

# NWABSD Board of Education Lobbying Committee Meeting

Friday, January 16, 2026 9:00 AM

Microsoft Teams, 744 Third Ave., Kotzebue, AK 99752

1. **I. Update from our Lobbyists**

**Presenter:** Christine Hess, Reggie Joule, John Walsh

2. **II. Update from Legislators.**

**Presenter:** Senator Olsen, Representative Frier

3. **III. Legislative Priorities Review**

**Presenter:** Margaret Hansen, Chair

4. **IV. North Slope Borough Update**

**Presenter:** David Vadiveloo, Superintendent North Slope Borough

5. **V. Lobbying Plan for upcoing AASB Legislative Fly-In February 5-8**



**J&H Consulting  
and JM Walsh and  
Co.**

**Legislative Update  
for NWABSD  
January 2026**

# Budgets:

- The governor's \$7.75 billion draft budget is similar to last year's and is mostly a status quo budget. Few increases in Public safety and Corrections.
- Dunleavy is proposing to spend over \$1.8 billion from the Constitutional Budget Reserve (CBR), which is the state's principal savings account and contains about \$3 billion. The governor's spending plan appears to balance if the proposed \$3,800 Permanent Fund Dividend is reduced to \$1,000.
- PCE is fully funded at \$44.3 million and so is school bond debt reimbursement for districts and municipalities.
- \$1.4 billion in full statutory funding for the new Base Student Allocation (BSA), or \$6,600 per student, for K-12 but spending is down \$27.2 million due to decreased enrollment. There was a small increase in correspondence students offsetting the decrease.
- DEED has approved a proposal from the Lake and Peninsula School District to open a new 54 bed residential school facility. Total funding for DEED is \$1.8 million including all fund sources. A \$18.7 million (-1%) reduction from FY2026.

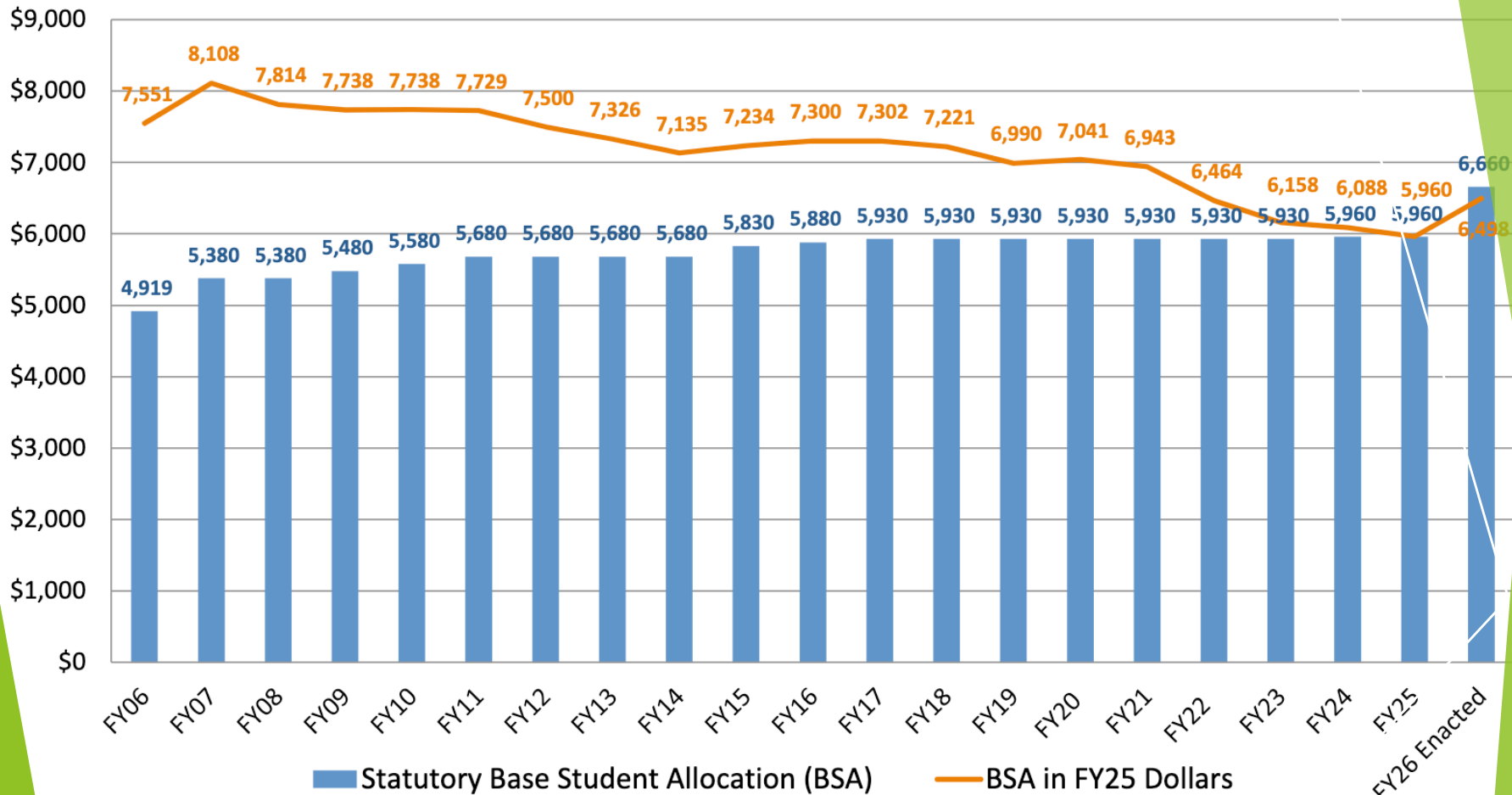
# Budgets:

- ▶ The capital budget is mostly status quo, totaling \$156 million and mostly covering match for federal programs in the Departments of Transportation and Public Facilities and the Department of Environmental Conservation. Once again, there is chatter of a possible G.O. bond package. Funding is not included for the following:
- ▶ Maintenance or construction for school or university facilities;
- ▶ Harbor Grant Matching Funds Program;
- ▶ Individual district projects; and
- ▶ Renewable Energy Grant Funds.

# Base Student Allocation History (Formula Only)

## Base Student Allocation, FY06-FY26

Based on Alaska CPI for FY06-25, 2.5% Inflation in FY26



# Political Landscape

- ▶ Sen. Mike Cronk is the new Republican Senate minority leader. He will retain his Finance Committee seat.
- ▶ Sen. Mike Shower, resigned to. Run for Lt. Governor and was replaced by Sutton Sen. George Rauscher, former representative.
- ▶ Sen. Shelley Hughes also resigned her Senate seat in mid-November to focus on her campaign for governor. She was replaced by Wasilla representative Sen. Cathy Tilton, formerly representative.
- ▶ These changes left two House seats vacant.



- ▶ Governor's picks for the two open seats were recently confirmed by House Republicans. They are:
  1. **Rep. Stephan St. Clair, (Tilton) a veteran and former legislative staffer for seven years to Rep. Tilton and Rep. Baker. He has lived in Wasilla for 15 years.**
  2. **Rep. Garret Nelson, (Rauscher) an online salesman and father of nine who lives in Sutton.**
- ▶ Reps. St. Clair and Nelson both say they support Dunleavy's proposal of giving Alaskans a statutory Permanent Fund dividend in the coming fiscal year, even though the state would need to draw from savings to afford the dividend.
- ▶ DeLena Johnson became the new House Minority Leader in early December 2025, replacing Rep. Mia Costello, after a caucus vote that saw some conservatives unhappy with the process.
- ▶ In the picture Rep. St Clair is on the left and Rep. Nelson on the right.

# Political Landscape



THE POOL OF CANDIDATES FOR ALASKA GOVERNOR IN THE 2026 ELECTION INCLUDES, TOM BEGICH, MATT CLAMAN, CLICK BISHOP, DAVE BRONSON, ADAM CRUM; NANCY DAHLSTROM, EDNA DEVRIES, MATT HEILALA, SHELLEY HUGHES; HANK KROLL, JAMES PARKIN, TREG TAYLOR AND BERNADETTE WILSON.

POTENTIALS: PELTOLA AND MURKOWSKI??



GOVERNOR'S RACE HAS 13 IN THE RUNNING. NEXT YEAR IS AN ELECTION YEAR WHICH WILL IMPACT THE LEGISLATIVE SESSION.



