

HB

24

FISCAL NOTE

REQUEST:

Revision Date: _____
 Title: Credited service in the teachers'
retirement system
 Sponsor: Ulmer & Boucher
 Requestor: House HESS

Agency Affected: Education
 BRU: _____
 Components: _____

EXPENDITURES/REVENUES: (Thousands of Dollars)

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

FUNDING: (Thousands of Dollars)

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

POSITIONS:

FULL-TIME						
PART-TIME						
TEMPORARY						

ANALYSIS : (Attach a separate page if necessary)

Prepared by: Mary Hakala Phone: 465-2800
 Division: Commissioner's Office Date: January 18, 1989
 Approved by Commissioner: William C. Demmert Date: January 18, 1989
 Agency: Education

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

FISCAL NOTE

REQUEST:

Revision Date: _____ Agency Affected: Administration
 Title: An act relating to credited service BRU: Retirement and Benefits
 in the Teachers' Retirement System for
 part-time.
 Sponsor: Utner 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:	0	0	0	0	0	0
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)

See Page 2 for discussion of employer contributions and fiscal impact to the Teachers' Retirement Fund.

Prepared By: Sally Smith, Director *Sally Smith* Phone: 465-4470
 Division: Retirement and Benefits Date: January 12, 1989

Approved by Commissioner: John M. Andrews Date: _____
 Agency: Department of Administration

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

House Bill 24
Financial Implications On Retirement Fund
Prepared by Division of Retirement & Benefits
Department of Administration
January 17, 1989

Analysis: This bill applies to all current active and inactive members of the TRS, as well as any prior member who reemploys under the TRS prior to June 30, 1990.

It is estimated that this bill would increase the State's cost by .065% of TRS payroll. This would result in an annual increased cost of \$ 35,806 to the State. The \$ 35,806 cost is calculated as follows:

Increase in the TRS contribution rate (.065%) times the estimated FY 90 State TRS payroll (\$5,025,700)	\$ 3,267
---	----------

Increase in the TRS contribution rate (.065%) times the estimated FY 90 University of Alaska payroll (\$50,060,086)	<u>\$32,539</u>
---	-----------------

Total State TRS cost	<u>\$35,806</u>
----------------------	-----------------

It is also estimated that this bill would increase the School Districts' cost by .065% of their TRS payroll (\$339,201,043). This would result in an annual increased cost to School Districts of \$220,480.

There would be no appreciable increase in accrued liability or decrease in funding ratio.

Alaska State Legislature

Committees:

Chair-State Affairs
V. Chair-Judiciary
Telecommunications
Special Ethics
Legislative Council
Finance Subcommittee
for the University of Alaska
Joint Committee
on Economic Recovery



PO Box V
Juneau, Alaska 99801
(907) 465-4047

REPRESENTATIVE FRAN ULMER

MEMORANDUM

TO: House HESS Committee Members
FROM: Rep. Fran Ulmer
DATE: January 19, 1989
RE: HB 24

HB 24 adds a new section to AS 14.25 which allows a part-time teacher to purchase additional credited service in the Teachers Retirement System (TRS). The amount that can be purchased plus the credit that the member receives for their actual part-time service, cannot exceed an amount that the member would have received had they been employed as a full-time teacher.

Section (b) of the legislation provides that a member is required to pay the full actuarial costs of the additional retirement benefits. This section also requires that a member pay interest on the indebtedness.

Section (c) places time deadlines for a member to claim the additional benefits at June 30, 1990, or one year after the last day of the school year in which the member was employed part-time.



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) 456-4435

January 13, 1989

To: Rep. Johnny Ellis, Chair
Members, House HESS Committee

Re: House Bill No. 24; "An Act relating to credited
service in the teachers' retirement system for
part-time teachers."

NEA-Alaska supports and encourages passage of HB 24.

Part-time teachers are growing in number as the tight revenue situation forces many school districts to reduce the teaching staff and curtail programs and services.

For a teacher who is only able to work on a part-time basis this legislation would enable them, at their expense and no cost to the state or their employer, to establish eligibility for and access to the same benefit system which is available to full-time teachers.

This legislation establishes fairness and equity for an increasing number in the teacher work force.

Thank you for your consideration of our position.

Respectfully submitted,

Bob Manners
Executive Secretary

cc: Rep. Ulmer

f2j89h24



ALASKA ASSOCIATION OF ELEMENTARY SCHOOL PRINCIPALS
ALASKA ASSOCIATION OF SECONDARY SCHOOL PRINCIPALS
ALASKA ASSOCIATION OF SCHOOL ADMINISTRATORS

• ALASKA COUNCIL OF SCHOOL ADMINISTRATORS •
326 Fourth St., Suite 408 Juneau, Alaska 99801 586-9702

POSITION STATEMENT

THE ALASKA COUNCIL OF SCHOOL ADMINISTRATORS SUPPORTS HB 24 "AN ACT RELATING TO CREDITED SERVICE IN THE TEACHERS' RETIREMENT SYSTEM FOR PART-TIME TEACHERS."

RATIONALE

TEACHERS WHO ELECT TO WORK PART-TIME MUST WORK TWICE AS LONG AS A FULL TIME EDUCATOR TO BE ELIGIBLE FOR TRS. THIS MEANS FOR A PART-TIME TEACHER, 40 YEARS OF PART-TIME SERVICE MUST BE RENDERED BEFORE THEY ARE ELIGIBLE FOR FULL RETIREMENT BENEFITS IN ALASKA.

