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HOUSE COMMITTEE REPORT

(11)

Date Referred: February 23, 1989

FURTHER REFERRALS:

Date of Committee Action: 3/14/89

The FINANCE Committee considered:

HB 89

HOUSE BILL NO. 89 [TEACHERS RETIREMENT ELIGIBILITY]
"An Act relating to eligibility for retirement under the teachers' retirement system."

RECOMMENDS:

- replacing with CSHB 89 (HESS) the same title
- the attached amendment(s) a new title
- do pass
- do not pass
- no recommendation
- individual recommendations
- additional referral to the _____ Committee

ADOPTS: _____ letter of intent

ATTACHES NEW FISCAL NOTE(S):

- fiscal impact
- zero fiscal note
- zero with analysis

APPROVES PREVIOUS:

- fiscal note(s) published:
- zero fiscal notes(s) published: 2/23/89

SIGNING DO PASS:

[Signature] HOFFMAN
[Signature] SWACKHAMMER
[Signature] KOPONEN
[Signature] LILMER
[Signature] BARNES

SIGNING OTHER THAN DO PASS:

(Do Not Pass, No Recommendation, Amend)

[Signature] No Rec LARSON
[Signature] No Rec SHULT
[Signature] No Rec PHILLIPS
[Signature] No Recommendation RIESE

[Signature]
 CO-chairman's signature
[Signature]

FISCAL NOTE

REQUEST:

Revision Date: _____ Agency Affected: Department of Administration
 Title: An Act relating to eligibility BRU: Retirement and Benefits
for retirement under the TRS.
 Sponsor: Navarre Components: Retirement and Benefits
 Requestor: _____

EXPENDITURES/REVENUES: (Thousands of Dollars)

OPERATING	FY 89	FY 90	FY 91	FY 92	FY 93	FY 94
PERSONAL SERVICES	0	0	0	0	0	0
TRAVEL	0	0	0	0	0	0
CONTRACTUAL	0	0	0	0	0	0
SUPPLIES	0	0	0	0	0	0
EQUIPMENT	0	0	0	0	0	0
LAND & STRUCTURES	0	0	0	0	0	0
GRANTS, CLAIMS	0	0	0	0	0	0
MISCELLANEOUS	0	0	0	0	0	0
TOTAL OPERATING	0	0	0	0	0	0
CAPITAL	0	0	0	0	0	0
REVENUE	0	0	0	0	0	0

FUNDING: (Thousands of Dollars)

GENERAL FUND	0	0	0	0	0	0
FEDERAL FUNDS	0	0	0	0	0	0
OTHER	0	0	0	0	0	0
TOTAL	0	0	0	0	0	0

POSITIONS:

FULL-TIME	0	0	0	0	0	0
PART-TIME	0	0	0	0	0	0
TEMPORARY	0	0	0	0	0	0

ANALYSIS: (Attach a separate page if necessary)

This bill will not result in increased operational costs to the Division.
 THIS BILL IS ESTIMATED TO COST THE DEPARTMENT OF EDUCATION AND THE UNIVERSITY OF ALASKA \$33.0
 IN INCREASED PERSONAL SERVICES COSTS IN FY 90. THIS BILL IS ESTIMATED TO COST SCHOOL DISTRICTS
 \$203.5 IN INCREASED PERSONAL SERVICE COSTS IN FY 90. Please refer to page 2 for a detailed
 discussion of these costs.

Prepared By: R. S. Stalushka Phone: 465-4470
 Division: Retirement and Benefits Date: 1/25/89

Approved by Commissioner: John M. Andrews Date: 1/26/89
 Agency: Department of Administration

Distribution (by preparer):
 Legislative Finance
 Legislative Sponsor
 Requestor
 Office of Management and Budget
 Impacted Agency(ies)

Adopted

House Bill 89
 Analysis of the Fiscal Implications to the Retirement Fund
 Prepared by Division of Retirement & Benefits
 Department of Administration
 January 20, 1989

Analysis: This bill would enable members of the TRS to receive full credit for part-time and 1/2 year teaching to establish eligibility for benefits. Benefits would continue to be calculated at half-credit. Passage of this bill is estimated to increase the state TRS contribution rate for FY90 by .06%. The FY90 state TRS payroll is estimated to be \$55,085,786 (Department of Education, \$5,025,700; and University of Alaska, \$50,060,086) and remain level for each year thereafter.