SEVERAL PROMINENT ELECTED OFFICIALS HAVE ANNOUNCED THEIR RETIREMENTS; SEN. STEVENS AND HOFFMAN.

# Legislation Summary Top 5:

Short list of bills that are active measures or priority issues for the district. We are tracking more bills than listed here and can provide additional information as requested.

- **HB12 – Free breakfast and lunch in public schools.** (Maxine Dibert (D-Fairbanks). Fiscal note from DEED estimates \$28m annually. The bill has had 2 hearings but has not moved from the Education Committee. There is no Senate companion bill.
- **HB59/SB66 – Tribal Education Compact** (Companion bills). Introduced by the Governor in his continued efforts to establish and integrate tribal compact schools into a shared state/tribe demonstration project. While the governor has been consistent in his efforts, the policy collides with the budget. If enacted, the legislation is estimated to cost \$17m year one and \$12m annually. There would be impacts to existing school districts as students make enrollment selections.
- **HB152 – Education Tax.** (Rep. Galvin) The bill proposes a 4% income tax on wages over \$150,000 and institutes a minimum \$150/year education tax. The accompanying fiscal note reports that estimating new revenue from the bill is ‘highly uncertain.’

# Legislation Summary Update:

- ▶ **HB212 - Local Contribution.** HB212 proposes to further define local contribution in AS14.17. This bill should see active engagement during the 2<sup>nd</sup> Session following the DEED's efforts to change state regulations through the State Board of Education process. Following a strong rejection through the public comment process, the board is expected to 'take no action' and return the regulation approach to the department for further consideration. Defining the terms in statute would deny the board from defining the issue in regulation contrary to statute. The issue is directly related to the issue of federal Impact Aid, the state reducing impact aid districts state funding and the states repeated failures to pass the required disparity test.
- ▶ **SB184 - School Bond Debt Reimbursement.** Introduced by SFIN Committee, the bill failed to pass from the Senate and while still alive, the moratorium on the program passed on July 1 meaning the program is now available for districts to consider. It is not clear if the legislature will move the bill and make retroactive effective dates during the 2<sup>nd</sup> Session. The moratorium was enacted in prior years with the expressed objective of reducing state debt obligations for a period of time.

# Calendar

- ▶ Wed Dec 31 - **Profile Request Deadline**
- ▶ Fri Jan 9, 2026 - Profile Release - First Batch
- ▶ Jan 14-16 - Dept. of Health: **“Rural Health Transformation Program Convening”** w. DOH; virtual + in-person; info [HERE](#) and registration [HERE](#)
  - ▶ A multi-day convening to equip health care and community partners with the knowledge, partnerships and tools needed to pursue RHTP funding.
- ▶ Fri Jan 16 - Profile Release - Second Batch
- ▶ Tues Jan 20 - **First Day of Second Session of 34<sup>th</sup> Alaska State Legislature**
- ▶ Tues Feb 3 - 15<sup>th</sup> Day of Session - Supplemental Bill introduced
- ▶ Mon Feb 23 - Personal Bill Deadline
- ▶ Mon April 19 - 90<sup>th</sup> Legislative Day
- ▶ Wed May 20 - **121<sup>st</sup> Legislative Day - Last Day of Session**
- ▶ Mon June 1 - 2026 Candidate Filing Deadline
- ▶ Tues Aug 18 - 2026 Primary Election
- ▶ Tues Nov 3 - 2026 General Election



**Quyanaqpak and Taikuu  
Working together to advance  
the priorities of NWABSD**

# Alaska's Teacher Retention and Recruitment Playbook

Strategies and Support  
for Implementing the  
TRR Action Plan Recommendations



August 31, 2023



## Abstract

This document is the Teacher Retention and Recruitment Playbook (TRR Playbook).

It is organized into four general sections with the substantial content made more user-friendly through an interactive layout, links, and downloadable Google docs. The bulk of the work is in Section B.

Section A. Introduction

Section B. Implementation Strategies following TRR Action Plan

Section C. Implementation Strategies Reorganized by Stakeholder Groups

Section D. Looking Ahead

Reading Section A sets the stage to engage in the next steps while the [first page of Section B](#) contains links to (a) recommendation tables - 14 total, (b) reports and slide-decks with compiled resources around the specific topics - 8 total, and (c) subcommittee folders with all meeting recordings and notes - 4 total. As an education stakeholder, take the ideas and modify them to fit your context, location, and scenario.

There is a link to download a document for each recommendation as its own Google doc to ease in accessing the information. You will find it using the linked button, [Action Steps](#), at the top of the recommendation.

Section C contains all the same information from the recommendation tables as Section B reorganized by stakeholder groups. Each group has a link to download those specific tables as a separate Google doc.

Section D provides a look back to aid in looking forward by sharing examples of progress connected to education in Alaska during the years of work since the start of the 21st century as well as since the inception of the TRR project in 2020. It also suggests goals to work towards as well as encouragement on how to move forward.



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1. Districts
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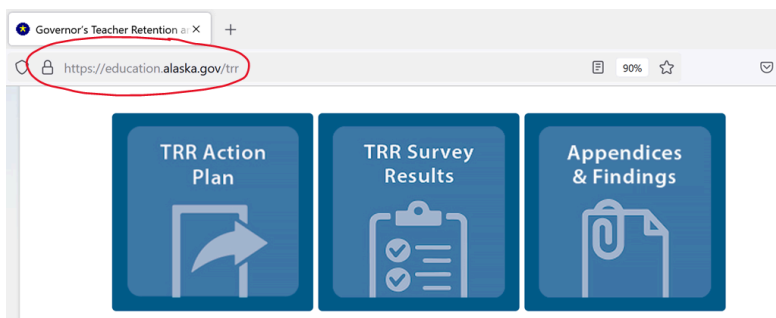
**Section D.** [Looking Ahead](#)

1. Progress from 2001 to 2021
2. Progress from 2020 to 2023 during TRR
3. Goals for Progress by 2035



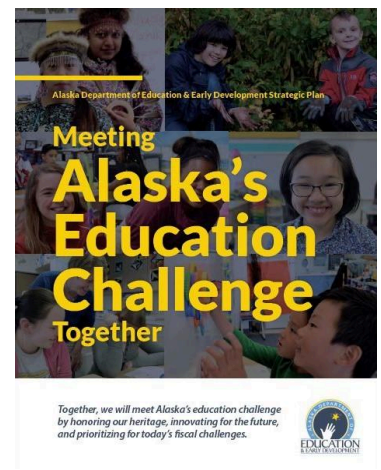
## Section A. Introduction

In April 2020, Alaska’s Governor Mike Dunleavy initiated the Teacher Retention and Recruitment Working Group with the mission of identifying practical, professional, and policy recommendations to address Alaska’s persistent issues with retention and recruitment of educators. The working group was composed of members representing each of the following groups: teachers, principals, superintendents, school boards, students, home school programs, special education, university, and state government. This was the first phase of a three-phase process. In April 2021, the TRR Working Group published the TRR Action Plan (<https://education.alaska.gov/trr>) containing 18 recommendations grouped into six essential areas using a holistic, systems-centered approach to creating solutions. Since that time, efforts have been made to share the TRR Action Plan (roll out in phase 2) and to develop implementation strategies that will move forward the recommendations. This TRR Playbook is the result of the third phase of work and contains implementation strategies for moving forward on all 18 recommendations by stakeholder groups. These strategies are suggestions for consideration towards making progress on the TRR efforts. As a state, we can collectively create the best education system for our students by implementing strategies appropriate to each stakeholder level while aligning across stakeholder groups. The more we can do, the sooner the better, for Alaska’s students and for Alaska’s educators. Together let’s design an aligned system that supports local control to recruit and retain educators to provide an excellent education for every student every day. Let’s create a seamless system where educators want to work and are well supported, and students receive the benefit of their happiness and expertise.



### 1. Background

The TRR work is situated firmly within the [Alaska Education Challenge](#),<sup>1</sup> under Goal 4: Prepare, attract, and retain effective education professionals. It can be argued that it truly addresses all five of the goals in the AK Ed Challenge as a strong educator workforce is the best resource a system has to influence student reading, offer CTE and culturally-affirming education options, close the achievement gaps, and create and sustain safe learning environments. At the onset of this work, the Alaska Education Commissioner at the time, Dr. Michael Johnson, played a significant role in the working group. Further, representatives from six of the largest education stakeholder partners attended as well as four legislators. Their contributions played greatly into the development of the six essential areas and 18 recommendations. It was important that the TRR work was infused into other statewide initiatives and that it supported the other education efforts happening simultaneously. [Return to TOC](#)



<sup>1</sup> <https://education.alaska.gov/akedchallenge>



## 2. Committee Work

An initial large Induction Committee meeting, called the TRR Convening, was held via Zoom in February 2022.<sup>2</sup> The TRR Convening had nearly 100 participants ranging from all locations across the state as well as out-of-state education partners and covering stakeholder groups from districts to support organizations to postsecondary institutions. A sign up request was issued during the Convening for volunteers to serve on four subcommittees and a gForm was created to capture those contacts.

