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STATE OF ALASKA 1984 LEGISLATIVE SESSION  
FISCAL NOTE

Revision Date: \_\_\_\_\_  
(Page 1 of 2)

REQUEST

Bill/Resolution No.: HB 649  
Title: Minimum benefit under TRS

FISCAL DETAIL

Agency Affected: Dept. of Educ., U of A  
Program Category Affected: TRS

Sponsor: Bettisworth  
Requestor: \_\_\_\_\_  
Date of Request: \_\_\_\_\_

BRU, Program or Subprogram(s) Affected: \_\_\_\_\_

EXPENDITURES/REVENUES: (Thousands of Dollars)

Operating	FY 84	FY 85	FY 86	FY 87	FY 88	FY 89
100 Personal Svcs		13.0				
100 Rtmnt & Bnfts		146.5	158.3	170.9	184.6	199.4
200 Travel						
300 Contractual						
400 Supplies						
500 Equipment						
600 Land & Struct						
700 Grants, Claims						
700 TRS Match		872.5	942.3	1,017.7	1,099.1	1,187.0
TOTAL OPERATING		1,032.0	1,100.6	1,188.6	1,283.7	1,386.4

CAPITAL						
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REVENUE						
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FUNDING: (Thousands of Dollars)

General Fund	-0-	1,032.0	1,100.6	1,188.6	1,283.7	1,386.4
Federal Funds						
Other						
Total						

POSITIONS:

Full-Time						
Part-Time						
Temporary		1				

SOURCE OF FUNDS TO OFFSET IMPACT OF BILL:

ANALYSIS: Attach a separate page for analysis

Prepared By: J.K. Humphreys, Director Phone: 465-4460  
Division: Retirement & Benefits Date: 4-9-84

Approved by Commissioner: Lisa Ridd Date: 4/10/84  
Agency: Department of Administration

Distribution (by Agency preparing fiscal note):

- Legislative Finance
- Legislative Sponsor
- Requestor
- Office of Management and Budget
- Impacted Agency(ies)

House Bill 649  
Fiscal Note Analysis  
Prepared by the Division of Retirement & Benefits  
Department of Administration

April 9, 1984

IV Analysis: We have assumed that this bill would affect 439 TRS members by increasing their benefit by \$10 per month for each year of service. We have calculated that passage of this bill will increase the state's contribution rate by .23% and the TRS State Match by .23%. The present value of these costs is \$19,730,000.00 and would result in a decrease in the funding ratio of 2.46%.

The estimated FY 85 State TRS salaries are \$63,713,500.00 and the total estimated TRS State Match salaries are \$379,349,200.00.

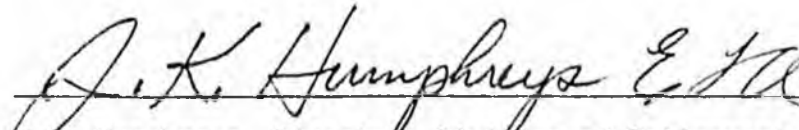
We have also estimated that efforts of researching and correcting the current minimum benefit recipients and those newly qualifying recipients would involve approximately 500 hours at a one year cost of \$13,000.00.

Position Paper

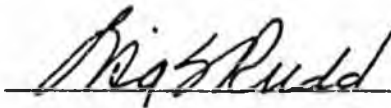
HB 649

The Department of Administration opposes this bill. The new minimum benefit would be paid to any retiree who retired with less than a \$21,000 annual salary for their high three years. The adjustment under this bill would be made and then any post retirement pension adjustments which had been granted would be added. For example, the minimum benefit under this bill granted to a member who retired in 1965 would, when combined with post retirement pension adjustments, yield a total benefit equivalent to that of a person retiring today with a final salary of \$31,966.44. This seems excessive for a minimum benefit. Those retirees who have been retired longer would benefit more because of the addition of post retirement pension adjustments.

The Department feels that the current minimum benefit provision when coupled with post retirement pension adjustments is adequate.

