

# COMMITTEE REPORT

## HOUSE

FURTHER:

Date: 4/11/82

Mr. Speaker: (Taken from Files 3/31/82)

The Committee on TEACHERS has had BE 151m

"An Act relating to the Teachers' Reciprocity System and authorizing amendment of regulations by the Alaska Teachers' Retirement Board."

under consideration and reports it back as follows:

- do pass  do not pass
- do pass with attached amendments(s)
- replace with CS for BE 151m  same title  
 new title
- and recommends BE 151m
- AND attaches a "Letter of Intent"  New Fiscal Note
- reports it back without recommendation
- referred to the \_\_\_\_\_ Committee

MEMBERS SIGNING  
DO PASS

MEMBERS HAVING  
OTHER RECOMMENDATIONS:

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CHAIRMAN

THE LEGISLATURE OF THE STATE OF ALASKA  
TWELFTH LEGISLATURE

FISCAL NOTE

I. REQUEST  
 Bill/Resolution No. SB 101 (Page 1 of 2)  
 Title An Act Relating to Retirement Benefits  
 Requested by \_\_\_\_\_ Date 4/13/82

II. FISCAL DETAIL  
 Agency Affected Administration - Division of Retirement & Benefits  
 Program Category Affected Labor Services and Elementary & Secondary Education  
 BRU, Program, Or Subprogram(s) Affected TRS/TRS Match  
 (Note: If more than one budget component is affected, separate line-item amounts and funding for each component in the analysis section.)

EXPENDITURES (Thousands of Dollars)

	FY 82	FY 83	FY 84	FY 85	FY 86	FY 87
100 PERSONAL SERVICES						
200 TRAVEL						
300 CONTRACTUAL						
400 COMMODITIES						
500 EQUIPMENT						
600 LAND & STRUCTURES						
700 STATE TRS MATCHING		92.2				
100 BENEFITS		16.6				
TOTAL		108.8				

FUNDING (Thousands of Dollars)

	FY 82	FY 83	FY 84	FY 85	FY 86	FY 87
GENERAL FUND		108.8				
FEDERAL FUNDS						
OTHER (Specify Source)						

POSITIONS  
NONE

	FY 82	FY 83	FY 84	FY 85	FY 86	FY 87
FULL TIME						
PART TIME						
TEMPORARY						

III. ANALYSIS (See Fiscal Note Preparation Instruction, Section III)

1. Estimate that approximately 100 teachers will qualify for additional service credit.
2. Estimate that those 100 teachers will receive credit for an additional five years.
3. Increase in contribution rate will be .0641% of covered TRS payroll (the TRS contribution is split 50/50 between the State matching contribution and the school district contribution).

IV. DATE 4/13/82 PREPARED BY *Al Adams* Al Adams, Chairmar  
 AGENCY House Finance Committee

Original: Legislative Finance PHONE \_\_\_\_\_  
 cc: Budget and Management  
 Prime Sponsor (First Legislator Named)  
 33-001 (Rev. 12/81)

THE LEGISLATURE OF THE STATE OF ALASKA  
TWELFTH LEGISLATURE

FISCAL NOTE

I. REQUEST

Bill/Resolution No. SB 101 (Page 2 of 2)  
Title An Act Relating to Retirement Benefits  
Requested by \_\_\_\_\_ Date 4/13/82

II. FISCAL DETAIL

Agency Affected Administration - Division of Retirement & Benefits  
Program Category Affected Centralized Administrative Services  
BRU, Program, Or Subprogram(s) Affected Retirement & Benefits  
(Note: If more than one budget component is affected, separate line-item amounts and funding for each component in the analysis section.)

EXPENDITURES (Thousands of Dollars)

	FY 82	FY 83	FY 84	FY 85	FY 86	FY 87
100 PERSONAL SERVICES						
100 RETIREMENT BENEFITS		44.0				
300 CONTRACTUAL						
400 COMMODITIES						
500 EQUIPMENT						
600 LAND & STRUCTURES						
700 GRANTS, CLAIMS, ETC.						
<b>TOTAL</b>		44.0				

FUNDING (Thousands of Dollars)

GENERAL FUND	36.0
FEDERAL FUNDS	2.0
VETERAN'S FUND	.1
FISH & GAME FUND	.3
HIGHWAY FUND	.6
AIRPORT FUND	1.3
CAPITAL FUND	3.7

POSITIONS NONE

FULL TIME						
PART TIME						
TEMPORARY						

III. ANALYSIS (See Fiscal Note Preparation Instruction, Section III)

1. It is estimated that 10 people will qualify under the provision making the repeal of AS 39.35.545 retroactive to July 1, 1968.
2. The total present value for retroactive and future benefit payments is estimated to be \$510,000; or \$44,000 per year, amortized over 25 years.

