



LAWS OF ALASKA

1975

Source

FCCS HCS CSSE 46

Chapter No.

173

AN ACT

Relating to the teachers' retirement system; and providing for an effective date.

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

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

(a) A teacher is eligible for normal retirement if he has completed either

(1) at least 15 years of creditable service, the last five of which have been membership service, except that a member first hired after July 1, 1975 must have eight years of membership service, and has attained the age of 55 years, or

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

(3) at least 25 years of creditable service, the last five of which have been membership service, or

(4) at least 20 years of membership service.

* Sec. 2. AS 14.25.110(b) is amended to read:

(b) A teacher is eligible for early retirement if he has completed either of the service requirements in (a)(1) or (a)(2) of this section and has attained the age of 50 years.

* Sec. 3. AS 14.25.110(d) is amended to read:

(d) A retired teacher who has been receiving a disability retirement salary is eligible for a service retirement salary upon attaining 55 years of age.

- * Sec. 4. AS 14.25.120(c)(4) is amended to read:

(4) If the teacher is not eligible for normal retirement, but is eligible for early retirement, as defined in sec. 110(a) and (b) of this chapter, on the date when application for retirement salary is filed, his annual retirement salary is the amount that would be due and owing to the teacher if he were at least 55, reduced by the amount derived from the following computations: multiply one-half of one per cent times the number of months, to the nearest month, by which the applicant's attained age on the date of filing application falls short of 55 years, times the amount of annual retirement salary that would be due and owing the teacher if he were at least 55 years of age.

- * Sec. 5. AS 14.25.120(c)(8) is amended to read:

(8) During a period of re-employment following retirement, deductions from salary may be made at the option of the teacher for contributions to the retirement fund as provided in sec. 50 of this chapter. If deductions are made, the annual amount of retirement salary shall be increased when the teacher again retires from active membership service, by adding to the annual amount previously payable, an amount equal to two per cent of the teacher's base salary for the period of re-employment. However, if the teacher has not attained the age of 55 on the date when payment of retirement salary is resumed, the additional amount provided for in this paragraph shall be reduced by the amount derived from the following computations: multiply one-half of one per cent times the number of months, to the nearest month, by which the teacher's attained age on the date of subsequent retirement falls short of 55 years, times the additional amount provided in this paragraph.

- * Sec. 6. AS 14.25.120(d) is amended to read:

(d) A teacher who was receiving a service retirement salary on July 1, 1955, shall receive an additional \$50 a month for life, payable on the first day of each month, if the teacher was at least 55 years of age on July 1, 1955.

- * Sec. 7. AS 14.25.130(a) is amended to read:

(a) A teacher in membership service who has become permanently disabled, as defined in sec. 220 of this chapter, before age 55 and who has had five or more membership years may be retired by the administrator as of the first day of the month following the permanent disability. The administrator, after a report of medical examination of the teacher and other information the administrator may request has been submitted, shall certify that the teacher is physically or mentally incapacitated for the further performance of duty, and that the incapacity is likely to be permanent and that the teacher should be retired.

- * Sec. 8. AS 14.25.135 is amended to read:

Sec. 14.25.135. DEFERRED RETIREMENT BENEFIT. (a) A teacher is eligible for a deferred benefit if:

(1) he terminates his employment on or after the

date on which his attained age and credited service total at least 70 years;

(2) he has completed at least 15 years of creditable service, the last five years of which have been in membership service; and

(3) he does not withdraw his contributions to the retirement fund.

(b) Payment of the deferred benefit shall begin on the first day of the month coinciding with or following the teacher's 55th birthday or the first day of the month in which his application for deferred benefit is filed with the administrator, whichever is later. The last payment shall be made as of the first day of the month in which the death of the retired teacher occurs.

(c) The monthly amount of a normal deferred benefit shall be determined in accordance with sec. 120 of this chapter as it is in effect on the date of his termination of employment, considering the teacher's credited service and compensation before his termination of employment. If his benefit begins before his normal retirement date, the benefit shall be reduced to the actuarial equivalent.

(d) A teacher is not entitled to a deferred benefit unless an application for it is filed with the administrator on or after the teacher reaches his early retirement date and before he attains his 70th birthday. If the application is received after his 55th birthday but on or before his 70th birthday, no retroactive payment may be made for the months preceding the month in which the application is received.

* Sec. 9. AS 14.25.137(b), (c) and (d) are amended to read:

(b) Payment of the deferred vested retirement benefit shall begin on the first day of the month coinciding with or next following the teacher's 55th birthday or the first day of the month in which his application for deferred vested benefit is filed with the administrator, whichever is later. The last payment shall be made as of the first day of the month in which the death of the teacher occurs.

(c) The monthly amount of the deferred vested benefit shall be determined in accordance with sec. 120 of this chapter as it is in effect on the date of the teacher's termination of his employment, considering the teacher's credited service and compensation before his termination of employment. If his benefit begins before his normal retirement date, the benefit shall be reduced to the actuarial equivalent.

(d) An application for deferred vested benefit shall not be considered unless application is made on or after the teacher reaches his early retirement date and before he attains his 70th birthday.

* Sec. 10. AS 14.25.140(b) is amended to read:

(b) The payment made on the first day of the month in

which the disabled teacher recovers from his disability, dies or attains age 55 constitutes the last payment.

- * 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 55, unless the spouse is totally and permanently disabled, as defined in sec. 220 of this chapter, before age 55. 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. If the spouse ceases to be totally and permanently disabled before age 55, 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. 14.25.220(23) is amended to read:

(23) "normal retirement" means retirement after:

(A) completing at least 15 years of creditable service, the last five of which have been membership service, except that a member first hired after July 1, 1975 must have eight years of membership service, and attaining the age of 55 years; or

(B) completing at least eight years of membership service and attaining the age of 55 years; or

(C) completing at least 25 years of creditable service, the last five of which are membership service; or

(D) at least 20 years of membership service;

- * Sec. 13. AS 14.25.220(24) is amended to read:

(24) "early retirement" means retirement after attaining the age of 50 years and completing either:

(A) at least 15 years of creditable service, the last five of which have been membership service, except that a member first hired after July 1, 1975 must have eight years of membership service, or

(B) at least eight years of membership service;

- * Sec. 14. AS 14.25.120(g) is amended to read:

(g) A teacher who retired before July 1, 1971, with at least 25 years of creditable service, at least 15 of which were membership service, and who is entitled to a retirement salary under either this retirement fund or the retirement fund of 1945, shall receive a service retirement salary

based on a minimum sum of \$20 per month for each year of creditable service, not including adjustments made under sec. 142 or sec. 143 of this chapter. A teacher who retired before July 1, 1971, with less than 25 years of creditable service, and who is entitled to a retirement salary under either this retirement fund or the retirement fund of 1945, shall receive a service retirement salary of at least \$20 per month for each year of credited service. If, on the date the teacher originally applied for retirement salary, the teacher elected option two as provided by (c)(2)(B) of this section as payment of his indebtedness or a reduced benefit in accordance with (c)(4) of this section, the amount of the dollar reduction shall remain in effect.

* Sec. 15. This Act takes effect June 30, 1975.