The cost to the state of \$33.0 is calculated as follows:

Estimated U of A FY90 payroll	\$ 50,060,086
TRS contribution rate increase	X <u> .06%</u>
 Total U of A cost.....	 \$ 30,000

Estimated D.O.E. FY90 payroll	\$ 5,025,700
TRS contribution rate increase	X <u> .06%</u>
 Total D.O.E. cost.....	 \$ 3,000

In addition to the state cost, there would also be an increase in the school districts' contribution rate of .06%, resulting in a total contribution increase of \$203.5 for FY90 and for each year thereafter.

Estimated School District FY90 payroll	\$ 339,201,043
TRS contribution rate increase	X <u> .06%</u>
 Total School District cost....	 \$ 203,521

There would not be an adverse impact on the actuarial soundness of the TRS fund. The increase in unfunded liability and the decrease in funding ratio would be negligible.

Original sponsors: Navarre and
Swackhammer

1 IN THE HOUSE

BY THE HEALTH, EDUCATION AND
SOCIAL SERVICES COMMITTEE

2

CS FOR HOUSE BILL NO. 89 (HESS)

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 eligibility for retirement under
7 the teachers' retirement system."

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

9 * Section 1. AS 14.25.110(a) is amended to read:

10 (a) Subject to AS 14.25.167, a member is eligible for a normal
11 retirement benefit if the member

12 (1) was first hired before July 1, 1975, has attained the
13 age of 55 years, and has at least 15 years of credited service, the
14 last five of which have been membership service;

15 (2) has attained the age of 55 years and has at least eight
16 years of membership service;

17 (3) has attained the age of 55 years, has at least five
18 years of membership service, and has at least three years of Alaska
19 BIA service;

20 (4) has at least 25 years of credited service, the last
21 five of which have been membership service;

22 (5) has at least 20 years of membership service;

23 (6) has at least 20 years of combined membership service
24 and Alaska BIA service, the last five of which have been membership
25 service; or

26 (7) has, for each of 20 school years,

27 (A) at least one-half year of membership service as a
28 part-time teacher;

29 (B) one full year of membership service as a full-time

1 teacher; or

2 (C) any combination of service qualified under this

3 paragraph [FOR EACH OF 20 SCHOOL YEARS].

House Bill 89

"An Act relating to eligibility for retirement under the teachers' retirement system"

Justification Summary

PURPOSE:

HB 89 was introduced to correct a glaring inequity in the current statute which sets out eligibility requirements for teachers' retirement under the "20 years of membership service" option. This option was designed for teachers wishing to retire before age 55 (a teacher with at least 8 years of membership service is eligible for retirement at age 55).

Here are some examples of how the eligibility statute for normal retirement currently works:

■ Teacher "A" has taught for twenty years as a full-time teacher, and is eligible for normal retirement at any time after 20 years of service.

■ Teacher "B" has taught for twenty years as a part-time teacher, teaching for at least 1/2 year for each of those twenty years, and is eligible for normal retirement at any time after twenty years of service. The benefits reflect the actual time spent teaching.

■ Teacher "C" has taught for twenty years, the first 10 as a part-time teacher (teaching for at least 1/2 year for each of those ten years), the second 10 as a full-time teacher. Teacher "C" is **NOT** eligible for normal retirement after twenty years of service.

Here are some choices available if teacher "C" has not yet reached age 55, and wishes to retire under the normal retirement program:

■ Teach full-time for 5 more years*
[10 yrs. part-time + 15 yrs. full-time = 20 yrs. membership service]

■ Teach part-time for 10 more years*
[20 yrs. part time + 10 yrs. full-time = 20 yrs. membership service]

■ Wait until age 55 (and retire with full benefits at a level proportionate to actual time worked).

As you can see, unless the statute is changed, teacher "C" **must** teach **considerably more than 20 years** to be eligible for normal retirement, yet teacher "B", with 20 years of **strictly** part-time service **IS** eligible for normal retirement. **This is inconsistent and unfair.**

* Actually, there are several combinations of part-time and full-time years of additional teaching that teacher "C" could use. The above examples were used for purposes of clarity.