Volunteers numbered about 30 each for the Organizational Health Cadre and the Retirement Working Group and 50 each for the Recruitment Task Force and the Alternative Certification Team. The registered volunteers included teachers (active and retired), principals, school board members, and superintendents representing districts; leadership representing most of the education partners such as AASB, NEA-AK, SERRC, and ACSA and their affiliates of ASA, AAESP, AASSP, ALASBO, and ASDN; partner organizations such as the Office of K-12 Outreach, Alaska Humanities Forum, Doyon Foundation, Association of Interior Native Educators, and Region 16 Comprehensive Center; and postsecondary institutions such as UAF, UAA, UAS, Charter College, and Alaska Pacific University.

Subcommittees started meeting in April 2022 and continued through March 2023, each hosting six to seven Zoom meetings total, one at the end of the 2021-22 school year and the remaining during the 2022-23 school year. Although not all volunteers attended all the meetings, each subcommittee had a core group of individuals committed to the work. The color coding of the committees aligns with the TRR Action Plan incorporating Essential Areas 1 and 2 (**Working Conditions** and **Leadership**) into the **Organizational Health** topic. With Essential Area 3, 4, and 5 staying as is (**Retirement**, **Recruitment**, and **Paraprofessional Pathways**) and Essential Area 6 **Streamlining Certification** falling within several of the other subcommittees as the associated topics emerged.



Organizational  
Health Cadre



Alternative  
Certification Team



Recruitment  
Task Force



Retirement  
Working Group



Induction  
Convening

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<sup>2</sup> Induction is the term we are using for the process of alignment across the system. Note that often induction and mentoring are used synonymously; however, induction is usually a process with many components, whereas mentoring is one of those specific components.

[https://www.teachermagazine.com/au\\_en/articles/beginner-teachers-induction-and-mentoring](https://www.teachermagazine.com/au_en/articles/beginner-teachers-induction-and-mentoring)



Committees started with the TRR Action Plan, focused on specific topics, and took on the challenge of addressing the following questions.

- How can we make this real?
- Who should take on this piece of the work?
- What is needed to accomplish this?
- What else is missing?

This formed the basis for all of the Implementation Strategies that are compiled here in the TRR Playbook. All meetings were open to the public, recorded, documented with notes, and can be found in the linked shared google folders. A common site (<https://aklearns.org/trr/>) was also compiled for easier access by the technology support team at SERRC.

Although subcommittee work is complete, TRR Convenings should continue to meet at least once or twice a year with convening goals of sharing across groups, involving broader audiences, forming more partnerships, and creating that alignment across the education system. This should be a place and time to pull in legislators to listen and be a part of some on-the-ground work. This should be a place and time to create protocols or procedures that facilitate partnerships and seamless collaboration. In essence, this should be a time and place where the focus can be about the whole education system and not just the targeted areas where most operate. Of course, this would not replace any of the organizations' meetings although it should be thought of as just as important and helps to situate stakeholders' roles in the larger context while aligning across their roles.

### **3. Reports and Slide-decks**

The overarching goal of the studies that were also contracted as part of this work was to pull ideas together on a specific topic so that districts, state, policy makers, and partner organizations wouldn't have to compile the information on their own. The topics were specific recommendations from the TRR Action Plan and included (1) tools to measure working conditions, (2) financial opportunities for educators outside of salary, (3) feedback from teachers on principals, (4) retirement restructuring options, (5) innovative recruitment efforts, (6) alternative certification programs with an emphasis on paraprofessional pathways, and (7) landscape analysis of recruitment strategies used in Alaska (two contractors took on complementary studies to paint the landscape). Methods used by each contractor are outlined in their final reports. Each contractor presented their work to a TRR subcommittee or during a TRR webinar for feedback and submitted a final report and a final slide deck. Their final outcomes can be found in the associated shared folder, linked here throughout the TRR Playbook, and also in the final shared folder, [TRR Implementation Resources Public](#).<sup>3</sup>

### **4. Disclaimer**

The implementation strategies and recommendations presented here are compiled from stakeholder input and are not all necessarily endorsed by DEED. They are suggestions for stakeholder consideration. Action or adoption of any implementation strategy will be based on each group's own initiative and decision. Presentations at work sessions, convenings, and other efforts to pull together stakeholders will provide opportunities to continue to create buy-in to support those decisions and create alignment across the education system.

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<sup>3</sup> [https://drive.google.com/drive/folders/1RFsv\\_RUVSB32YdQ8qk4D-E8irx9BbE8O?usp=sharing](https://drive.google.com/drive/folders/1RFsv_RUVSB32YdQ8qk4D-E8irx9BbE8O?usp=sharing)



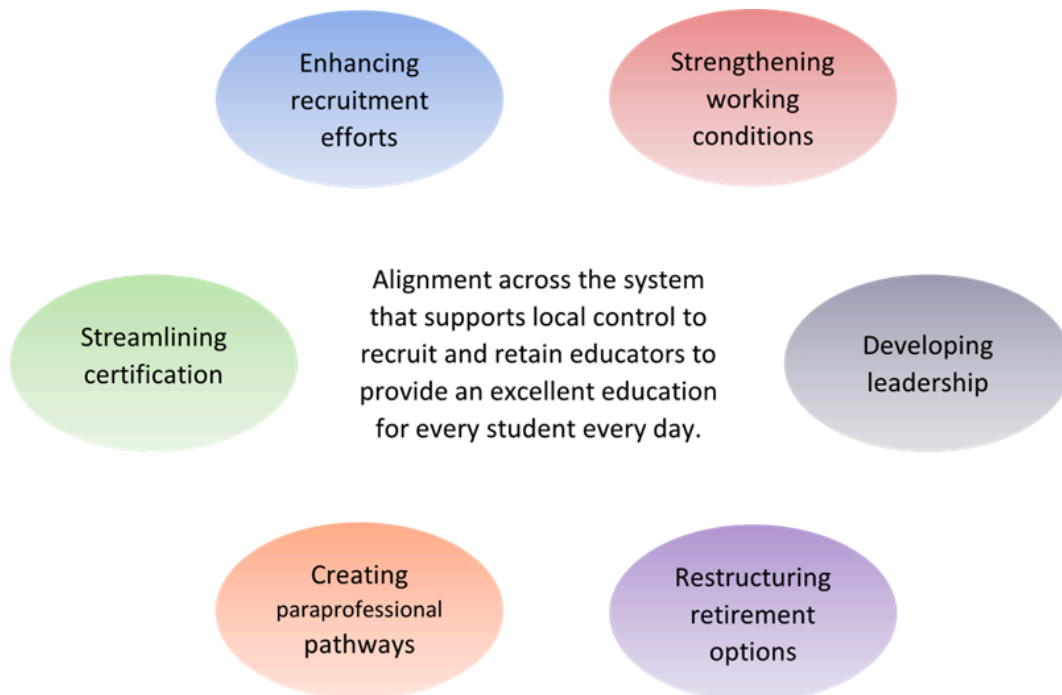
## 5. Alignment

Several guiding principles supported the process used in the Teacher Retention and Recruitment (TRR) work. First, recognizing the state has had 40 years of research conducted in issues surrounding teacher retention and recruitment for Alaska’s current public educational system of local control meant that information was readily available. The working group tapped into those studies, situated them within today’s circumstances, and then chose to be forward-looking and solution-oriented in the next steps.

Second, the working group chose to use a holistic, systems-approach to the solutions. Members felt deeply that no one solution would fix the current struggle. It was determined that the efforts must approach this challenge from multiple angles and address multiple levels of the system. For example, if Alaska restructures our state retirement system then it may support recruitment efforts, but without positive working conditions educators may not stay, thus still contributing to retention issues.

Third, during Phase 2 of the TRR efforts it became clear that the refined goal for TRR is **alignment across the system** that supports local control to recruit and retain educators to provide an excellent education for every student every day. The following model is slightly revised from the one presented in the TRR Action Plan. The refinements come from stakeholder feedback during presentations and conference meetings.