  
\_\_\_\_\_  
J.K. Humphreys, Director, Division of Retirement & Benefits

4/9/84  
Date

  
\_\_\_\_\_  
Commissioner Lisa Rudd, Department of Administration

4/10/84  
Date

Post Retirement  
Pension Adjustments

<u>PERS</u>		<u>INFLATION*</u>	<u>TRS</u>	
			7-1-67	1.5%
1-1-68		2.6%**	7-1-68	1.5%
1-1-69	1.5%	4.4%**	7-1-69	1.5%
1-1-70	1.5%	3.9%**	7-1-70	1.5%
1-1-71	1.5%	3.8%	7-1-71	1.5%
1-1-72		3.1%	7-1-72	1.5%
1-1-73	2.5%	2.6%	7-1-73	1.5%
1-1-74	3.0%	3.9%	7-1-74	3.0%
1-1-75		11.3%	7-1-75	
1-1-76		14.8%	7-1-76	
1-1-77		7.2%	7-1-77	10%
1-1-78	4.0%	7.6%	7-1-78	4.0%
1-1-79	4.0%	6.3%	7-1-79	4.0%
1-1-80	4.0%	10.0%	7-1-80	4.0%
7-1-81	4.0%	10.1%	7-1-81	4.0%
7-1-82	4.0%	7.7%	7-1-82	4.0%
7-1-83		7.1%	7-1-83	

\*converted from Anchorage CPI (only for 1971 on).

\*\*these percentages were furnished by Dept. of Labor



ALASKA STATE LEGISLATURE  
 HOUSE OF REPRESENTATIVES  
 RESEARCH AGENCY

Pouch Y, State Capitol  
 Juneau, Alaska 99811  
 (907) 465-3991

April 10, 1984

MEMORANDUM

TO: Representative Bob Bettisworth  
 FROM: David Teal *Teal*  
 Legislative Analyst  
 RE: Adjustment of Teachers' Retirement Benefits  
 Research Request 84-091

Ralph Bennett, of your staff, asked us to apply inflation factors in order to determine benefit amounts that correspond to previous payments through the teachers' retirement system. The table below shows (1) previous minimum benefit amounts (in the first year in which an amount was applicable), (2) the Anchorage Consumer Price Index (CPI) in the same year, (3) the inflation factor required to bring the previous value to an equivalent value in January 1984, and (4) the minimum benefit (in 1984 dollars) that corresponds to the previous amount.

<u>Year</u>	<u>Minimum Benefit*</u>	<u>January CPI</u>	<u>CPI Adjustment Factor**</u>	<u>1984 Minimum Benefit</u>
1974	\$15	125.6	2.16	\$32.42
1975	20	142.9	1.90	38.00
1980	25	215.9	1.26	31.44

\*The minimum benefit is presented as the minimum monthly payment per year of service. The floor was set at \$200 per month, regardless of time served, prior to 1974.

\*\*The CPI for January 1984 was 271.5. Adjustment to later values would increase the amount shown in column 5.

\* \* \*

If we can be of further assistance on this or another project, please call.

# STATE OF ALASKA

## DEPARTMENT OF ADMINISTRATION

DIVISION OF RETIREMENT & BENEFITS

POUCH CR

JUNEAU, ALASKA 99811

Public Employees' Retirement System  
Teachers' Retirement System  
Judicial Retirement System  
Elected Public Officers Retirement System  
National Guard Retirement System  
Territorial Retirement System  
Retirees' Voluntary Dental-Vision-Audio Plan  
Supplemental Benefits System  
Group Health/Life Insurance Benefits  
Deferred Compensation Plan  
Public Employers Social Security Contributions

Bill Sheffield, Governor

(907) 465-4460

January 20, 1984

RECEIVED

JAN 23 1984

BUDGET/AUDIT  
COMMITTEE

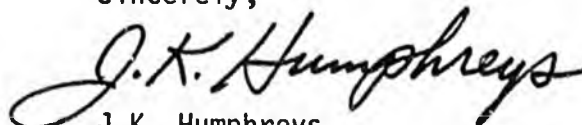
Honorable Robert H. Bettisworth  
Chairman  
Legislative Budget & Audit Committee  
Pouch V  
Juneau, AK 99811

Dear Mr. Chairman:

Attached is an estimate of the fiscal impact on the Teachers' Retirement System (TRS) of your attached draft legislation. This estimate is for information purposes only and the assumptions used are outlined on the second page.