HB 89, Justification Summary (cont'd)

COSTS:

According to the Department of Administration, Division of Retirement and Benefits, HB 89 has a zero fiscal impact to the department.

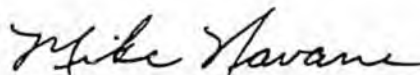
Also according to the division, an actuarial analysis indicates that the effect of HB 89 on the viability of the Teachers Retirement Fund would be negligible, but there would be a required increase of 0.06 percent in employer contributions. Based on FY 90 estimated payrolls, the division outlined an increase in these personnel costs approximately as follows:

- Dept. of Education-----\$ 3,000
- University of Alaska-----\$ 30,000
- All school districts combined----\$ 203,500

My staff contacted Mr. Bob Warren, Director of Human Services (personnel) for the University of Alaska, to get his reaction to both the purpose of the bill, and the increased contribution cost to the University. Mr. Warren agreed with the logic and purpose of HB 89. Regarding the increase in the employer's contribution rate, Mr. Warren pointed out that the rate has some fluctuation anyway, and he did not consider a potential increase of \$30,000 substantial enough to be a problem.

To see what the effect on individual school districts may be, my staff contacted Mr. Dale Sandahl, Asst. Superintendent in charge of personnel at the Kenai Peninsula Borough School District. Like Mr. Warren, Mr. Sandahl also agreed with the logic and purpose of HB 89, and did not see the increased contribution rate as a problem (Kenai has a payroll of approximately \$25 million, so an contribution increase of 0.06 % would equal roughly \$15 thousand).

Additionally, Mr. Sandahl felt certain that some of the teachers made eligible for retirement by HB 89 would opt to retire immediately. New replacement teachers would then be hired at a lower "entry level" salary, so the overall increase in personnel costs would likely be negligible.



Rep. Mike Navarre
prime sponsor HB89

Date: February 24, 1989

Alaska State Legislature

WHILE IN SESSION:
PO. BOX V
JUNEAU, ALASKA 99811
(907) 465-3779

HOUSE MAJORITY LEADER



HOME ADDRESS:
PO. BOX 169
KENAI, ALASKA 99611
(907) 262-9366

DISTRICT 5

Representative Mike Navarre

Date: February 24, 1989

M E M O R A N D U M

TO: All members
House Finance Committee

FROM: Rep. Mike Navarre

SUBJECT: House Bill 89.

Attached is a justification summary for HB 89.

This bill was introduced to correct an inequity in the statutes concerning retirement eligibility for teachers who have not yet reached age 55.

Currently, if such a teacher has 20 years of full-time service, that teacher is eligible for retirement. In a similar vein, if that teacher has 20 years of strictly part-time service, that teacher is also eligible for retirement (with lesser benefits, naturally). However, if that teacher has a combination of the two (i.e., 10 years full-time and 10 years part-time), that person is not eligible for retirement.

HB 89 rectifies this situation, making it clear that the 20 year career of a teacher who combines part and full-time teaching is no less valid than that of a person who makes the career choice of one or the other.

I urge your favorable consideration of this measure.

Thank you.



ALASKA STATE LEGISLATURE
HOUSE OF REPRESENTATIVES
RESEARCH AGENCY

P.O. Box Y, State Capitol
Juneau, Alaska 99811-3100
Mail Stop 3100
(907) 465-3991

December 28, 1988

MEMORANDUM

TO: Representative Mike Navarre

ATTN: Pat Malone

FROM: Tom McKenna *TM*
Legislative Analyst

RE: Effect of Combining Full-time and Part-time Service Credit in the Teachers' Retirement System
Research Request 89.102

You asked us to determine the effect of allowing members of the Teachers' Retirement System (TRS) to combine credit for full- and part-time service in qualifying for the 20-year retirement provision. You wanted to know how many teachers would be affected if these retirement criteria were applied, and what the financial effect on the TRS would be.

As you know, the current statute (AS 14.25.110, Attachment A) allows for retirement after 20 years of membership service, or 20 school years that each involve at least one-half year of membership service as a part-time teacher. According to Bob Stalnaker, Deputy Director of the Division of Retirement and Benefits, Department of Administration, full- and part-time service credit is currently combined in determining membership service. A person with 19 years of full-time teaching service, for example, would need 2 years of half-time service in order to qualify for retirement with 20 years of membership service.