### Updated Model from the TRR Action Plan



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The TRR Playbook starts with the 18 recommendations from the TRR Action Plan (merged into 16 recommendations) and provides suggestions for how we as a state can make progress on each. In the TRR Playbook, implementation strategies are offered based on stakeholder roles. The stakeholder groups are defined as follows.

- Districts include those in roles of school board members, administrators (district leader, schools), educator, and staff.
- State administration (DEED, Governor’s Office, SBOE) constitutes the state Department of Education & Early Development (DEED) representation carrying out the Governor’s education initiatives, as well as the State Board of Education & Early Development (SBOE) as the head of DEED and the Commissioner who serves as the chief executive officer of DEED. (AS 44.27.010)
- Partner organizations include and are not limited to Alaska Association for School Boards (AASB), National Education Association (NEA-Alaska), Alaska Council of School Administrators (ACSA), Alaska Association for School Boards (AASB), University of Alaska (UA) and other institutes of higher education (IHEs), tribal entities, community-based organizations, local, state, and national organizations, other professional associations, and federally funded content and technical assistance centers. Note that ACSA is the umbrella organization for and includes the Alaska Superintendents Association (ASA), Alaska Association of Elementary School Principals (AAESP), Alaska Association of Secondary School Principals (AASSP), Alaska Association of School Business Officials (ALASBO), and Alaska Staff Development Network (ASDN).
- Community individuals include and are not limited to parents, families, and retirees.
- Elected officials include and are not limited to state legislators and local governments, such as mayors and assembly members, etc.

Further, during subcommittee meetings, many of the TRR Action Plan recommendations were updated using more accurate and inviting language. This chart demonstrates the original language from the TRR Action Plan and the revised language used here in the TRR Playbook. The chart is color coded based on the six Essential Areas as presented in the TRR Action Plan, connected to the Update Model above, and aligned with the subcommittee colors throughout the TRR Playbook. [Return to TOC](#)

Create Educator Induction Program Framework → <i>Alignment and Sharing at TRR Convenings</i>	Retirement Task Force → <i>Retirement Working Group</i> as one of the subcommittee; Focus on <i>Restructuring TRS and PERS</i>	Independent Audit of Recruitment
Measure Working Conditions	Financial Literacy on Retirement → <i>Financial Education</i>	Recruitment Task Force
Financial Opportunities	Modernize the Certification System	Restructure ATP
Organizational Health System	Reciprocity for all states	Grow-Your-Own Programs → <b>merged</b> with Paraprofessional Pathways
Administrator Mentoring	AK History and Culture Coursework → <i>Alaska Studies and Multicultural Coursework</i>	Alternative Certification Pathways → <b>merged</b> with Paraprofessional Pathways
Principal Assessment → <i>Teacher Feedback on Principals</i>	Paraprofessional Pathways	Resources for Alternative Programs → <i>Sharing Resources for Additional Pathways to Certification</i>



## 6. How to Use the TRR Playbook

The Teacher Retention and Recruitment Playbook acts like other playbooks found in sports, business, or cybersecurity. First, it provides implementation strategies based on stakeholder roles to support Alaska's 54 locally controlled school districts in making decisions that work for them. Second, it also promotes alignment across the statewide system of public education including roles for partners to support. Third, it offers suggestions for mitigating issues at various levels of the system as they arise. The topic is centered on recruiting and retaining educators with a primary focus on classroom teachers, yet the impact covers all the educator groups (principals, superintendents, support staff, specialty teachers, etc.) and holds at its core students and their learning and well-being.

Navigating the TRR Playbook can be done in several ways through Google doc navigation, embedded links, and smaller linked files for download. Be on the lookout for work sessions, presentations, and sharing through education organizations to enhance understanding, provide time to explore, and facilitate conversations around taking action. It's important to note that all of these implementation strategies and related action steps are starting points for ideas and resources. In your role as an education stakeholder you should feel free to modify, add to, or ignore any of the strategies or actions.

The Playbook is set up in four general sections: Introduction, Implementation Strategies, Reorganized Strategies by Stakeholder Groups, and Next Steps. The bulk of the work is in **Section B. Implementation Strategies following TRR Action Plan**. The first page of Section B links to recommendation tables, reports and slide-decks, and subcommittee folders with all meeting recordings and notes. Section B contains 14 recommendation tables referencing 14 of the 16 TRR Action Plan recommendations sharing anywhere from one to seven implementation strategies with specific action steps for each. The remaining two recommendations do not have action steps, rather one connects to a long-term plan for Convenings and the TRR goal of alignment across the system and the other was achieved by contracting two studies around recruitment. All eight of the contracted studies are linked within the Playbook and provide compiled resources around the topic. There is a link to download a document for each recommendation as its own Google doc to ease in accessing the information. You will find it using the linked button, [Action Steps](#), at the top of the recommendation.

Section C contains all the same information from the recommendation tables as Section B reorganized by stakeholder groups. Each group has a link to download those specific tables as a separate Google doc. Finally Section D provides a look back to aid in looking forward by sharing examples of progress around the TRR ideas during the years of work since the start of the 21st century as well as since the inception of the TRR project in 2020. It also suggests goals to work towards as well as encouragement on how to move forward.

When developing understanding of the TRR Playbook the graphic below may be useful to distinguish between the TRR Action Plan recommendations (found at <https://education.alaska.gov/trr>) and the related TRR Playbook implementation strategies and action steps by stakeholder. This graphic uses the TRR Action Plan Recommendation 1.2 as an example. Note that stakeholder groups are listed in the same order for each implementation strategy. There may be multiple implementation strategies per recommendation or just one. There may be multiple action steps for each stakeholder group or one or none. When the box is empty, this doesn't mean there aren't steps for that group to take, just that the subcommittees did not suggest any at the time.

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## Action Plan Recommendation

### Essential Area 1: Strengthening working conditions

2. Identify methods to measure working conditions that support making data-driven improvements and share those options with districts. This can be conducted as a stand-alone action or as a component of the Organizational Health System suggested under Developing Leadership below.

- o Compile a vendor list of those who measure working conditions for districts to choose from.
- o Offer funds to support DEED paying for vendors.
- o Support districts in making choices that fit their needs.
- o DEED hold districts accountable for engaging in the process of measuring working conditions.

### Playbook Action Step by Stakeholder

Action Step	Implementation Details
<b>Gain support to measure teachers' working conditions.</b>	
District adopts or creates a tool to measure working conditions.	-gather input from teachers on tool/method used to measure working conditions (ensure collection of actionable information) -communicate to teachers how information will be collected and used -communicate to community on the why, the how, and process for collecting and responding to measuring working conditions, with an emphasis on importance of teacher-community communication to good teachers' working conditions -organize involvement of community members with teachers to support working conditions (induction events including welcome, logistics, culture camps, pairing new hire with a community mentor) -resources if creating own survey <a href="#">Developing survey questions</a> <a href="#">Survey methods for education</a> <a href="#">Survey methods in education</a> -TRR resource on tools <a href="#">Tools to Measure Working Conditions Report</a>
DEED supports districts positioning themselves to measure working conditions.	-assemble/vet a suite of tools districts could use to measure working conditions -offer mini grants to help districts pay for a third party partner to assist with creating/selecting instruments, collecting and analyzing data, etc. -provide guidance for interpreting results of working conditions data- create baseline reference information (e.g., PIR) for districts -outreach to stakeholder groups with information on importance of working conditions and how to measure them
Partner Organizations play a supportive role in improving teachers' working conditions.	-parent group(s) (e.g., ISAC, PTA) briefed by district administration on importance of working conditions and on process for measuring working conditions -PTAs welcome teachers, provide school-community support, community mentors -ACSA, AAIS include WC information in presentations to legislative education committees that summarize findings of working conditions data and actions taken in response
Community plays a supportive role in improving teachers' working conditions.	-members welcome teachers into the community; prepare teachers for logistics of the community; serve as community mentors
Elected Officials support measuring working conditions with policy.	-recognize importance of working conditions in policy to support TRR work
<b>Measure teachers' working conditions.</b>	
District engages in measuring and using data.	-use CBA process to collect data on teachers' working conditions -connect student disciplinary data with working conditions findings -include a tool to ask for community views on leadership
DEED supports districts in the process.	-help districts collaborate and share resources on collecting working conditions data -offer assistance on how to set baseline non-negotiable indicators of working conditions (e.g., class size)
Partner Organizations provide third-party services.	-if available/feasible, use a partner group to collect working conditions data (impartial group to allow clean collection of data), e.g., AOE's school climate and connectedness survey; TOP (Team Optimizing Project)
Community	
Elected Officials	
<b>Respond to working conditions data.</b>	
District embeds findings of working conditions into the practice of the district.	-ensure updates include summaries of action taken to improve working conditions -use other data sources (e.g., SCCS) to inform areas for deeper data collection -prioritize time to review data on working conditions with focus on identifying action steps; this is built into the work day -ensure that improvement steps (for working conditions) are deliberate and scheduled as part of annual calendar, including scheduled progress updates to board -in lieu a form/dataset on improve condition conditions, make a checklist