IV. DATE 4/13/82 PREPARED BY Al Adams, Chairman  
AGENCY House Finance Committee  
Original: Legislative Finance PHONE \_\_\_\_\_  
cc: Budget and Management  
Prime Sponsor (First Legislator Named)  
33-001 (Rev. 12/81)

Original sponsor: Health, Education and  
Social Services Committee

1 IN THE SENATE

BY THE FINANCE COMMITTEE

2 HOUSE CS FOR SENATE BILL NO. 101 (Finance)

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 TWELFTH LEGISLATURE - SECOND SESSION

5 A BILL

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

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

10 \* Section 1. AS 14.25.020(a)(1) is repealed and reenacted to read:

11 (1) recommend to the board regulations to govern the opera-  
12 tion of the system;

13 \* Sec. 2. AS 14.25.035 is amended by adding a new subsection to read:

14 (i) The board shall consider and may adopt, amend, or repeal  
15 regulations to govern the operation of the system. The regulations  
16 shall be adopted in accordance with the Administrative Procedure Act  
17 (AS 44.62).

18 \* Sec. 3. AS 14.25.060(c) is amended to read:

19 (c) The total military service claimed may not exceed five years.  
20 The combined total of outside and military service may not exceed 10  
21 years, except that, if entry into the armed forces is immediately pre-  
22 ceded by membership service and within one year after discharge is  
23 continued by membership service, that service will not be counted for  
24 purposes of determining the applicability of the 10-year limitation on  
25 the combined total of outside and military service. [THE COMBINED TOTAL  
26 OF OUTSIDE, MILITARY, AND ALASKA BIA SERVICE MAY NOT EXCEED 15 YEARS.]

27 \* Sec. 4. AS 14.25 is amended by adding a new section to read:

28 Sec. 14.25.107. CREDIT FOR ALASKA BIA SERVICE. A member who joins  
29 the system on or after July 1, 1978, who has Alaska BIA service may

1 claim all of that service as credited service. A retirement benefit  
2 payable under this chapter for Alaska BIA service shall be reduced by an  
3 amount equal to the retirement benefits paid to the member by the United  
4 States government for the same service.

5 \* Sec. 5. AS 14.25.220(10) is amended to read:

6 (10) "credited service" means all membership service as pro-  
7 vided in (20) of this section, plus outside, military, and Alaska BIA  
8 service [NOT EXCEEDING 15 YEARS,] with outside and military service  
9 limited to 10 years except under the conditions set out in AS 14.25.100;

10 \* Sec. 6. AS 14.25.220 is amended by adding a new paragraph to read:

11 (41) "board" means the Alaska Teachers' Retirement Board  
12 established under AS 14.25.035.

13 \* Sec. 7. The repeal of AS 39.35.545 in sec. 6, ch. 81, SLA 1976 is  
14 retroactive to July 1, 1968.

15 \* Sec. 8. AS 14.25.022 and 14.25.060(b)(3) are repealed.

16 \* Sec. 9. This Act takes effect immediately in accordance with AS 01.10.-  
17 070(c).

Original sponsor: Health, Education and  
Social Services Committee

Offered: 6/1/81  
Referred: Rules

1 IN THE SENATE

BY THE HEALTH, EDUCATION AND  
SOCIAL SERVICES COMMITTEE

2 HOUSE CS FOR SENATE BILL NO. 101 (HESS)

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 TWELFTH LEGISLATURE - FIRST SESSION

5 A BILL

6 For an Act entitled: "An Act relating to the teachers' retirement system  
7 and authorizing adoption of regulations by the Alaska  
8 Teachers' Retirement Board."

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

10 \* Section 1. AS 14.25.020(a)(1) is repealed and reenacted to read:

11 (1) recommend to the board regulations to govern the opera-  
12 tion of the system;

13 \* Sec. 2. AS 14.25.035 is amended by adding a new subsection to read:

14 (i) The board shall consider and may adopt, amend, or repeal  
15 regulations to govern the operation of the system. The regulations  
16 shall be adopted in accordance with the Administrative Procedure Act  
17 (AS 44.62).

18 \* Sec. 3. AS 14.25.220 is amended by adding a new paragraph to read:

19 (41) "board" means the Alaska Teachers' Retirement Board  
20 established under AS 14.25.035.

21 \* Sec. 4. AS 14.25.022 is repealed.

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Introduced: 1/20/81  
Referred: Health, Education &  
Social Services and Judiciary

BY THE HEALTH, EDUCATION AND  
SOCIAL SERVICES COMMITTEE

1 IN THE SENATE

2 SENATE BILL NO. 101 am

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 TWELFTH LEGISLATURE - FIRST SESSION

5 A BILL

6 For an Act entitled: "An Act relating to the Teachers' Retirement System  
7 and authorizing adoption of regulations by the Alaska  
8 Teachers' Retirement Board."