The attached memorandum from Bob Stalnaker (Attachment B) summarizes findings of the state's actuarial consultant for the Division of Retirement and Benefits. The actuary's calculations represent the effects of a change that would allow each year spent teaching, in full- or part-time capacity, to count for a year of credit toward the 20-year requirement. The average amounts of part-time service cited in that memorandum are reported in terms of the number of school years spent part-time teaching, and would denote years of credit toward the 20-year requirement under the proposed change. The benefit costs used in the actuarial analysis, however, are based on actual calculated service; a year of half-time service equals one-half year of calculated service.

Representative Navarre
December 28, 1988
Page 11

According to the report, the proposed change would affect 947 people, the number of active TRS members who currently have some part-time service. An unfunded liability of \$150,000 would result over the 25-year period of the actuarial analysis. The liability would require employer contributions to be increased by 0.06 percent, and would have a negligible effect on the accrued benefit funding ratio, the measure of the TRS fund's viability.¹

The majority of projected costs arise from an increase in benefit payments resulting from extended periods of retirement eligibility, according to Mr. Stalnaker. Although members who combine full- and part-time service in order to qualify for the 20-year requirement would receive smaller individual benefit payments, benefits would be paid to these people for longer periods of time. A smaller fraction of the unfunded liability comes from major medical benefit costs, which are automatically awarded to all TRS retirees. Other assumptions used in this actuarial analysis are standard system assumptions, as outlined in the Annual Financial Report of the PERS and TRS funds.²

Please call me if you have any questions.

Attachments

¹The accrued benefit funding ratio equals: fund valuation assets (\$)/ present value of accrued benefits (\$).

²Bob Stalnaker, personal communication, December 27, 1988.

ATTACHMENT A
AS 14.25.110

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(b) A teacher may not be credited with service under this section if credit for service as an employee of the Territory of Alaska was granted for the same period under the public employees' retirement system (AS 39.35).

(c) A teacher who elects to receive credited service under this section for service to the Territory of Alaska shall make a retroactive contribution under this system for the period of territorial employment following June 30, 1955. (§ 1 ch 146 SLA 1980)

Sec. 14.25.107. Credit for Alaska BIA service. A member who joins the system on or after July 1, 1978, who has Alaska BIA service may claim all of that service as credited service. A retirement benefit payable under this chapter for Alaska BIA service shall be reduced by an amount equal to the retirement benefits paid to the member by the United States government for the same service. (§ 8 ch 137 SLA 1982)

Sec. 14.25.110. Retirement benefits. (a) Subject to AS 14.25.167, a member is eligible for a normal retirement benefit if the member

(1) was first hired before July 1, 1975, has attained the age of 55 years, and has at least 15 years of credited service, the last five of which have been membership service;

(2) has attained the age of 55 years and has at least eight years of membership service;

(3) has attained the age of 55 years, has at least five years of membership service, and has at least three years of Alaska BIA service;

(4) has at least 25 years of credited service, the last five of which have been membership service;

(5) has at least 20 years of membership service;

(6) has at least 20 years of combined membership service and Alaska BIA service, the last five of which have been membership service; or

(7) has at least one-half year of membership service as a part-time teacher for each of 20 school years.

(b) Subject to AS 14.25.167, a member is eligible for an early retirement benefit upon completing any one of the service requirements in (a)(1), (2), or (3) of this section and attaining the age of 50 years.

(c) The burden is on the applicant to prove eligibility for retirement benefits to the full satisfaction of the administrator.

(d) The monthly amount of a retirement benefit for a member who has paid the full amount of any indebtedness is two percent of the member's average base salary during any three school years of membership service times the years of credited service, including credited fractional years, divided by 12. An actuarial adjustment must be made for early retirement.

(e) The monthly amount of a retirement benefit must be determined in accordance with (d) of this section as it is in effect on the date of termination of the retiring member's last segment of employment.

(f) The annual amount of retirement benefits for a retiring member who was a member of the retirement system established by the Retirement Act of 1945 may not be less than \$975 plus 10 percent of the total contribution made by the member to the retirement fund of 1945.