We appreciate your aide's efforts in working with this Division in drafting this legislation. When the bill is introduced, we will review it and prepare an accompanying, formal fiscal note. If we can be of any further assistance, please contact me.

Sincerely,



J.K. Humphreys  
Director

JKH/sf  
Attachments  
cc: Rebecca Burch

STATE OF ALASKA 1984 LEGISLATIVE SESSION  
FISCAL NOTE

DRAFT

Revision Date: \_\_\_\_\_

(Page 1 of 2)

REQUEST

Bill/Resolution No.: HB Draft  
Title: Minumum benefit under TRS

Sponsor: Bettisworth

Requestor: \_\_\_\_\_

Date of Request: \_\_\_\_\_

FISCAL DETAIL

Agency Affected: Dept. of Educ., U of A  
Program Category Affected: TRS

BRU, Program or Subprogram(s) Affected: \_\_\_\_\_

EXPENDITURES/REVENUES: (Thousands of Dollars)

Operating	FY 84	FY 85	FY 86	FY 87	FY 88	FY 89
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CAPITAL						
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REVENUE						
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FUNDING: (Thousands of Dollars)

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Federal Funds						
Other						
Total						

POSITIONS:

Full-Time						
Part-Time						
Temporary		2				

SOURCE OF FUNDS TO OFFSET IMPACT OF BILL:

ANALYSIS: Attach a separate page for analysis

Prepared By: J.K. Humphreys Phone: 465-4460  
Division: Retirement & Benefits Date: 1-16-84

Approved by Commissioner: Lisa Rudd Date: 1-16-84  
Agency: Department of Administration

Distribution (by Agency preparing fiscal note):

- Legislative Finance
- Legislative Sponsor
- Requestor
- Office of Management and Budget
- Impacted Agency(ies)

House Bill Draft  
Fiscal Note Analysis  
Prepared by the Division of Retirement & Benefits  
Department of Administration

January 16, 1984

IV Analysis: We have assumed that this bill would affect 439 TRS members by increasing their benefit by \$10 per month for each year of service. We have calculated that passage of this bill will increase the state's contribution rate by .23% and the TRS State Match by .23%. The present value of these costs is \$19,730,000.00 and would result in a decrease in the funding ratio of 2.46%.

The estimated FY 85 State TRS salaries are \$63,713,500.00 and the total estimated TRS State Match salaries are \$379,349,200.00.

We have also estimated that efforts of researching and correcting the current minimum benefit recipients and those newly qualifying recipients would involve approximately 500 hours at a one year cost of \$13,000.00.

PRPA- CALL FRED ZHAROFF

TEACHERS WHO RETIRED OVER 16 YEARS AGO WHO FEW  
BELOW THE NEW RATES ESTABLISHED ABOUT 10 YEARS AGO.

C EMPLOYEES RETIREMENT SYSTEM / TEACHERS' RETIREMENT SYSTEM / JUDICIAL RETIREMENT SYSTEM / ELECTED PUBLIC OFFICIALS RETIREMENT SYSTEM / NATIONAL GUARD RETIREMENT SYSTEM