Playbook Implementation Strategy



## Section B. Implementation Strategies following TRR Action Plan

### TRR Action Plan Recommendations - Studies and Implementation Strategies Linked

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- 1.1 Induction Framework – Recommendation 1.1 ongoing, all committees and beyond  
See initial [presentation](#) from Feb. 24, 2022
  - 1.2 [Measure Working Conditions](#) – Recommendation 1.2  
[TRR Report](#) and [Slide-deck](#) – Tools Used to Measure Working Conditions
  - 1.3 [Financial Opportunities](#) – Recommendation 1.3  
[TRR Report](#) and [Slide-deck](#) – Financial Opportunities to Augment Teacher Salaries
- 
- 2.1 [Org Health Cadre](#) – Subcommittee Folder  
[Leadership Development](#) – Recommendation 2.1
  - 2.2 [Mentoring New Administrators](#) – Recommendation 2.2
  - 2.3 [Teacher Feedback on Principals](#) – Recommendation 2.3  
[TRR Report](#) and [Slide-deck](#) – Collecting Feedback from Teachers on Principal Leadership
- 
- 3.1 [Retirement Working Group](#) – Subcommittee Folder  
[Restructure Retirement System](#) – Recommendation 3.1  
[TRR Report](#) and [Slide-deck](#) – Retirement Plan Design Options and Analysis
  - 3.2 [Financial Education Opportunities](#) – Recommendation 3.2
- 
- 4.1 Audit of Recruitment Activities – Recommendation 4.1  
[TRR State Level Report](#) and [Slide-deck](#) – Contractual Benefits that Enhance TRR  
[TRR District Level Report](#) and [Slide-deck](#) – Alaska District Recruitment Strategies Survey
  - 4.2 [Recruitment Task Force](#) – Subcommittee Folder  
[Recruitment Solutions](#) – Recommendation 4.2  
[TRR Report](#) and [Slide-deck](#) – Innovative Recruitment Strategies
  - 4.3 [Restructure AT&P](#) – Recommendation 4.3
  - 4.4 [Support Grow-Your-Own Programs](#) – Recommendation 4.4 (grouped with 5.1 & 5.2)
  - 4.5 [Support Alternative Certification Pathways](#) – Recommendation 4.5 (grouped with 5.1 & 5.2)
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- 5.1 [Paraprofessional Pathways](#) – Subcommittee Folder (grouped with 5.2)  
[Create Career Ladder Pilot Program](#) – Recommendation 5.1  
[TRR Report](#) and [Slide-deck](#) – Paraprofessional to Teacher Pathways: Current Strategies
  - 5.2 [Sharing Resources for Additional Pathways to Certification](#) – Recommendation 5.2
- 
- 6.1 [Modernize the Certification System](#) – Recommendation 6.1
  - 6.2 [Reciprocity for All States](#) – Recommendation 6.2
  - 6.3 [Alaska Studies and Culture Coursework](#) – Recommendation 6.3

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# 1. Organizational Health Implementation Strategies - Working Conditions

## a. Strengthening Working Conditions

TRR Action Plan Recommendation 1.2 Measure Working Conditions

[Action Steps](#): This link produces the same information below as an independent google doc.

**Rationale:** There are several variables that affect teacher retention. Many of these are the factors that describe working conditions. These include those that can be considered extrinsic (e.g., facilities, compensation) and those that are intrinsic (e.g., satisfaction and purpose). Research finds that school districts with good working conditions have higher retention rates than those that do not. It is important then, that school districts determine the teachers' satisfaction with their working conditions and in turn, make improvements when an area is deemed less than satisfactory. [Return to Section B Home](#)

Action Step	Implementation Details
Gain support to measure teachers' working conditions.	
District adopts or creates a tool to measure working conditions.	<ul style="list-style-type: none"> <li>-gather input from teachers on tool/method used to measure working conditions (ensure collection of actionable information)</li> <li>-communicate to teachers how information will be collected and used</li> <li>-communicate to community on the why, the how and process for collecting and responding to measuring working conditions, with an emphasis on importance of teacher-community communication to good teachers' working conditions</li> <li>-organize involvement of community members with teachers to support working conditions (induction events including welcome, logistics, culture camps, pairing new hire with a community mentor)</li> <li>-resources for survey development</li> <li><a href="#">Developing survey questions</a></li> <li><a href="#">Survey methods for educators</a></li> <li><a href="#">Survey methods in education</a></li> <li>-TRR resource on tools</li> <li><a href="#">Tools to Measure Working Conditions Report</a></li> </ul>
DEED supports districts positioning themselves to measure working conditions.	<ul style="list-style-type: none"> <li>-assemble/vet a suite of tools districts could use to measure working conditions</li> <li>-offer mini-grants to help districts pay for a third party partner to assist with creating/selecting instruments, collecting and analyzing data, etc.</li> <li>-provide guidance for interpreting results of working conditions data- create baseline reference information (e.g., PTR) for districts</li> <li>-outreach to stakeholder groups with information on importance of working conditions and how to measure them</li> </ul>
Partner Organizations	-parent group(s) (e.g., LSAC, PTA) briefed by district administration on



play a supportive role in improving teachers' working conditions.	importance of working conditions and on process for measuring working conditions -PTAs welcome teachers, provide school community support, community mentors -ACSA, AASB include WC information in presentations to legislative education committees that summarize findings of WC data and actions taken in response
Community plays a supportive role in improving teachers' working conditions.	-members welcome teachers into the community; prepare teachers for logistics of the community; serve as community mentors
Elected Officials support measuring working conditions with policy.	-recognize importance of working conditions in policy to support TRR work
Measure teachers' working conditions.	
District engages in measuring and using data.	-use CBA process to collect data on teachers' working conditions -connect student disciplinary data with working conditions findings -include a tool to ask for community views on leadership
DEED supports districts in the process.	-help districts collaborate and share resources on collecting working conditions data -offer assistance on how to set baseline non-negotiable indicators of working conditions (e.g., class size)
Partner Organizations provide third-party services.	-if available/feasible, use a partner group to collect working conditions data (impartial group to allow clean collection of data), e.g., AASB's school climate and connectedness survey; TOP (Team Optimizing Project)
Community	
Elected Officials	
Respond to working conditions data.	
District embeds findings of working conditions into the practice of the district.	-ensure updates include summaries of action taken to improve working conditions -use other data sources (e.g., SCCS) to inform areas for deeper data collection -prioritize time to review data on working conditions with focus on identifying action steps; this is built into the work day -ensure that improvement steps (for working conditions) are deliberate and scheduled as part of annual calendar, including scheduled progress updates to board -to keep a focus/priority on improving working conditions, establish a committee of teachers, administrators, and community members to guide working conditions improvement activity



	-follow identified process to determine root causes for why area(s) of working conditions need improvement
DEED supports in understanding results.	-provide guidance for interpreting results of working conditions data -create baseline district level reference information for districts -provide training for district leadership on responding or recommendations for partner organizations for training
Partner Organizations play a supportive role in improving teachers' working conditions.	-after reviewing working conditions data, parent groups and school advisory groups provide input on drafting improvement actions, list of supportive actions community members can take -ensure Collective Bargaining Units provide input on drafting improvement actions -in advocacy, ACSA and AASB include working conditions information when presenting to legislative committees on TRR related legislation -partners who specialize in this work provide training to leadership on using results
Community supports strengthening working conditions.	-identify community members to serve as liaisons for new teachers to support efforts
Elected Officials review results and support financially.	-be aware of summarized results -respond to trends -direct funding to improve working conditions (boards, assembly, legislature)

Note: Group definitions

- Districts include those in roles of school board, administrators (district, leader, schools), educator, and staff.
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- Partner organizations include and are not limited to AASB, NEA-Alaska, ACSA, ASA, AAESP, AASSP, ALASBO, ASDN, UA and other IHEs, tribal entities, community-based organizations, local, state, and national organizations, other professional associations, and federally funded content and technical assistance centers.
- Community individuals include and are not limited to parents, families, and retirees.
- Elected officials include and are not limited to legislators, local governments such as mayors and assembly members, etc.