(g) A member who is eligible for a service retirement salary under this chapter or under the Retirement Act of 1945 is entitled to a benefit of at least \$25 per month for each year of credited service, excluding adjustments made under AS 14.25.142 or 14.25.143. If the member elected option two under AS 14.25.063(b)(2) for payment of any indebtedness when the member initially applied for a retirement benefit, or if the member elected to receive an early retirement benefit under (b) of this section, the resulting benefit reduction continues in effect.

(h) The monthly retirement benefit for a member who was receiving a retirement benefit on July 1, 1955, is \$50 a month if the member was at least 55 years of age on July 1, 1955.

(i) Benefits payable under this section accrue from the first day of the month after which all of the following requirements are met: (1) the member meets the eligibility requirements of this section; (2) the member terminates employment; and (3) the member applies for retirement. Benefits are not payable under this section during a school year in which credit for a full year of service is granted. The benefits are payable the last day of the month. If payment is delayed, a retroactive payment must be made for the month in which a benefit is payable under this section. The last payment shall be for the month in which the member dies or is no longer eligible for a benefit under this section. (§ 12 ch 145 SLA 1955; am § 4 ch 142 SLA 1957; am § 9 ch 89 SLA 1960; am § 4 ch 80 SLA 1963; am § 6 ch 151 SLA 1966; am § 2 ch 85 SLA 1971; am § 8 ch 66 SLA 1973; am § 1 ch 77 SLA 1973; am § 2 ch 57 SLA 1974; am §§ 1 — 3 ch 173 SLA 1975; am § 5 ch 169 SLA 1976; am § 14 ch 13 SLA 1980; am § 2 ch 146 SLA 1980; am § 9 ch 137 SLA 1982; am § 1 ch 81 SLA 1986; am §§ 1, 2 ch 117 SLA 1986)

Effect of amendments. — The first 1986 amendment added paragraph (7) of subsection (a) and made minor, related word and punctuation changes.

The second 1986 amendment added "Subject to AS 14.25.167" at the beginning of subsections (a) and (b) and made related grammatical changes.

Editor's notes. — The 1982 amendment of AS 14.25.063(b), which is referred to in subsection (g), deleted the language in that section concerning options.

The reference to AS 14.25.063(b)(2) in subsection (g) is incorrect in light of the 1982 amendment of that section, which rewrote subsection (b).

Opinions of attorney general. — The legislature did not intend such a strict interpretation as to require a teacher to work the last 5 school years for the full 140-day year. 1966 Op. Att'y Gen. No. 2.

A teacher satisfies the requirement of subsection (a) by working any five creditable years or combination of fractional

§ 14.25.115
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ATTACHMENT B
Memorandum from Bob Stalnaker to Tom McKenna
Summarizing an Acturial Analysis of the Proposed
Changes to the TRS

MEMORANDUM

STATE OF ALASKA

TO: Tom McKenna
Legislative Analyst
House Research Agency

DATE: December 21, 1988

TELEPHONE: 465-4470

FROM: *Bob* Robert F. Stalnaker
Deputy Director
Division of Retirement
& Benefits
Department of Administration

SUBJECT: Request for
information regarding
part-time service credit
in the TRS.

Your request for information for an actuarial analysis was forwarded to our consulting actuary, William M. Mercer Meidinger Hansen, for consideration. Your questions were as follows:

1. How many teachers would be affected by allowing part-time teaching service to be used the same as full-time teaching service for qualifying for the 20 year retirement provision, and
2. What would the effect be on the financial stability of the Teachers' Retirement System (TRS).

