

Offered: 2/1/89  
Referred: Health, Education &  
Social Services and Finance

6-0150E

Original sponsors: Ulmer and Koponen

1 IN THE HOUSE BY THE STATE AFFAIRS COMMITTEE  
2 CS FOR HOUSE BILL NO. 23 (State Affairs)  
3 IN THE LEGISLATURE OF THE STATE OF ALASKA  
4 SIXTEENTH LEGISLATURE - FIRST SESSION  
5 A BILL

6 For an Act entitled: "An Act relating to credit for part-time service in  
7 the public employees' retirement system and the  
8 teachers' retirement system; and providing for an  
9 effective date."

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

11 \* Section 1. AS 14.25.040 is amended by adding a new subsection to  
12 read:

13 (d) A person who is employed at least half-time in the system  
14 during the same period that the person is employed at least half-time  
15 in a position in the public employees' retirement system under  
16 AS 39.35 shall receive credited service under each system for half-  
17 time employment. However, the amount of credited service a person  
18 receives under the public employees' retirement system during a school  
19 year may not exceed the amount necessary, when added to the amount of  
20 credited service earned during the school year under the system, to  
21 equal one year of credited service.

22 \* Sec. 2. AS 39.35 is amended by adding a new section to read:

23 Sec. 39.35.131. MEMBERSHIP IN TEACHERS' AND PUBLIC EMPLOYEES'  
24 RETIREMENT SYSTEMS. A person who is employed at least half-time in  
25 the system during the same period that the person is employed at least  
26 half-time in a position in the teachers' retirement system under  
27 AS 14.25 shall receive credited service under each system for half-  
28 time employment. However, the amount of credited service a person  
29 receives under the system during a school year may not exceed the

1 amount necessary, when added to the amount of credited service earned  
2 during the school year under the teachers' retirement system, to equal  
3 one year of credited service.

4 \* Sec. 3. AS 39.35.680(21) is amended to read:

5 (21) "member" or "employee"

6 (A) means a person eligible to participate in the  
7 system and who is covered by the system;

8 (B) includes

9 (i) active member;

10 (ii) inactive member;

11 (iii) vested member;

12 (iv) deferred vested member;

13 (v) non-vested member;

14 (vi) disabled member;

15 (vii) retired member;

16 (C) does not include

17 (i) former members;

18 (ii) persons compensated on a contractual or fee  
19 basis;

20 (iii) casual or emergency workers or nonpermanent  
21 employees as defined in AS 39.25.200;

22 (iv) persons covered by the Alaska Teachers'  
23 Retirement System except as provided under AS 39.35.131;

24 (v) employees of the division of marine transpor-  
25 tation engaged in operating the state ferry system who are  
26 covered by a union or group retirement system to which the  
27 state makes contributions;

28 (vi) justices of the supreme court or judges of  
29 the court of appeals or of the superior or district courts

1 of Alaska;

2 (vii) the administrative director of courts ap-  
3 pointed under art. IV, sec. 16 of the state constitution  
4 unless the director becomes a member under AS 39.35.158; and

5 (viii) members of the elected public officers'  
6 retirement system (former AS 39.37);

7 (D) may include employees of the division of marine  
8 transportation excluded under (C)(v) of this paragraph provided  
9 that

10 (i) the State of Alaska formally agrees to their  
11 inclusion through the process of collective bargaining; and

12 (ii) no collective bargaining agreement has the  
13 effect of obligating contributions made by the state under  
14 AS 39.30.150 in the event the state resumes participation in  
15 the federal social security system;

16 \* Sec. 4. A person who was employed after January 15, 1988, at least  
17 half-time in a position in the public employees' retirement system under  
18 AS 39.35 in the same period that the person was employed at least half-time  
19 in a position in the teachers' retirement system under AS 14.25 may elect  
20 to receive credited service in both systems under AS 14.25.040(d) and  
21 AS 39.35.131, as enacted by secs. 1 and 2 of this Act, for employment from  
22 January 16, 1988, to the effective date of this Act. To obtain credited  
23 service under this section, the person shall elect to do so and verify the  
24 period of half-time service before July 1, 1990. When eligibility for  
25 half-time service credit has been established, an indebtedness shall be  
26 determined to the retirement system in which the person did not partici-  
27 pate. The amount of the indebtedness is the full actuarial cost of provid-  
28 ing benefits for the credited service claimed. Interest as prescribed by  
29 regulation accrues on that indebtedness beginning July 1, 1990. Any

1 outstanding indebtedness existing at the time the person retires will  
2 require an actuarial adjustment to the benefits payable based on that  
3 service.

4 \* Sec. 5. This Act takes effect immediately under AS 01.10.070(c).