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COMMITTEE REPORT

SENATE

FURTHER: None

4/14/81

Date: APRIL 27, 1981

Mr. President:

The Committee on JUDICIARY has had SB 101

Teachers' Retirement System

under consideration and (a majority of the committee) (the committee) reports it back with the following recommendations:

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

MEMBERS SIGNING
DO PASS

[Handwritten signature]

MEMBERS HAVING
OTHER RECOMMENDATIONS:

Abraham - No Rec.
Key - No Rec.

CHAIRMAN

CARTA

Via Fisher

Central Alaska Retired Teachers Association

Advocate for Retired and Pre-Retired Educators

March 11, 1981.

Senator Patrick M. Rodey
Pouch V Mail Stop 3100
Juneau, AK 99811

Fisher

RECEIVED

MAR 17 1981

Dear Senator Rodey:

On March 7, 1981 the Alaska State Retired Teacher's Association pledged their support of Senate Bill 101 which provides regulatory powers for the Alaska Teacher's Retirement Board. Members of the Central Alaska Retired Teacher's Association wish to add their voices to that support.

The expertise and knowledge of individuals serving on the existing advisory board, will equip those persons to serve as decision makers. Full utilization of this resource will assure more efficient governing. This concept is not untried. The Public Employment Retirement System Board has already gained those powers.

196

Thank you for your consideration of this point.

Sincerely,

Vera A. Gazaway
Vera A. Gazaway

Arch

*Sen committee
now expect to
pass out
shortly.*

4-27-81

Chapter 25. Teachers' Retirement.

Article

1. Teachers' Retirement System (§§ 14.25.010 — 14.25.220)

Article 1. Teachers' Retirement System.

Section

- 10. Retirement system established
- 20. Powers of the administrator
- 22. Regulations
- 30. Duties of the administrator
- 35. Teachers' Retirement Board
- 40. Membership
- 45. Participation by National Education Association employees
- 50. Contributions by teacher
- 55. Supplemental contribution by a teacher
- 60. Arrearages
- 65. Transmittal of contributions
- 70. Contributions by employer
- 80. Contributions by the state
- 90. [Repealed]
- 100. Credit for service in the armed forces
- 110. Eligibility for service retirement
- 120. Manner of computing service retirement salary
- 180. Eligibility for disability retirement
- 135. Deferred retirement benefit

Section

- 137. Deferred vested retirement benefit
- 138. Notification of intention to retire
- 140. Manner of computing disability retirement salary
- 142. Cost of living allowance
- 143. Post retirement pension adjustment
- 145. Interest on individual accounts
- 150. Payment on withdrawal from system
- 160. Payment upon death of teacher
- 162. Survivor's allowance
- 164. Spouse's pension
- 168. Medical benefits
- 169. Duplicate benefits
- 170. Administration
- 180. Custody and investment
- 190. Actuarial evaluations of the retirement fund
- 200. Exemption from taxation and process
- 205. Time limit for application
- 210. Penalty for false statements
- 220. Definition of terms

Sec. 14.25.010. Retirement system established. A joint-contributory retirement system for teachers of the state is created. (§ 1 ch 145 SLA 195b; am § 1 ch 89 SLA 1960)

Am. Jur., ALR and C.J.S. references. — 40 Am. Jur., Pensions, § 1 et seq.; 47 Am. Jur., Schools, § 27 et seq.; 48 Am. Jur., Social Security, Unemployment Insurance and Retirement Funds, § 1 et seq.

Validity of statute providing for pensions for teachers, 37 ALR 1162.

Validity of repeal or modification of pension statute provisions, 52 ALR2d 437. 81 C.J.S. State § 94.

Sec. 14.25.020. Powers of the administrator. (a) The administrator may

(1) promulgate and issue appropriate regulations having the force of law to implement this chapter and to cover matters not expressly touched upon or anticipated but implied by this chapter;

(2) make expenditures from the retirement fund necessary to administer this chapter.

(b) The administrative expenditures permitted by (a) (2) of this section shall be included in the governor's budget for each fiscal year and are subject to appropriation by the legislature. (§ 4 ch 145 SLA 1955; am § 2 ch 142 SLA 1957; am § 3 ch 89 SLA 1960)

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(e) The l at the requ to rulings retirement administra to discuss consider ar (f) The l members, (g) Expe teachers' r (Executive § 1 cl. 31 S

Revisor's n the state con

Sec. 14.25.022. Regulations. Regulations promulgated by the administrator under §§ 10 — 220 of this chapter relate to the internal management of a state agency and their adoption is not subject to the Administrative Procedure Act (AS 44.62). (§ 1 ch 18 SLA 1963)

Sec. 14.25.030. Duties of the administrator. The administrator shall

- (1) establish and maintain an adequate system of accounts for the retirement fund;

- (2) approve or disapprove claims for retirement salary;

- (3) keep an official record of all proceedings;

- (4) publish annually a report showing the financial condition of the retirement fund; and

- (5) do whatever else may be necessary to carry out the purposes of this chapter. (§ 4 ch 145 SLA 1955; am § 2 ch 142 SLA 1957; am § 3 ch 89 SLA 1960)

Sec. 14.25.035. Teachers' Retirement Board. (a) There is established the Alaska Teachers' Retirement Board consisting of five members appointed by the governor for overlapping three-year terms. One member shall be a resident who is receiving retirement benefits under this chapter. Statewide teacher organizations may submit to the governor a list of recommended nominees to serve on the board.

(b) Members of the board serve without compensation except that each member may be reimbursed for actual and necessary expenses at the rate established in AS 39.20.180.

(c) The board shall confer with the commissioners of administration and revenue regarding the administration and the investment policies of the Teachers' Retirement Fund and may make such recommendations to them as they consider necessary.

(d) The board shall be furnished reports relating to the condition and administration of the retirement fund which shall be distributed to the information of the members of the system.

(e) The board shall serve as an appeal board and shall hold hearings at the request of an employer, employee, or any beneficiary in regard to rulings or decisions made by the administrator of the teachers' retirement system. The board shall submit its findings to the administrator. The board shall hold annually one or more public hearings to discuss proposed changes in the teachers' retirement system and to consider and adopt resolutions which might apply to this system.

(f) The board shall meet at the call of the chairman, any three members, or at the request of the commissioner of administration.

(g) Expenses for the board and its operation shall be paid from the teachers' retirement fund.

Executive Order No. 26, SLA 1964; am §§ 1 — 8 ch 85 SLA 1969; am § 1 ch 61 SLA 1972)

Revisor's note. — Under § 23, art. III of the state constitution, the governor can issue executive orders which have the force of law, if they are not disapproved by the

Title 15
Education

Title 18
Fish and Game

Title 17
Fish and Game

Title 16
Health and Labor



Official Business

Alaska State Legislature

Senate

Judiciary Committee

Pouch V
State Capitol
Juneau, Alaska 99811

M E M O R A N D U M

TO: Judiciary Committee Members
FROM: Kevin Bruce, Committee Aide
DATE: April 21, 1981
SUBJECT: SB 101, "An Act relating to the Teachers' Retirement System and authorizing adoption of regulations by the Alaska Teachers' Retirement Board."

I have spoken to two departments concerning this legislation and their comments are as follows:

Department of Administration (Judy Crondahl): supports the legislation as is.

Department of Education (Mary Lou Madden): No position on this bill.

KKB/ods