE

2 HOUSE BILL NO. 238

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 FOURTEENTH LEGISLATURE - FIRST SESSION

5 A BILL

6 For an Act entitled: "An Act relating to credit for service in the state's
7 retirement systems for certain leave without pay; and
8 providing for an effective date."

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

10 * Section 1. AS 14.20.345(b) is amended to read:

11 (b) A leave of absence is not an interruption of the continuous
12 service necessary to attain or retain retirement or tenure rights
13 according to AS 14.20.150, 14.20.155, or 14.20.160. However, the time
14 spent on leave of absence may not be counted in determining when a
15 teacher has sufficient service to enable the teacher to acquire [RE-
16 TIREMENT OR] tenure rights or, except as provided in AS 14.25.102,
17 retirement rights.

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

19 Sec. 14.25.102. CREDIT FOR SERVICE FOR LEAVE OF ABSENCE WITHOUT
20 PAY DUE TO PREGNANCY, BIRTH, ADOPTION, AND CERTAIN CHILD CARE. (a) A
21 member is entitled to credit for service for up to nine weeks of leave
22 of absence without pay authorized by an employer if the reason for the
23 leave of absence is

- 24 (1) pregnancy of the member;
- 25 (2) birth of the child of the member;
- 26 (3) placement of a child with the member in connection with
27 the adoption of the child by the member; or
- 28 (4) care of the child immediately following the child's
29 birth or placement with the member.

1 (b) To obtain credit for service under this section, the member
2 must elect to do so and must provide verification from the employer
3 for the approved leave of absence under (a) of this section.

4 (c) After eligibility for the leave of absence service credit is
5 established, an indebtedness must be determined, equal to the full
6 actuarial cost of providing benefits for the service claimed. Indebt-
7 edness must be based on base salary and age at the time the approved
8 leave began. Interest, as prescribed by regulation, accrues on the
9 indebtedness from the date that the approved leave of absence ended.

10 (d) Any outstanding indebtedness existing at the time that the
11 member retires requires an actuarial adjustment to the benefits pay-
12 able based on the approved leave of absence.

13 (e) This section does not require an employer to approve a leave
14 of absence without pay for a period longer than that allowed by stat-
15 ute or regulation. This section does not prevent approval of leave of
16 absence without pay, for the reasons set out in (a) of this section,
17 under AS 14.20.345 if a district has a policy of approving leave
18 without pay for those reasons under AS 14.20.345 and if approval of
19 leave without pay under that section would be more advantageous to the
20 member.

21 * Sec. 3. AS 22.25 is amended by adding a new section to read:

22 Sec. 22.25.015. CREDIT FOR SERVICE FOR LEAVE OF ABSENCE WITHOUT
23 PAY DUE TO PREGNANCY, BIRTH, ADOPTION, AND CERTAIN CHILD CARE. (a) A
24 justice or judge is entitled to credit for service for up to nine
25 weeks of authorized leave of absence without pay if the reason for the
26 leave of absence is

- 27 (1) pregnancy of the justice or judge;
28 (2) birth of the child of the justice or judge;
29 (3) placement of a child with the justice or judge in

1 connection with the adoption of the child by the justice or judge; or
2 (4) care of the child immediately following the child's
3 birth or placement with the justice or judge.

4 (b) To obtain credit for service under this section, the justice
5 or judge must elect to do so and must provide verification from the
6 court administrator for the approved leave of absence under (a) of
7 this section.

8 (c) After eligibility for the leave of absence service credit is
9 established, an indebtedness must be determined, equal to the full
10 actuarial costs of providing benefits for the service claimed. In-
11 debtedness must be based on base salary and age at the time the ap-
12 proved leave began. Interest, as prescribed by regulation, accrues on
13 the indebtedness from the date that the approved leave of absence
14 ended.

15 * Sec. 4. AS 39.35.330(b) is amended to read:

16 (b) Except as provided in AS 39.35.335, a [A] leave of absence
17 without pay that exceeds 10 working days in any calendar year or lay-
18 off status authorized by an employer will be considered as an inter-
19 ruption of employment and no credited service will be granted.

20 * Sec. 5. AS 39.35 is amended by adding a new section to read:

21 Sec. 39.35.335. CREDIT FOR SERVICE FOR LEAVE OF ABSENCE WITHOUT
22 PAY DUE TO PREGNANCY, BIRTH, ADOPTION, AND CERTAIN CHILD CARE. (a)
23 An employee is entitled to credit for service for up to nine weeks of
24 leave of absence without pay authorized by an employer if the reason
25 for the leave of absence is

- 26 (1) pregnancy of the employee;
27 (2) birth of the child of the employee;
28 (3) placement of a child with the employee in connection
29 with the adoption of the child by the employee; or

1 (4) care of the child immediately following the child's
2 birth or placement with the employee.

3 (b) To obtain credit for service under this section, the employ-
4 ee must elect to do so and must provide verification from the employer
5 for the approved leave of absence under (a) of this section.

6 (c) After eligibility for the leave of absence service credit is
7 established, an indebtedness must be determined, equal to the full
8 actuarial cost of providing benefits for the service claimed. Indebt-
9 edness must be based on the employee's age and on the actual compensa-
10 tion during the 12 months before the approved leave of absence began,
11 or, if the employee did not work full time during the 12 months before
12 the approved leave began, on the annualized compensation. Interest,
13 as prescribed by regulation, accrues on the indebtedness from the date
14 that the approved leave of absence ended.

15 (d) Any outstanding indebtedness existing at the time that the
16 employee retires requires an actuarial adjustment to the benefits pay-
17 able based on the approved leave of absence.

18 (e) This section does not require an employer to approve a leave
19 of absence without pay for a period longer than that allowed by stat-
20 ute or regulation.

21 * Sec. 6. Within 90 days after this Act becomes law, the Department of
22 Administration shall provide notification of the provisions of this Act in
23 the regularly published newsletters of the division of retirement and
24 benefits and by publication in newspapers of general distribution in each
25 judicial district of the state.

26 * Sec. 7. Section 6 of this Act takes effect immediately in accordance
27 with AS 01.10.070(c).