A COMPARISON - MAY, 1983

	<u>PERS</u>	All Other	<u>TRS</u>	<u>JRS</u>	<u>EPORS</u>	<u>NGRS</u>
Contributor	PO/F					
	2% on years 1-10 2 1/2% on years over 10	2%	2%	5%	5% membership 2% other creditable service	\$100.00 x no. of months NGRS service
	5 years	5 years	8 years	5 years	5 years	5 NG out of 20 MIL
Requirement	55 w/5 years service OR 20 years PO/F service	55 w/ 5 years service OR 30 years service	55 w/8 years membership service; OR 5 years membership service and 3 years AK BIA; OR 15 years credited service if hired prior to 7/1/75, last 5 years membership service; OR at any age: 20 years membership service; OR 20 years combined mem- bership and AK BIA, last 5 years membership service; OR 25 years credited service, last 5 years membership service.	60 w/ 5 years service	60 w/ 5 years service	N/A
	55 w/2 years service if if vested in the PERS	55 w/2 years service if vested in the TRS	55 w/2 years membership service if vested in the PERS	N/A	N/A	N/A
Rate	5%	4.25%	7%	7% for Judges hired after 7/01/78; 0% for Judges hired before 7/01/78	7%	N/A
	22.36% consolidated rate; FY 83	12.71% consolidated rate; FY 83	8.45%; FY 83	104.78%; FY 83 and FY 84	Unfunded System, Annual Appropriation	Funded System, \$1,202,000 FY 83 and FY 84
	Military (max. of 5 years)  Territorial Service (must have 3 years service w/State after 1961)  Temporary Service	Military (max. of 5 years)  Territorial Service (must have 3 years service w/State after 1961)  Temporary Service	Military (max. of 5 years)  Outside (max. of 10 years; military & outside not to exceed 10 years)  AK BIA (no max.)	Magistrate Pre 7/01/67  N/A  N/A	PERS Covered Employment	N/A
	10% (or \$50.) if domiciled in AK	10% (or \$50.) if domiciled in AK	10% if domiciled in AK	NO	NO	NO
Investments	Ad Hoc	Ad Hoc	Ad Hoc	Benefits Increase with Last Position's Salary Increase	Benefits Increase With Last Positions Salary Increase	NO
Portability	Yes	Yes	Yes	Yes	Yes	NO

Appendix I

# Alaska State Legislature



POUCH V  
JUNEAU, ALASKA 99811

REPRESENTATIVE

ROBERT H. "BOB" BETTISWORTH

211 CUSHMAN STREET  
FARBANKS, ALASKA 99701

April 10, 1984

## M E M O R A N D U M

To: Representative Mae Tischer, Chair, House HESS Committee

From: Rep. Bob Bettisworth *RB*

Subject: H3649, "An Act relating to the minimum monthly retirement benefit under the Teachers' Retirement System; and providing for an effective date."

It has become evident that TRS retirement benefits have not kept up with inflation. This has resulted, for the most part, from the failure of post retirement pension adjustments to keep pace with actual inflation. In an attempt to partially redress this problem HB649 proposes to raise the current statutorial minimum TRS benefit for retirees under the system from \$25/month/year to \$35/month/year. The cost of this increase for those receiving minimum benefits would have to be borne by the state through increased annual appropriations to the TRS match.

The TRS system had no minimum or floor level for retirees until 1973 when a \$200 minimum benefit per month was provided. In 1974 this was changed to \$15/month/year of service and in 1975 the per month per year minimum was raised again to \$20. The \$20 floor remained in effect until it was raised to \$25 in 1980 and it remains at that level today. DOA, Division of Retirement and Benefits has estimated that the number of retirees affected by the increased benefit would be 439.

In calculating what an appropriate increase would be the Anchorage CPI was used keeping in mind the changes over time since the first per month per year based floor was installed in 1974. A figure based on the amount of CPI change since the 1975 adjustment to \$20/month/year was also calculated. Based on these two scenarios, a median figure of \$35 was selected bearing in mind that the numbers were based on calculations of inflation only through January 1, 1984.

A chart showing the present minimum benefit levels for specific service longevity and the same representation for the new minimum benefit levels is provided:

Currently TRS contributors vest at eight years of service.

1.) EXISTING MINIMUM BENEFIT LEVELS FOR TRS RECIPIENTS

Eight Years	8 X \$25	=	\$200
Ten Years	10 X \$25	=	\$250
Twelve Years	12 X \$25	=	\$300

2.) PROPOSED MINIMUM BENEFIT LEVELS FOR TRS RECIPIENTS

Eight Years	8 X \$35	=	\$280
Ten Years	10 X \$35	=	\$350
Twelve Years	12 X \$35	=	\$420

An increase in minimum benefit from \$25 to \$35 is an increase of 40%.

