



LAWS OF ALASKA

1969

Source

Chapter No.

CSHB 50 am

84

AN ACT

Amending the Teachers' Retirement Act; and providing for an effective date.

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

* Section 1. AS 14.25.050 is amended to read:

Sec. 14.25.050. CONTRIBUTIONS BY TEACHERS. Beginning July 1, 1969, each teacher shall contribute to the retirement fund an amount equal to five per cent of his base salary accrued from July 1 to the following June 30. The contribution shall be deducted by the employer at the end of each payroll period.

* Sec. 2. AS 14.25.055 is amended to read:

Sec. 14.25.055. SUPPLEMENTAL CONTRIBUTION BY A TEACHER. If a teacher is married or has a minor child or minor children and wishes to make his spouse or minor child or minor children eligible for a spouse's pension or survivor's allowance he may make a supplemental contribution of an additional one per cent of his base salary commencing with the first of the second month following his first day of membership in this retirement system, marriage, or November 1, 1967, whichever is later.

* Sec. 3. AS 14.25 is amended by adding a new section to read:

Sec. 14.25.065. TRANSMITTAL OF CONTRIBUTIONS. All contributions deducted in accordance with secs. 50 and 55 of this chapter shall be transmitted to the retirement fund no later than the 15th of the month following the close of the payroll period, with the final contributions due for any school year transmitted no later than August 31.

- * Sec. 4. AS 14.25.080 is amended to read:

Sec. 14.25.080. CONTRIBUTIONS BY THE STATE. The state legislature shall appropriate to the retirement fund an amount equal to one-half the sum contributed each pay period by the teachers. It shall be appropriated annually and deposited in the retirement fund monthly.

- * Sec. 5. AS 14.25.150(7) is amended to read:

(7) All claims for refund as provided by this section must be by written application. A teacher who has previously forfeited his claim to a refund under the provisions of former legislation because of failure to file a timely application is entitled to a refund upon submitting a written application.

- * Sec. 6. AS 14.25.160(a) is amended to read:

(a) Upon receipt of a valid claim and proper proof of the death of a member who has not ever made a supplemental contribution or whose supplemental contributions were made for less than one year and who is entitled to a refund of contributions, a payment, in the amount specified in this section shall be paid to a person he has nominated by written designation executed and filed with the administrator. If the member failed to designate a beneficiary, or if no designated beneficiary survives the member, the payment shall be made (1) to his surviving spouse or, if there is none surviving, (2) to his surviving children in equal parts or, if there is none surviving, (3) to his surviving parents in equal parts or, if there is none surviving, (4) to his estate.

- * Sec. 7. AS 14.25.162(b) is amended to read:

(b) The amount of the survivor's allowance shall be equal to 10 per cent of the teacher's base salary immediately before his death or becoming disabled, for each minor child up to a maximum of four minor children. In addition, a survivor's allowance of 35 per cent of the teacher's base salary will be payable to his spouse or, if the spouse dies or there is no spouse, an allowance of 10 per cent of the base salary shall be paid to the guardian of one or more of the minor children. In no event, however, shall a survivor's allowance be payable to a spouse who has remarried or more than one guardian. The remarriage of a spouse will not bar a minor child from receiving or continuing to receive his survivor's allowance.

- * Sec. 8. AS 14.25.162(d) is amended to read:

(d) In the event of termination of the survivor's allowance and in the absence of a spouse who has or will be eligible for a spouse's pension, a payment of the amount of the teacher's accumulated contributions, plus all interest credited to his account to the date of death or retirement, whichever occurs first, plus an amount equal to 75 per cent of the payment that would have been made on the death of a teacher under sec. 160(b)(2) of this chapter will be made if the teacher has had less than 20 years of membership service or 100 per cent of the payment that would have been

made on the death of the teacher under sec. 160(b)(2) of this chapter if the teacher has completed 20 or more years of membership service, less all payments to the teacher, spouse, guardian or minor children shall be made to the person he has nominated by written designation executed and filed with the administrator. If the member failed to designate a beneficiary, or if no designated beneficiary survives the member, the payment shall be made (1) to his surviving spouse or, if there is none surviving, (2) to his surviving children in equal parts, or if there is none surviving, (3) to his surviving parents in equal parts or, if there is none surviving, (4) to his estate. This payment shall be on the same terms and conditions as a payment made on the death of a teacher.

* Sec. 9. AS 14.25.162 is amended by adding new subsections to read:

(e) A person entitled to the survivor's allowance under this section and who resides in the state after the death of the teacher shall receive a cost of living allowance in addition to his survivor's allowance. The amount of this allowance is determined by multiplying the survivor's allowance by a percentage determined by the administrator not to exceed 10 per cent of the survivor's allowance. The administrator may implement this subsection by regulations. The cost of living allowance shall be paid from the state general fund.