Note: Links to resources

- Developing survey questions: <https://ies.ed.gov/ncee/rel/Products/Publication/3248>
- Survey methods for educators: <https://ies.ed.gov/ncee/rel/Products/Publication/3752>
- Survey methods in education: <https://ies.ed.gov/ncee/rel/Products/Publication/3862>



**b. Financial Opportunities**

TRR Action Plan Recommendation 1.3 Financial Opportunities

Action Steps: This link produces the same information below as an independent google doc.

Rationale: *What* - We define financial opportunities as incentives that school districts can use to augment teacher salaries e.g., signing bonus, retention bonus, incentives to attract teachers of shortage subject matter areas or to work in a high-need or hard-to-staff school, extra-duty bonus, loan repayment support and scholarships, rewards for acquiring new skills and knowledge, pay for performance, relocation incentives, housing subsidies, and childcare benefits.

*Why* - “Financial opportunities may make a job more attractive and tip the balance as teachers consider multiple jobs, including lucrative non-teaching jobs. They may compensate for conditions that may be perceived as less than ideal such as working in an isolated community with harsh weather or in an under-resourced school. They may reward teachers for taking steps to grow and become more effective, and for taking on additional responsibilities, whether they would have wanted to in the first place or stepped up to fill an acute need in their school or district. Incentives may help support the high cost of an education. They can offset part of the high cost of moving to and living in certain areas. Bonuses may increase teacher engagement, motivation, satisfaction, self-efficacy, effectiveness, and in turn, their desire to stay in the profession and their school district”( [Financial Opportunities Report](#), p.iii ).

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Action Step	Implementation Detail
Learn about financial opportunities.	
District identifies which financial opportunities to put in place.	<ul style="list-style-type: none"> <li>-develop an understanding of financial opportunity options including examples from Alaska</li> <li>- identify available funding and which financial opportunities are affordable given their context including their financial circumstances</li> <li>- identify which financial opportunities are allowable within negotiated agreements, in a cycle of consultation with bargaining units, the school board, and appropriate local entities according to usual practice</li> <li>-identify which opportunities are appropriate in the local context and supportive of the needs of their educator staff</li> <li>-district office staff or hired consultant, using best survey practices, design and administer a stakeholder survey about which financial opportunities are deemed valuable; identify stakeholders (e.g., teachers, staff, administrators, board members); identify best timing for the survey (e.g., depending on when a decision to be made in time for the selected financial opportunities to be included in the budget); identify survey method (e.g., online, during school staff meetings, added questions to an existing survey to avoid survey fatigue).</li> <li>-district employees complete the survey</li> <li>-district office staff or hired consultant analyze survey results; list preferred options; run them by a diverse stakeholder group for final revisions</li> <li>-resources if creating own survey</li> <li><a href="#">Developing survey questions</a></li> <li><a href="#">Survey methods for educators</a></li> <li><a href="#">Survey methods in education</a></li> <li>-TRR resource on financial opportunities</li> </ul>



	<a href="#">Financial Opportunities Report</a> (lists opportunities, with a brief description, rationale, examples from Alaska and the nation, and research evidence; each opportunity can be easily, directly accessed from the abstract on p. 2).
DEED provides input.	-in a supportive and informational capacity, provide input on pros, cons, and implementation considerations for various financial opportunities including taking into account the Alaska context, as well as funding considerations -welcome and address questions and concerns
Partner Organizations support decision making.	-provide input on pros, cons, and implementation considerations for various financial opportunities including taking into account the Alaska context and the local culture
Community engages by participating in the survey.	-complete the survey
Elected Officials identify funding options.	-consider allocating funding for financial opportunities
<b>Select financial opportunities.</b>	
District selects which financial opportunities to implement.	-review survey findings and other stakeholder input from consultation and narrow down the list of financial opportunities to consider -establish options for what is affordable (e.g., which opportunities, amount by opportunity, eligibility, frequency) -school board selects among the feasible options -resources for cost benefit approaches <a href="#">Resources from the Center for Benefit-Cost Studies of Education Cost-Effectiveness, Cost-Feasibility, and Cost-Benefit Methods</a>
DEED	
Partner Organizations	
Community provides input.	-provide input at board meetings
Elected Officials	
<b>Fund financial opportunities.</b>	
District finalizes funding needs and sources.	-district staff estimate initiative costs for the selected options and identify internal funding sources and grants -board members approve the funding budget
DEED supports the initiative financially.	-offer mini-grants to help districts that need it to pay for a third party partner to assist with design, implementation, collecting, and analyzing data -help network districts together to collaborate and share resources
Partner Organizations support sharing of resources.	-help network districts together to collaborate and share resources -offer mini-grants to help districts that need it to pay for some of the networking, survey process, or financial opportunities
Community	
Elected Officials	
<b>Implement initiative.</b>	
District implements the initiative following a plan.	-establish implementation, progress monitoring, communications, and training plan -collect stakeholder feedback on plan and revise accordingly

-collect stakeholder feedback on plan and revise accordingly



	-implement plan, monitor progress, and use data to make course corrections in a timely manner -resources for program monitoring <a href="#">Planning, Assessment, and Communication</a> <a href="#">Outcomes, Indicators, Measures, and Targets</a> <a href="#">Introduction to program evaluation</a>
DEED supports planning and implementation.	-in a supportive and informational capacity, offer consultation time to support district staff with plan development, implementation, and troubleshooting
Partner Organizations review and provide input on the plan.	-review plans, provide input, and ask questions to inform the establishment of a frequently asked questions resource -ask Alaska Teachers & Personnel (ATP) to advertise opportunities as part of district incentive initiatives when recruiting and supporting new teachers
Community provides input on the plan.	-review plans, provide input, and ask questions to inform the establishment of a frequently asked questions resource
Elected Officials	

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- Community individuals include and are not limited to parents, families, and retirees.
- Elected officials include and are not limited to legislators, local governments such as mayors and assembly members, etc.

Note: Links to resources

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- Survey methods in education: <https://ies.ed.gov/ncee/rel/Products/Publication/3862>
- Financial Opportunities Report:  
[https://docs.google.com/document/d/1qx4pqcDEAtuK-ildprNZVZSCb\\_F2iKuA/edit?usp=drive\\_link&oid=106394927508872723092&rtpof=true&sd=true](https://docs.google.com/document/d/1qx4pqcDEAtuK-ildprNZVZSCb_F2iKuA/edit?usp=drive_link&oid=106394927508872723092&rtpof=true&sd=true)
- Resources from the Center for Benefit-Cost Studies of Education: <https://www.cbcse.org/>
- Cost-Effectiveness, Cost-Feasibility, and Cost-Benefit Methods:  
<https://ies.ed.gov/ncee/rel/Products/Event/692>
- Planning, Assessment, and Communication:  
<https://ies.ed.gov/ncee/rel/Products/Publication/3598>
- Outcomes, Indicators, Measures, and Targets:  
<https://ies.ed.gov/ncee/rel/Products/Publication/3571>
- Introduction to program evaluation: <https://ies.ed.gov/ncee/rel/Products/Resource/100635>



## 2. Organizational Health Implementation Strategies - Developing Leadership

### a. Developing Leadership

TRR Action Plan Recommendation 2.1 Leadership Development

[Action Steps](#): This link produces the same information below as an independent google doc.

Rationale from Measure Working Conditions Report (p.3): Not surprisingly, teachers are not satisfied to serve as passive recipients of program and policy changes; they want to play active leadership roles in their buildings. To do so, research finds that teachers want to work collaboratively and influence instruction in partnership with a supportive principal. Research also finds that the opportunities for teachers to advance within their school into leadership roles contributes to their retention.