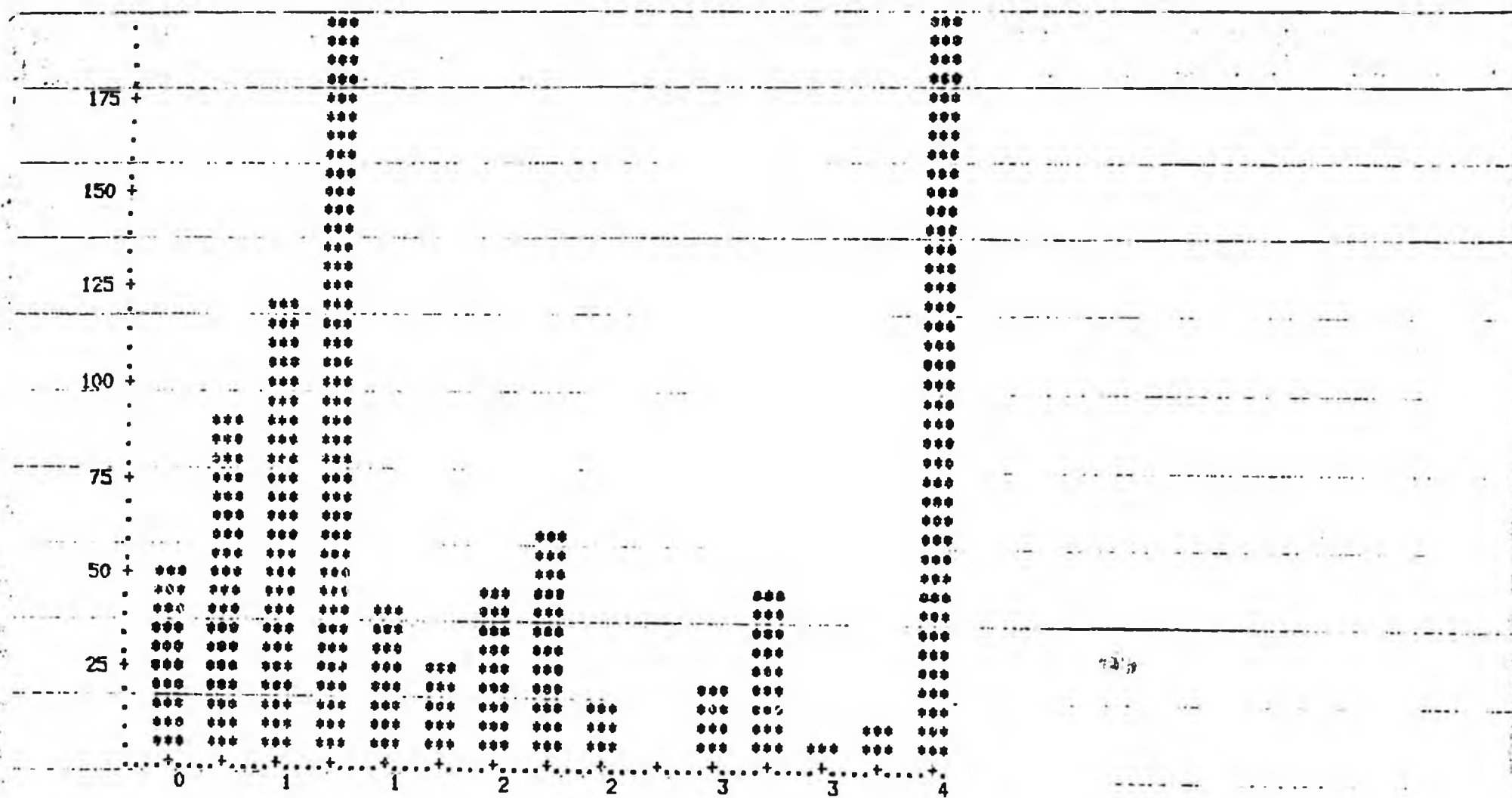
There are currently 947 active members in the TRS who have some part-time service and could therefore possibly benefit by this change. The average amount of part-time service for this group is approximately 2.29 years. There are 257 teachers with three or more years of part-time service.

The estimated increase in TRS contribution rate is .06% of the FY90 estimated TRS payroll. The State FY90 estimated TRS payroll is \$ 55,085,786 and the School District FY90 estimated TRS payroll is \$ 339,201,043. This change would result in an increase of the TRS unfunded liabilities of approximately \$150,000. There would be a negligible effect on the funding ratio.

