

1 IN THE HOUSE

BY ULMER AND SUND

2

HOUSE BILL NO. 302

3

IN THE LEGISLATURE OF THE STATE OF ALASKA

4

FIFTEENTH LEGISLATURE - FIRST SESSION

5

A BILL

6 For an Act entitled: "An Act relating to credited service for part-time
7 teachers in the Teachers' Retirement System."

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

9 * Section 1. AS 14.25 is amended by adding a new section to read:

10 Sec. 14.25.109. PART-TIME TEACHERS. (a) A member who is em-
11 ployed in the system on a part-time basis may purchase additional
12 credited service. The amount purchased may not exceed an amount that
13 is sufficient, when added to the credited service the member received
14 for the part-time employment, to equal the credited service for
15 full-time employment for that period. The member may choose to use
16 the additional credited service to establish eligibility for benefits
17 or to compute the amount of benefits the member is entitled to re-
18 ceive, or for both purposes.

19 (b) A member who elects to receive full-time credited service
20 for part-time service under (a) of this section is indebted to the
21 system in the amount of the full actuarial cost of benefits based on
22 the additional credited service. Interest as prescribed by regulation
23 accrues on the indebtedness beginning on the last day of each school
24 year in which the member has elected to purchase additional credited
25 service. An outstanding indebtedness that exists at the time the
26 member is appointed to retirement will require an actuarial adjustment
27 to the benefits that are based on the additional credited service
28 purchased under this section. To receive full-time credited service
29 for part-time employment during a school year under this section, the

1 member must claim the service on or before the later of June 30, 1988,
2 or the date one year after the last day of the school year in which
3 the member was employed part-time.