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Action Step	Implementation Details
Review principles of effective leadership development.	
District creates awareness of the importance of developing leaders in all areas of the organization.	<ul style="list-style-type: none"> <li>-with board and committee of teachers, establish leadership development guidelines including how and what leadership positions are recognized by district</li> <li>-consider developing teacher leaders to support at the committee, department, and activities level</li> <li>-tap into aspiring leadership and mentoring programs and opportunities</li> <li>-boards fund superintendent and principal mentoring programs</li> <li>-resources on principal effectiveness</li> </ul> <p><a href="#">How Principals Affect Students and Schools</a>  <a href="#">Alaska Administrator Standards</a></p>
DEED provides support through personnel and planning.	<ul style="list-style-type: none"> <li>-support TRR work including leadership development by adding personnel</li> <li>-offer plan for how to create leadership strand</li> </ul>
Partner Organizations provide support in their regular activities and expansion of activities.	<ul style="list-style-type: none"> <li>-professional organization conference agendas include leadership development item and how it improves organizational health</li> <li>-NEA-AK includes leadership development for teachers strand in its professional development</li> <li>-ensure implicit bias training is included as part of leadership training</li> <li>-expand and support principal mentoring</li> <li>-expand and support aspiring leadership programs</li> </ul>
Community provides insights.	<ul style="list-style-type: none"> <li>-utilize retired educators in the community to help develop leadership development pathways</li> </ul>
Elected Officials contribute expertise and funding for	<ul style="list-style-type: none"> <li>-include community elected officials to support leadership development</li> <li>-ensure ACSA's annual overview of PK-12 issues to new legislators includes an overview of TRR including leadership development for teachers</li> </ul>



leadership development.	-boards, assembly, and legislature fund superintendent and principal mentoring programs
Identify strengths and weaknesses of current career ladder, to guide as necessary, development and revision of own plan.	
District creates and revises their leadership development plan regularly.	<ul style="list-style-type: none"> <li>-create a team of teachers and administrators to review their district's leadership development plan</li> <li>-after reviewing (benchmark) other school district leadership plans and make improvements to own plan</li> <li>-ensure equitable process for identifying and promoting leaders</li> <li>-ensure that resources are committed to leadership development activity</li> <li>-include accountability activity with plan</li> </ul>
DEED provides planning resources.	<ul style="list-style-type: none"> <li>-compile a resource catalog of district leadership development plans</li> <li>-serve as resource to districts to help revise leadership development plans</li> </ul>
Partner Organizations offer expertise and services.	<ul style="list-style-type: none"> <li>-AASB and ACSA include sectionals at annual conference on importance of succession planning and leadership development</li> <li>-ASDN/ACSA create leadership track of professional development for aspiring leaders</li> </ul>
Community participates in opportunities to develop leaders.	-include community members in leadership development opportunities for educators
Elected Officials gain awareness of the importance of leadership development and districts' plans.	-presentations by DEED and K-12 to Legislative Education Committees include reference to importance of growing our own leaders and a summary of district activity to do so
Implement District Leadership Development Plan.	
District implements the plan and shares progress and outcomes.	<ul style="list-style-type: none"> <li>-create dedicated dialogue (e.g., one hour after school per month) on leadership traits at building level or district level between district administration and aspiring leaders</li> <li>-create schedule to monitor program's progress</li> <li>-include in annual report to board summary of leadership development activity and outcomes</li> </ul>
DEED supports funding programs.	<ul style="list-style-type: none"> <li>-support funding of aspiring programs for educational leaders</li> <li>-support funding to enhance teacher, principal, and sup mentoring</li> </ul>
Partner Organizations create, offer, and extend opportunities	<ul style="list-style-type: none"> <li>-state level recruitment activity of teachers includes listing of district leadership pathways</li> <li>-negotiations for new CBA include leadership development language</li> </ul>



for programs and participants.	(superintendent, principal, teacher leader) and teacher leadership positions on salary schedule -community groups provide opportunities for aspiring leaders to address community on school and district affairs (e.g., teacher leaders at school summarize curriculum development activity to advisory committee)
Community engages with programs.	- recognize aspiring school and district leaders (e.g., governmental meeting, newsletters) -participate in community parent advisory committees
Elected Officials support funding programs.	-identify funding needs and sources to support leadership development

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- Community individuals include and are not limited to parents, families, and retirees.
- Elected officials include and are not limited to legislators, local governments such as mayors and assembly members, etc.

Note: Links to resources

- How Principals Affect Students and Schools:  
<https://www.wallacefoundation.org/knowledge-center/Documents/How-Principals-Affect-Students-and-Schools.pdf>
- Alaska Administrator Standards:  
<https://docs.google.com/document/d/1Vm45BdhTAm8q03RFcDnCUjEcT8Cicacnq-1qZZCykP4/edit>

**b. Administrator Mentoring**

TRR Action Plan Recommendation 2.2 Administrator Mentoring

Action Steps: This link produces the same information below as an independent google doc.

Rationale: A culture of mentoring promotes learning throughout the organization, supports the professional and personal growth of staff, and balance staff needs and organizational goals; it embeds structure, accountability, and encouragement in an organization; it helps staff feel heard and connected through a professional network; ultimately, it helps boost employee engagement, retention, and recruitment ([Create a mentoring culture](#), [How to build a mentoring culture](#), [Why mentorship](#)).

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Action Step	Implementation Detail
Identify purpose of administrator mentoring.	
District identifies which mentoring opportunities to offer.	<p>-develop or strengthen understanding of mentoring approaches that includes supporting early career teachers' instruction,</p> <p>-identify available funding and determine whether mentoring is a priority for staff (vs. additional pay or other incentives for example)</p> <p>-review approaches to mentoring new teachers, principals, and district administrators, and select appropriate ones (e.g., <a href="#">Alaska Statewide Mentor Project</a>, <a href="#">ACSA Principal Mentoring</a> - Alaska School Leadership Academy)</p> <p>-staff, in consultation with potential mentors and recipients of mentoring and the local community, identify:</p> <ul style="list-style-type: none"> <li>- which mentoring opportunities are relevant to the specific needs of staff and show promise in meeting those needs</li> <li>- how to offer mentoring in a way that is not an additional burden and does not take away from recipients' ability to conduct their assigned duties</li> <li>- how to appropriately incentivize mentoring</li> </ul> <p>-staff, in consultation with bargaining units:</p> <ul style="list-style-type: none"> <li>- identify which mentoring options are allowable within current negotiated agreements</li> <li>- include mentoring in district's proposal during negotiations with teachers and principals</li> <li>- implements a cycle of consultation with bargaining units, the school board, and appropriate local entities according to usual practice</li> </ul> <p>-collaborate with the local community to identify community members interested in becoming non-instructional mentors for principals and receiving training</p> <p>-identify opportunities for mentoring that includes community culture</p> <p>-staff and board members contact similar and nearby districts and discuss a coordinated approach and sharing resources for mentoring</p> <p>-resources on mentoring</p> <p><a href="#">Building an effective mentoring program</a></p> <p><a href="#">What school leaders can do to support mentor programs</a></p> <p><a href="#">Qualities of a good mentor</a></p> <p><a href="#">How to start a strong mentoring relationship</a></p> <p><a href="#">Top 10 Best Practices for Mentors</a></p> <p><a href="#">Impact of Mentoring</a> (abstract; full article available for purchase)</p>
DEED provides input.	<p>-vet mentoring approaches</p> <p>-create a guide for districts that:</p> <ul style="list-style-type: none"> <li>- considers how to establish or support mentoring for principals.</li> <li>- provides information including pros, cons, and implementation considerations for various mentoring approaches and options including taking into account the varied Alaska contexts</li> <li>- includes cost estimates</li> </ul> <p>-in a supportive and informational capacity, welcome and address questions and concerns</p>



Partner Organizations support decision making and advertising.	-provide input on pros, cons, and implementation considerations for various mentoring opportunities including taking into account the Alaska context and the local culture
Community helps identify local mentors.	-identify community members who could be effective non-instructional mentors for principals and encourage them to participate in the program and training
Elected Officials identify funding options.	-pass legislation that supports and funds mentoring to increase principal and superintendent retention
Select mentoring approach and strategies.	
District selects which mentoring approaches to implement.	-establish options for what is affordable -board selects among the feasible options and advocates for funding from legislature -resources for cost benefit approaches <a href="#">Resources from the Center for Benefit-Cost Studies of Education Cost-Effectiveness, Cost-Feasibility, and Cost-Benefit Methods</a>
DEED provides resources.	-provide resources listing mentoring programs (e.g., ASMP) and approaches
Partner Organizations	
Community provides input.	-provide input at board meetings
Elected Officials	
Fund mentoring opportunities.	
District finalizes funding needs and sources.	-estimate initiative costs for the selected options and identify internal funding sources and grants -board members approve the funding scheme
DEED supports the initiative financially.	-offer mini-grants to help districts that need it to pay for a third-party partner to assist with design, implementation, collecting and analyzing data -help network districts together to collaborate and share resources -create and share a list of possible, existing funding sources
Partner Organizations provide training or resources.	-ASMP, ACSA, or other selected program, offers training for district-level mentors via cost-shared processes
Community	
Elected Officials	
Implement initiative.	
District implements the initiative following a plan.	-put practices in place that integrate mentoring strategies within a culture of mentoring -establish implementation, progress monitoring, communications, and training plan -collect stakeholder feedback on the plan, and revise accordingly