(f) When the administrator determines that the cost of living has increased and that the financial condition of the retirement fund permits, he may increase the survivor's allowance to reflect this cost of living increase. The amount of the increase shall be equal to not more than one and one-half per cent for each year after the death of the teacher. Increases accrue from the first of July next following the death of the teacher and shall be paid beginning the first of July of each year. The administrator is authorized to implement this subsection by regulation.

* Sec. 10. AS 14.25.164(a) is amended to read:

(a) If a teacher dies while in membership service and while receiving a service or disability retirement salary, or is receiving or is entitled to receive a deferred or a deferred vested benefit, the surviving spouse is entitled to a spouse's pension if he or she has not remarried and if the teacher has made supplemental contribution for at least one year before his death. Application for the spouse's pension shall be made in writing to the administrator.

* Sec. 11. AS 14.25.164(b) is amended to read:

(b) The spouse's pension is payable on the first day of each month, commencing with the first day of the month coinciding with or next following the month in which the spouse attains age 60, unless the spouse is totally and permanently disabled before age 60. If the spouse is totally and permanently disabled from engaging in a regular remunerative occupation or employment, the spouse's pension

shall commence on the first of the month coinciding with or next following the teacher's death, or the date of disability whichever is later. In the event that the spouse ceases to be totally and permanently disabled before age 60, the pension shall be suspended until the spouse again becomes eligible for the pension because of age. The payment on the first day of the month in which the spouse dies or remarries constitutes the last payment.

* Sec. 12. AS 14.25.164 is amended by adding new subsections to read:

(e) A person entitled to the spouse's pension under this section and who resides in the state after the death of the teacher shall receive a cost of living allowance in addition to his spouse's pension. The amount of this allowance is determined by multiplying the spouse's pension by a percentage determined by the administrator not to exceed 10 per cent of the spouse's pension. The administrator may implement this subsection by regulations. The cost of living allowance shall be paid from the state general fund.

(f) When the administrator determines that the cost of living has increased and that the financial condition of the retirement fund permits, he may increase the spouse's pension to reflect this cost of living increase. The amount of the increase shall be equal to not more than one and one-half per cent for each year after the death of the teacher. Increases accrue from the first of July next following the death of the teacher and shall be paid beginning the first of July of each year. The administrator is authorized to implement this subsection by regulation.

* Sec. 13. AS 14.25.200 is amended to read:

Sec. 14.25.200. EXEMPTION FROM TAXATION AND PROCESS. Teachers' retirement salaries and other amounts held in the retirement fund on behalf of the teachers are exempt from state and municipal taxes and are not subject to anticipation, alienation, sale, transfer, assignment, pledge, encumbrance, charge, garnishment, execution or levy of any kind, either voluntary or involuntary before they are received by the person entitled to the amount under the terms of the system, and any attempt to anticipate, alienate, sell, transfer, assign, pledge, encumber, charge, or otherwise dispose of any right to amounts accrued in the retirement fund shall be void.

* Sec. 14. AS 14.25 is amended by adding a new section to read:

Sec. 14.25.205. TIME LIMIT FOR APPLICATION. If no application for benefits or for refund has been filed by July 1 following the date on which the member would attain age 75, no benefits or refunds may be paid under this chapter and the member's records may be destroyed.

* Sec. 15. AS 14.25.220(2) is amended to read:

(2) "base salary" or "basic salary" means any remuneration accrued under a contract to a teacher for

professional services rendered during any school year; for purposes of sec. 50 of this chapter, base salary accrued includes any payments made after June 30 of a school year for services rendered before the end of the school year;

- * Sec. 16. AS 14.25.220(14) is amended to read:

(14) "minor child" means a child of the member whom the member was obligated to support or was supporting at the time of the member's death, whether or not subsequently adopted by a new husband or wife of the surviving spouse and who is under the age of 19, or a child of the member whom the member was supporting and who has not attained the age of 23 and is registered and attending as a full-time student an accredited educational or technical institution recognized by the state Department of Education; if a child between the ages of 19 and 23 is out of school for more than one semester, payments of his benefits shall terminate permanently;

- * Sec. 17. AS 14.25.220(15) is amended to read:

(15) "teacher" or "member" means a certified teacher, certified school nurse, principal, supervisor, or superintendent employed on a full-time basis in a position having duties which normally require a year of service in the public schools of the state, the commissioner of education, supervisors within the Department of Education, and all full-time resident professional and administrative personnel of the University of Alaska as designated by the Board of Regents; in case of doubt, except as to personnel of the University of Alaska, the administrator shall finally determine whether or not a person is a teacher as defined in this chapter;

- * Sec. 18. AS 14.25.220(16) is amended to read:

(16) "year of service" means service as defined in AS 14.03.030; fractional credit shall be given for membership service in any year after July 1, 1969, according to the ratio that the number of such school days of service bears to 180 days;

- * Sec. 19. AS 14.25.220 is amended by adding a new subsection to read:

(18) "full-time teaching" means teaching on a regular basis for the normal and customary work period per day or week at a particular teaching assignment; excluding teaching on a substitute temporary or per diem basis.

- * Sec. 20. This Act takes effect on July 1, 1969.