Alaska State Legislature

REP. MAE TISCHER  
CHAIRMAN



POUCH V  
STATE CAPITAL  
JUNEAU, ALASKA 99811  
(907) 465-3777

House of Representatives  
HEALTH, EDUCATION AND SOCIAL SERVICES COMMITTEE

STAFF REVIEW

House Bill 649, "An Act relating to the minimum monthly retirement benefit under the Teachers' Retirement System; and providing for an effective date," by Representative Bob Bettisworth, raises the minimum amount for eligible members of the Teachers' Retirement System from \$25 (under current law) to \$35 a month for each year of credited service, excluding adjustments.

The bill provides that the law would take effect July 1, 1984.

(Legislative Reporting Service, 2/20/84, p. 369)

person, or circumstance shall not be affected thereby. If this agreement shall be held contrary to the constitution of any state participating therein, the agreement shall remain in full force and effect as to the state affected as to all severable matters. (§ 1 ch 83 SLA 1970)

**Editor's notes.** — In article III(1) of the compact, the word "that" was substituted for "his" in the first sentence and the words "the state official" were substituted

for "he" in the third sentence by the revisor of statutes pursuant to AS 01.05.031 and § 4, ch. 58, SLA 1982.

**Sec. 14.20.640. Designated state official to make contracts.** The designated state official to make contracts on behalf of the state according to Article III of the agreement shall be the commissioner. (§ 1 ch 83 SLA 1970)

**Revisor's notes.** — The words "of education" were deleted following "com-

missioner" by the revisor of statutes under AS 01.05.031. See AS 14.60.010.

**Sec. 14.20.650. Filing and publishing of contracts.** True copies of all contracts made on behalf of this state according to the agreement shall be kept on file in the office of the commissioner and in the office of the lieutenant governor. The Department of Education shall publish all contracts in convenient form. (§ 1 ch 83 SLA 1970)

**Revisor's notes.** — In the first sentence of the section, the words "of education" were deleted following "the commissioner"

and "lieutenant governor" was substituted for "secretary of state" by the revisor of statutes under AS 01.05.031.

### Chapter 25. Teachers' Retirement.

- Section**
- 10. Retirement system established
  - 12. Purpose and effective date
  - 15. Administrator
  - 20. Powers of the administrator
  - 22. Regulations
  - 30. Duties of the administrator
  - 35. Teachers' Retirement Board
  - 40. Membership
  - 43. Reemployment of retired members
  - 45. Participation by National Education Association employees
  - 50. Contributions by teachers
  - 55. Supplemental contributions by teachers
  - 60. Arrearage indebtedness
  - 61. Retroactive indebtedness
  - 62. Reinstatement indebtedness
  - 63. Payment of indebtedness
  - 65. Transmittal of contributions
  - 70. Contributions by employer
  - 80. Contributions by the state
  - 90. [Repealed]
  - 100. Credit for service in the armed forces

- Section**
- 105. Credit for service as an employee of the Territory of Alaska
  - 107. Credit for Alaska BIA service
  - 110. Retirement benefits
  - 115. Unused sick leave credit
  - 120. [Repealed]
  - 125. Conditional service retirement benefits
  - 130. Disability benefits
  - 135—140. [Repealed]
  - 142. Cost of living allowance
  - 143. Post retirement pension adjustment
  - 145. Interest on individual accounts
  - 150. Refund upon termination
  - 155. Nonoccupational death benefits
  - 157. Occupational death benefits
  - 160. Death benefits
  - 162. Survivor's allowance
  - 164. Spouse's pension
  - 166. Designation of beneficiary
  - 167. Joint and survivor option
  - 168. Medical benefits
  - 169. Duplicate benefits
  - 170. Administration

**Section**  
 173. Adjustments  
 175. Waiver of adjustments  
 177. Effect of amendments  
 180. Custody and investment  
 190. Actuarial evaluations of the retirement fund

**Section**  
 200. Exemption from taxation and process  
 205. Time limit for application  
 210. Penalty for false statements  
 220. Definitions

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**Collateral references.** — 60 Am. Jur. 2d Pensions and Retirement Funds, §§ 39-72. 78 C.J.S. Schools and School Districts, §§ 231-236.