I have also attached a copy of a chart identifying the breakdown of members having any part-time service. I hope that this information is helpful in your deliberations.

cc: Sally Smith, Director
Division of Retirement &
Benefits

Dean Gottehrer
Special Assistant
Department of Administration



TOTAL EES 50 93 123 195 42 26 49 61 18 4 23 49 6 13 195

TOTAL EMPLOYEES READ 947 AVERAGE VALUE 2.29
 LOWEST VALUE 0.01 HIGHEST VALUE 50.71



NEA-ALASKA

AFFILIATED WITH THE NATIONAL EDUCATION ASSOCIATION

ANCHORAGE REGIONAL OFFICE

1411 W. 33RD AVENUE
ANCHORAGE, ALASKA 99503
(907) 274-0536

JUNEAU OFFICE

105 MUNICIPAL WAY, SUITE 302
JUNEAU, ALASKA 99801
(907) 586-3090

FAIRBANKS REGIONAL OFFICE

2118 CUSHMAN STREET
FAIRBANKS, ALASKA 99701
(907) 456-0435

February 21, 1989

To: Reps. Ron Larson & Lyman Hoffman, Co-Chairs
Members, House Finance Committee

Re: CS for HB 89 (HESS); "An Act relating
to eligibility for retirement under the
teachers' retirement system."

NEA-Alaska supports and encourages passage of HB 89. This bill corrects an inequity in the eligibility requirements for retirement for teachers in the public schools in Alaska.

Simply stated, teachers should be able to use a combination of full-time and part-time membership service to meet the basic eligibility requirements for retirement. Presently a teacher can receive full retirement benefits only after 20 years of membership service as a full-time teacher or after 20 years of membership service as a part-time teacher.

In some districts part-time teachers would prefer to have full-time employment but different combinations of circumstance preclude that from being available to them. Funding cuts have necessitated part-time positions in some districts and in others it has been the decision of the administration or the school board to utilize part-time rather than full-time teachers.

We encourage your favorable response to HB 89.

Thank you for your consideration of our position.

Respectfully submitted,

Bob Manners
Executive Secretary

cc: Rep. Mike Navarre

FISCAL NOTE

REQUEST:

Revision Date: _____ Agency Affected: University of Alaska
 Title: An Act Relating to Eligibility for Retirement Under the TRS BRU: UAA, UAF and UAS
 Sponsor: Navarre Components: _____
 Requestor: _____

EXPENDITURES/REVENUES: (Thousands of Dollars)

OPERATING	FY 91	FY 92	FY 93	FY 94	FY 95	FY 96
PERSONAL SERVICES	31.5	31.5	31.5	31.5	31.5	31.5
TRAVEL						
CONTRACTUAL						
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING	31.5	31.5	31.5	31.5	31.5	31.5

CAPITAL						
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REVENUE						
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FUNDING: (Thousands of Dollars)

GENERAL FUND	31.5	31.5	31.5	31.5	31.5	31.5
FEDERAL FUNDS						
OTHER						
TOTAL	31.5	31.5	31.5	31.5	31.5	31.5

POSITIONS:

FULL-TIME						
PART-TIME						
TEMPORARY						

ANALYSIS : (Attach a separate page if necessary)

This bill will not result in increased operational costs to the university. This bill is estimated to cost the University of Alaska \$31.5 in increased personal services costs in FY91. Please refer to page 2 for a detailed discussion of these costs.

Prepared by: Marsha Hubbard Phone: 474-7593
 Division: Statewide Budget Office Date: 2/8/90

Approved by Commissioner: Brian Rogers Date: 2/8/90
 Agency: University of Alaska

Distribution (by preparer):
 Legislative Finance
 Legislative Sponsor
 Requestor
 Office of Management and Budget
 Impacted Agency(ies)

Committee Substitute for House Bill 89 (HESS)
Analysis of the Fiscal Implications to the Retirement Fund
Prepared by University of Alaska
February 8, 1990

Analysis: This bill would enable members of the TRS to combine full school years of full credit with part-time credit to establish eligibility for benefits. Benefits would continue to be calculated at half-credit. Passage of this bill is estimated to increase the state TRS contribution rate for FY91 by .06%. The FY91 state TRS payroll is estimated to be \$52,485,529 for the University of Alaska and remain level for each year thereafter.

The cost is calculated as follows:

Estimated U of A FY91 payroll	\$52,485,529	
TRS contribution rate increase	X <u>.06%</u>	
Total U of A cost		<u>\$31,491</u>