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

10 \* Section 1. AS 14.25.020(a)(1) is repealed and reenacted to read:

11 (1) recommend to the board regulations to govern the opera-  
12 tion of the system;

13 \* Sec. 2. AS 14.25.022 is amended to read:

14 Sec. 14.25.022. REGULATIONS. Regulations adopted by the board  
15 [PROMULGATED BY THE ADMINISTRATOR] under this chapter [AS 14.25.010 -  
16 14.25.220] that only relate to the internal management of a state  
17 agency shall be posted for 30 days before [AND] their adoption. How-  
18 ever, regulations that concern matters of public policy shall be adopted  
19 under [IS NOT SUBJECT TO] the Administrative Procedure Act (AS 44.62).

20 \* Sec. 3. AS 14.25.035 is amended by adding a new subsection to read:

21 (i) The board shall consider and may adopt, amend, or repeal  
22 regulations to govern the operation of the system.

23 \* Sec. 4. AS 14.25.220 is amended by adding a new paragraph to read:

24 (41) "board" means the Alaska Teachers' Retirement Board  
25 established under AS 14.25.035.

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THE LEGISLATURE OF THE STATE OF ALASKA  
TWELFTH LEGISLATURE

FISCAL NOTE

I. REQUEST

Bill/Resolution No. House CS for Senate Bill 101 (HESS)  
Title Authorizing Adoption of Regulations by the Alaska Teachers' Retirement Board  
Requested by \_\_\_\_\_ Date \_\_\_\_\_

II. FISCAL DETAIL

Agency Affected Administration - Division of Retirement & Benefits  
Program Category Affected Centralized Administrative Services & Secondary Education  
BRU, Program, or Subprogram(s) Affected Retirement & Benefits  
(Note: If more than one budget component is affected, separate line-item amounts and funding for each component in the analysis section.)  
EXPENDITURES (Thousands of Dollars)

	FY 82	FY 83	FY 84	FY 85	FY 86	FY 87
100 PERSONAL SERVICES						
100 RETIREMENT BENEFITS						
200 TRAVEL						
300 CONTRACTUAL						
400 COMMODITIES						
500 EQUIPMENT						
600 LAND & STRUCTURES						
700 GRANTS, CLAIMS, ETC.						
700 STATE TRS MATCHING						
TOTAL	0	0	0	0	0	0

FUNDING (Thousands of Dollars)

GENERAL FUND						
FEDERAL FUNDS						
VETERAN'S FUND						
FISH & GAME FUND						
HIGHWAY FUND						
AIRPORT FUND						
CAPITAL FUND						
PERS						
TRS						

POSITIONS NONE

FULL TIME						
PART TIME						
TEMPORARY						

III. ANALYSIS (See Fiscal Note Preparation Instructions, Section III)

IV. DATE March 31, 1982 PREPARED BY Paul B. Arnoldt  
AGE, Division of Retirement & Benefits  
PHONE 465-4460  
Original: Legislative Finance  
cc: Budget and Management  
Prime Sponsor (First Legislator Named) House HESS  
Office of the Governor (Keith Specking)

THE LEGISLATURE OF THE STATE OF ALASKA  
TWELFTH LEGISLATURE

FISCAL NOTE

I. REQUEST

Bill/Resolution No. Senate Bill 101  
 Title Authorizing Adoption of Regulations by the Alaska Teachers' Retirement Board  
 Requested by \_\_\_\_\_ Date \_\_\_\_\_

II. FISCAL DETAIL

Agency Affected Administration - Division of Retirement & Benefits  
 Program Category Affected Labor Services and Elementary & Secondary Education  
 BRU, Program, or Subprogram(s) Affected 02-96-8-01-01-02 (TRS) 02-11-8-02-01-00 (TRS MATCH)  
 (Note: If more than one budget component is affected, separate line-item amounts and funding for each component in the analysis section.)

EXPENDITURES (Thousands of Dollars)

	FY 81	FY 82	FY 83	FY 84	FY 85	FY 86
100 PERSONAL SERVICES						
200 TRAVEL						
300 CONTRACTUAL						
400 COMMODITIES						
500 EQUIPMENT						
600 LAND & STRUCTURES						
700 STATE TRS MATCHING						
100 BENEFITS						
TOTAL	0	0	0	0	0	0

FUNDING (Thousands of Dollars) None

GENERAL FUND						
FEDERAL FUNDS						
VETERAN'S FUND						
FISH & GAME FUND						
HIGHWAY FUND						
AIRPORT FUND						
CAPITAL FUND						
PERS						
TRS						

POSITIONS None

FULL TIME						
PART TIME						
TEMPORARY						

III. ANALYSIS (See Fiscal Note Preparation Instructions, Section III)

IV. DATE 2/6/81 PREPARED BY Paul B. Arnoldt, Director  
 AGENCY Division of Retirement & Benefits  
 PHONE 465-4460

Original: Legislative Finance  
 cc: Budget and Management  
 Prime Sponsor (First Legislator Named) House HESS  
 Office of the Governor (Keith Specking)  
 Rep. Zharoff

*Paul B. Arnoldt*  