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**Sec. 14.25.010. Retirement system established.** A joint-contributory retirement system for teachers of the state is created. (§ 1 ch 145 SLA 1955; am § 1 ch 89 SLA 1960)

**Sec. 14.25.012. Purpose and effective date.** (a) The purpose of this chapter is to encourage qualified teachers to enter and remain in service with participating employers by establishing a system for the payment of retirement, disability, and death benefits to or on behalf of the members.

(b) The system created became effective as of July 1, 1955, at which time contributions by the participating employers and members began. (§ 1 ch 13 SLA 1980)

**Sec. 14.25.015. Administrator.** The commissioner of administration shall appoint an administrator of the system. (§ 1 ch 13 SLA 1980)

**Cross references.** — For definition of "administrator," see AS 14.25.220(3).

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

- (1) formulate and recommend to the Alaska Teachers' Retirement Board regulations to govern the operation of the system;
- (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; am § 1 ch 137 SLA 1982)

**Effect of amendments.** — The 1982 amendment, in subsection (a), rewrote paragraph (1), which formerly read "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."

**Sec. 14.25.022. Regulations.** Regulations adopted by the Alaska Teachers' Retirement Board under this chapter relate to the internal

(e) The governing body of the district may advance the teacher on the district salary schedule when the teacher returns to employment if the governing body determines that the teacher's leave of absence was educationally or professionally beneficial to the teacher or the district.

(f) A teacher may make contributions to the retirement fund for each year or portion of a year of leave of absence taken. The contribution shall include the required per cent of the salary the teacher would have received had the leave of absence not been taken, plus the required employer and state contributions that would have been made. Compound interest at the rate prescribed by regulation shall be added as computed from the beginning date of the leave of absence to the date the teacher pays the contribution. (§ 5 ch 104 SLA 1965; am §§ 33, 34 ch 98 SLA 1966; am § 1 ch 44 SLA 1971; am § 1 ch 184 SLA 1972; am § 2 ch 99 SLA 1974)

**Editor's notes.** — The revisor of statutes, pursuant to AS 01.05.031 and § 4, ch. 58, SLA 1982, substituted "the teacher's" for "his" in subsection (a)(1); substituted "the teacher" for "he" in subsections (a)(2), (d), (e), and (f); substituted "the teacher"

for "him" in subsection (b); substituted "the" for "his" in subsection (d); and, in subsection (f), substituted "the leave of absence not been taken" for "he not taken the leave of absence."

**Sec. 14.20.350. Definition.** In AS 14.20.280 — 14.20.350 "teacher" means a certificated member of the teaching, supervisory, or administrative corps in the public schools of the state. (§ 8 ch 134 SLA 1962)

**Revisor's notes.** — This section was rewritten to eliminate former paragraph (2) which defined "department" by the

revisor of statutes under AS 01.05.031 because of the redundancy in light of AS 14.60.010(4).

**Article 5. Professional Teaching Practices Act.**

**Section**

- 370. Teaching profession
- 380. Creation of a commission
- 390. Appointment and qualifications
- 400. Composition of the commission
- 410. Selection of members
- 420. Term of office
- 430. Dismissal
- 440. Reimbursement

**Section**

- 450. Responsibilities of commission
- 460. Duties of commission
- 470. Powers of commission
- 475. Applicability of the Administrative Procedure Act
- 480. Effect of standards
- 500. Support
- 510. Short title

**Sec. 14.20.370. Teaching profession.** Teachers required by Alaska law to be certificated, instructors in institutions of higher learning, school administrators, school program administrators, and school counselors are within the teaching profession. (§ 35 ch 98 SLA 1966)

**Opinions of attorney general.** — Unless the duties of an employee of the department of education can be characterized as falling within one of the five categories of this section, that employee cannot be said to fall within the teaching profession for purposes of the Professional Teaching Practices Act. July 15, 1977, Op. Att'y Gen.

The only employees of the department of education who might fit into one of the categories of this section are those who are employed by the department at the Alaska Skill Center or in its centralized correspondence study program. July 15, 1977, Op. Att'y Gen.