ALSO, FROM AN ADMINISTRATORS POINT OF VIEW, I HAVE SEEN FEW PART-TIME TEACHERS WORK JUST PART-TIME. MANY PUT IN THE EXTRA TIME IN STAFF MEETINGS, CONTACTING PARENTS, INVOLVED IN IEP'S AND SPONSORING EXTRA-CURRICULAR ACTIVITIES FOR THEIR STUDENTS.

IT IS OUR FEELING THAT AS LONG AS THE RETIREMENT SYSTEM REMAIN ACTUARIALLY SOUND, THIS WOULD BE A NICE BENEFIT FOR A GROUP OF EDUCATORS WHO ARE DESERVING OF IT.

January 24, 1989

Dear Representative Ulmer,

We are writing to express our support for ~~HB 24~~, and to thank you for your efforts in this matter. We are all women who have worked some combination of full time and half time years. Most of us worked half time during years when our children were small. We chose to continue our careers at that time for many reasons. We appreciated being able to stay current with changes that occurred during that time. We appreciated continuing with our professional lives. We also needed the half time years to be with families.

Being able to buy the extra half time years of retirement will help many of us reach retirement at a reasonable stage of life and with a greater security for our retirement years. As you well know, women can be penalized in many ways for interrupting careers to have families, even when they work part time in an effort to have both careers and time for children. One of these penalties comes many years later, during retirement. Our benefits are delayed and reduced, based on salary and time of service. We cannot always depend on husbands and their benefits. We do not belong to the Social Security system. We believe HB 24 is a step in the right direction!

Sincerely,

Judy Thomas
PO Box 210223
Aniak Bay, AK
99821

Carol Young
17001 Towers Rd.
Juneau, AK 99801

Karen Hill
2565 Minkler Ln
Juneau, AK 99801

RECEIVED JAN 26 1989

January 24, 1989

Rep. Fran Ulmer
House of Representatives
Juneau, Alaska

Dear Rep. Ulmer,

I am writing to support your bill HB 24. It is my understanding that this bill would allow employees who have elected to work part-time to buy back in for retirement purposes.

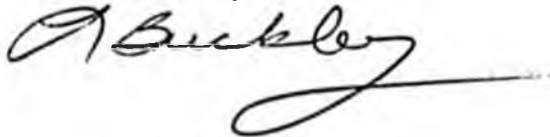
As a working mother, I chose to work part time for the school district on a number of occasions to allow quality time as a parent.

I also support part-time employment to provide opportunities for professional and personal growth. For example, I worked for the school district in 1983 for one semester and travelled and compiled study units on the Music of Asia the second semester. As I was not officially enrolled in a university program, I did not request a sabbatical. However, it was one of the great learning opportunities of my life.

Thankyou for your support of quality of life for adults and for their children.

sincerely,

Linda Buckley



Alaska State Legislature

Representative Fran Ulmer




P. O. Box V
Juneau, Alaska 99811
(907) 465-4947

HOUSE OF REPRESENTATIVES

MEMORANDUM

TO: House 'HESS Members

FROM: Rep. Fran Ulmer 

DATE: Feb 2, 1989

RE: HB 24-relating to credited service in the teachers' retirement system for part-time teachers.

Attached you will find a list of teachers who are in favor of HB 24. They are unable to testify today, and wanted you to know of their support for this legislation.

WE SUPPORT HB 24: "AN ACT RELATING TO CREDITED SERVICE IN THE TEACHERS' RETIREMENT SYSTEM FOR PART-TIME TEACHERS."

SIGNATURE

ADDRESS

Suzanne Cary	1870 Fritz Cove Rd
M. Gorskovich	8295 Barret
J. M. McCallan	Box 210162 - Auke Bay
Lynn V. Williams	9253 Lee St; Juneau
Marilyn Northman	8900 Nancy Jun.
Lori B. Meiners	P.O. Box 3299, Juneau
Susan H Engen	9237 Emily Way Juneau
Sharon Holland	Box 20548 Juneau
Susanne Wilder	8168 Erin Street Juneau
Carole C Oien	P.O. Box 34852, Juneau 99803
Beverly Miller	BX. 210351 - Auke Bay 99802
Jane Mulready	8618 Sail 99801
Jane M Koyuk	4501 Jennifer Dr. 99801
Jane Henderson	1025 Arctic Circle 9980
Richard Fagnant	8124 Pinewood Dr., Juneau 9980.
Deanne Rose	4533 Riverbend Ct., Jun
Myra Ahlander	3464 Kant Ct
Mary Bonnie Elder	12175 Glacier Hwy E.404

Janice Mercer
Nils Dible

Linda Johnson
Cheryl Revo

Box 210266 Alameda, 99822

2454 Engineers Cutoff Junction, Ak. 99801

424 5th St Douglas Ak 99824
P.O. Box 210355 Omba Bay, AK 99822

STATE OF ALASKA
THE LEGISLATURE

LEGISLATIVE AFFAIRS AGENCY
LEGISLATIVE REFERENCE LIBRARY

POUCH Y - STATE CAPITOL
JUNEAU, ALASKA 99811
907-465-3800

Copies of minutes listed below were originally included in this file. The minutes are available on the STAIRS database CMPR. In order to save space copies of minutes have not been left in the files.

Mary Van Nimwegen

H. HESS 2-2-89