**Sec. 14.20.380. Creation of a commission.** There is a commission of professional educators known as the Professional Teaching Practices Commission. (§ 35 ch 98 SLA 1966)

**Sec. 14.20.390. Appointment and qualifications.** The commission consists of nine members appointed by the governor and confirmed by a majority of the members of the legislature in joint session. Each member, in addition to having been actively engaged in the teaching profession for at least five years immediately preceding appointment, shall be a citizen of the United States and a resident of the state. (§ 35 ch 98 SLA 1966)

**Editor's notes.** — The revisor of statutes, pursuant to § 4, ch. 58, SLA 1982 and AS 01.05.031, deleted "his" preceding "appointment" in the second sentence.

**Collateral references.** — Bias of members of license revocation board. 97 ALR2d 1210.

**Sec. 14.20.400. Composition of the commission.** The commission consists of the following members:

- (1) five classroom teachers;
- (2) one principal;
- (3) one superintendent;
- (4) one representative of the office of the commissioner;
- (5) one representative of an Alaska institution of higher learning. (§ 35 ch 98 SLA 1966)

**Revisor's notes.** — The words "of education" were deleted following "the

commissioner" by the revisor of statutes under AS 01.05.031. See AS 14.60.010.

**Sec. 14.20.410. Selection of members.** (a) Members of the commission shall be selected as follows:

(1) the five classroom teachers from lists of names submitted by recognized Alaska teachers' organizations, each list not to exceed 12 names; however, in lieu of one of the five, one classroom teacher may be selected from a list of not more than four names signed and submitted by not less than 25 teachers who have no affiliation with any organization qualified to submit nomination lists, with the limitation that no teacher may sign more than one list in any year;

(2) the principal from a list of three names submitted by the Alaska Principals Association;

(3) the superintendent from a list of three names submitted by the Superintendents Advisory Commission;

(4) the representative of the office of the commissioner from a list of three names submitted by the commissioner;

(5) the representative of an Alaska institution of higher learning from lists of names submitted by Alaska institutions of higher learning, each list not to exceed three names.

(b) The lists shall be submitted to the commissioner who shall submit them as a group to the governor's office.

(c) At least 30 days before a position on the commission is due to become vacant, the chairman shall cause notice of the impending vacancy to be published and to be conveyed to each organized group eligible to submit a list of nominees. (§ 35 ch 98 SLA 1966)

*Editor's notes.* — In subsection (a)(4), the words "of education" were deleted following "the commissioner" by the

revisor of statutes pursuant to AS 01.05.031. See AS 14.60.010.

**Sec. 14.20.420. Term of office.** (a) The term of office for each member of the commission is three years and until a successor is appointed, except that members of the first commission shall be appointed as follows: three members for one year, three members for two years, and three members for three years. Members of the first commission shall draw by lot for the initial term of appointment.

(b) Vacancies shall be filled by appointment by the governor for the unexpired term.

(c) No individual may serve more than a total of two 3-year terms.

(d) The commission shall select a chairman from among its members. (§ 35 ch 98 SLA 1966)

**Sec. 14.20.430. Dismissal.** Any member may be removed by the governor for misconduct, malfeasance or nonfeasance in office, or incapacity. (§ 35 ch 98 SLA 1966)

**Sec. 14.20.440. Reimbursement.** Members of the commission shall receive per diem according to law and are to be granted administrative leave with full pay by their employer for time spent in the performance of official duties under AS 14.20.370 — 14.20.510. If a member is required to spend more than 15 days in a fiscal year in the performance of official duties under AS 14.20.370 — 14.20.510, the state shall reimburse the employer for costs incurred after the 15th day. (§ 35 ch 98 SLA 1966; am § 1 ch 4 SLA 1975)

*Editor's notes.* — The word "his" was deleted preceding "official duties" in the second sentence by the

pursuant to AS 01.05.031 and § 4, ch. 58, SLA 1982.

**Sec. 14.20.450. Responsibilities of commission.** (a) The commission shall have the initial responsibility of developing, through the teaching profession, criteria of professional practices in areas including, but not limited to:

(1) ethical and professional performance;

(2) preparation for and continuance in professional services; and

(3) contractual obligations. (§ 35 ch 98 SLA 1966)

**Sec. 14.20.460. Duties of commission.** The commission shall

(1) establish procedures, and adopt rules to implement the purposes of AS 14.20.370 — 14.20.510;

(2) conduct investigations and hearings on alleged violations of ethical or professional teaching performance, contractual obligations, and professional teaching misconduct;

(3) review the regulations of the department as they relate to teacher certification and recommend necessary changes;

(4) review the decisions of the department regarding the issuance or denial of certificates and in its discretion recommend reversal of decisions. (§ 35 ch 98 SLA 1966)

**Sec. 14.20.470. Powers of commission.** (a) The commission may

(1) study proposals developed by regular committees of any existing professional organization whose members are within the teaching profession;

(2) subpoena witnesses, place them under oath, and maintain written records;

(3) warn or reprimand members of the teaching profession, if in the judgment of the commission such action is warranted;

(4) suspend or revoke the certificate of a member of the teaching profession for one of the reasons set out in AS 14.20.030 except that in the case of an administrator, the commissioner must concur;

(5) make any recommendation to the board or to school boards which will promote an improvement in the teaching profession;

(6) request assistance through any of the investigative processes of any existing professional teaching organizations when analyzing charges of breach of ethical or professional teaching practices;

(7) appoint an executive secretary, delegate those ministerial functions to executive secretary as the commission may decide and set executive secretary's compensation with a starting salary not exceeding range 26, step B of the pay plan for state employees in AS 39.27.011(a).

(b) A decision issued by the commission with the approval of the commissioner under (a) (4) of this section is final. (§ 35 ch 98 SLA 1966; am § 1 ch 77 SLA 1972; am §§ 3, 4 ch 9 SLA 1975; am § 2 ch 103 SLA 1976; am § 13 ch 94 SLA 1980)

**Effect of amendments.** — The 1980 amendment substituted "the pay plan for state employees in AS 39.27.011(a)" for "AS 39.27.010" at the end of paragraph (7) of subsection (a).

**Editor's notes.** — The revisor of statutes, under the authority of AS 01.05.031 and § 4, ch. 58, SLA 1982, deleted "of

education" following "commissioner" in subsection (a)(4) and subsection (b), and, in subsection (a)(7), substituted "executive secretary" for "him" and "executive secretary's" for "his."

**Legislative history reports.** — For report on ch. 77, SLA 1972 (SB 126), see 1972 House Journal, p. 1208.

**Sec. 14.20.475. Applicability of the Administrative Procedure Act.** The Administrative Procedure Act (AS 44.62) applies to regulations and proceedings under AS 14.20.370 — 14.20.510. (§ 5 ch 9 SLA 1975)

**Sec. 14.20.480. Effect of standards.** Members of the teaching profession are obligated to abide by the professional teaching standards adopted by the commission. (§ 35 ch 98 SLA 1966)

NOTES TO DECISIONS

Applied in *Renfroe v. Green*, Sup. Ct. Op. No. 2233 (File Nos. 4394, 4481), 626 P.2d 1068 (1980).

**Sec. 14.20.500. Support.** In addition to available state funds, the commission shall also be financed by members of the profession in accordance with regulations adopted by the department including, if necessary, an increase in the fees for certificates. (§ 35 ch 98 SLA 1966; am § 1 ch 73 SLA 1973)

**Revisor's notes.** — The word "adopted" was substituted for "promulgated" by the revisor of statutes under AS 01.05.031.

**Sec. 14.20.510. Short title.** AS 14.20.370 — 14.20.510 shall be known as the Professional Teaching Practices Act. (§ 35 ch 98 SLA 1966)

Article 6. Negotiation and Mediation.

Section	Section
550. Negotiation with certificated employees	570. Mediation
555. Optional coordinated employee negotiations	580. The mediation report
560. Teachers' bargaining groups and meetings with the groups	590. Grievance procedures
	600. Individual cases
	610. Legal responsibilities of boards