	<ul style="list-style-type: none"> <li>-implement plan, monitor progress, and use data to make course corrections in a timely manner</li> <li>-resources for program monitoring</li> </ul> <p><a href="#">Planning, Assessment, and Communication</a>  <a href="#">Outcomes, Indicators, Measures, and Targets</a>  <a href="#">Introduction to program evaluation</a></p>
DEED supports planning and implementation.	<ul style="list-style-type: none"> <li>-in a supportive and informational capacity, offer consultation time to support district staff with plan development, implementation, and troubleshooting</li> <li>-collect (or hire someone to collect) information on implementation from school districts to determine the extent of alignment across districts and share successful practices that can promote alignment</li> </ul>
Partner Organizations review and provide input on the plan.	<ul style="list-style-type: none"> <li>-review plans, provide input, and ask questions to inform the establishment of a establishment of a frequently asked questions resource</li> <li>-Alaska Teachers &amp; Personnel (ATP) advertises opportunities when recruiting and supporting new educators e.g., include current information on district and state level mentoring of new hires in state-level teacher recruitment materials</li> </ul>
Community reviews and provides input on the plan.	<ul style="list-style-type: none"> <li>-review plans, provide input, and ask questions to inform the establishment of a establishment of a frequently asked questions resource</li> </ul>
Elected officials	

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- Community individuals include and are not limited to parents, families, and retirees.
- Elected officials include and are not limited to legislators, local governments such as mayors and assembly members, etc.

Note: Links to resources

- Create a mentoring culture in an organization:  
<https://www.insala.com/blog/creating-a-mentoring-culture-at-your-organization#:~:text=A%20few%20other%20benefits%20to%20having%20a%20mentoring,6%20Attraction%20of%20top%20talent%20to%20your%20brand>
- How to build a mentoring culture:  
<https://artofmentoring.net/how-to-build-a-mentoring-culture/>
- Reasons why mentorship is important:  
<https://www.indeed.com/career-advice/career-development/why-is-a-mentor-important>
- Alaska Statewide Mentor Project: <https://www.alaska.edu/asmp/>
- Alaska Principal Mentoring: <https://sites.google.com/alaskaasdn.org/asla22-23/home>



- Building an effective mentoring program:  
[https://www.centerformentoring.com/upload/Building\\_An\\_Effective\\_Mentoring\\_Program.pdf](https://www.centerformentoring.com/upload/Building_An_Effective_Mentoring_Program.pdf)
- What school leaders can do to support mentor programs:  
<https://www.edutopia.org/article/5-ways-administrators-can-support-mentor-programs>
- Qualities of a good mentor: <https://www.ascd.org/el/articles/the-good-mentor>
- How to start a strong mentoring relationship: <http://productivemag.com/25/starting-strong>
- Top 10 Best Practices for Mentors:  
<https://www.centerformentoring.com/top-10-best-practices-for-mentors>
- Impact of Mentoring (abstract; full article available for purchase):  
[https://repository.upenn.edu/gse\\_pubs/127/](https://repository.upenn.edu/gse_pubs/127/)
- Resources from the Center for Benefit-Cost Studies of Education: <https://www.cbcse.org/>
- Cost-Effectiveness, Cost-Feasibility, and Cost-Benefit Methods:  
<https://ies.ed.gov/ncee/rel/Products/Event/692>
- Planning, Assessment, and Communication:  
<https://ies.ed.gov/ncee/rel/Products/Publication/3598>
- Outcomes, Indicators, Measures, and Targets:  
<https://ies.ed.gov/ncee/rel/Products/Publication/3571>
- Introduction to program evaluation: <https://ies.ed.gov/ncee/rel/Products/Resource/100635>

**c. Teacher Feedback on Principals**

TRR Action Plan Recommendation 2.3 Teacher Feedback on Principals

[Action Steps](#): This link produces the same information below as an independent google doc.

Rationale from Teacher Feedback on Principals Report (p. 4):

- “The complexity of the job suggests that multiple measures are required to evaluate principals. This argues for the potential of using teacher feedback (and possibly that of others such as parents and students) alongside observations of practice and /or measures of student growth.”
- “Teachers have more opportunities than principals’ supervisors to observe their principal’s actions and feel their impact, arguing for collecting feedback from multiple sources.”
- “One option is 360 assessments, where leaders receive feedback from a range of supervisors, peers, employees, and stakeholders.”
- “Incorporating stakeholder feedback into principal evaluation can support more effective principal evaluation and leadership and increase trust...Studies have found that adding teacher surveys to principal evaluations reinforced the association between evaluation ratings and some measures of student performance.”

[Return to Section B Home](#)

Action Step	Implementation Detail
Identify purpose of using teacher feedback on principals.	
Districts identify whether and why to use teacher feedback to inform principal development.	<ul style="list-style-type: none"> <li>-develop an understanding of principal evaluation and the role of teacher feedback in them nationwide and in Alaska.</li> <li>-district office staff or hired consultant, using best survey practices, design and administer a stakeholder survey teaching respondents about the purpose of using teacher feedback on principals and gathering their input; identify stakeholders (e.g., teachers, staff, parents); identify best timing for the survey (e.g., mid-year); identify survey method (e.g., online, paper mailed to home, added questions to an existing survey to avoid survey fatigue)</li> <li>-employees, board, and community complete survey</li> </ul>



	<p>-district office staff or hired consultant analyze survey results; write up purpose; run it by a diverse stakeholder group for final revisions</p> <p>-resources on purpose of feedback and survey design</p> <p><a href="#">Developing survey questions</a></p> <p><a href="#">Survey methods for educators</a></p> <p><a href="#">Survey methods in education</a></p> <p>-TRR resource on tools</p> <p><a href="#">Teacher feedback on principals report</a></p>
DEED supports the process.	-in a supportive and informational capacity, welcome and address questions and concerns
Partner Organizations support survey completion.	<p>-provide input specific to taking into account and incorporating local culture in principal evaluation and its purpose</p> <p>-identify purpose survey respondents and encourage survey taking</p>
Community completes the survey.	<p>-provide input specific to taking into account and incorporating local culture in principal evaluation and its purpose</p> <p>-complete the purpose survey</p>
Elected Officials	
<b>Select teacher feedback collection tool.</b>	
District selects a teacher feedback collection tool.	<p>-review existing tools and adopt one or adapt one or more into one considering:</p> <ul style="list-style-type: none"> <li>- which tools measure principals' performance according to the identified purpose</li> <li>- fit within the current evaluation and/or support system, other sources of feedback for growing leaders, and local culture</li> <li>- alignment to state and national administrator standards</li> <li>- what is allowable within negotiated agreements, in consultation with bargaining units, in a cycle of consultation with bargaining units, the school board, and appropriate local entities according to usual practice</li> </ul> <p>-resources on tools</p> <p><a href="#">Tools</a> from vendors and states</p> <p><a href="#">Teacher feedback on principals report</a> (pp. 16-22)</p> <p><a href="#">State administrator</a> (p. 3) and <a href="#">national leadership</a> standards</p>
DEED vets tool options.	-vets tools from districts to collect teacher feedback on principals
Partner Organizations provide training or resources.	-provide tools, review, or advice on existing tools or district modified or created tools
Community	
Elected Officials	
<b>Fund initiative.</b>	
District identifies funding needs and sources.	<p>-estimate initiative costs and identify internal funding sources and grants</p> <p>-board approves funding choices</p> <p>-resources on cost benefit approaches</p> <p><a href="#">Resources from the Center for Benefit-Cost Studies of Education</a></p> <p><a href="#">Cost-Effectiveness, Cost-Feasibility, and Cost-Benefit Methods</a></p>



DEED supports the initiative financially.	-offer mini-grants to help districts that need it to pay for a third party partner to assist with creating or selecting instruments, collecting, and analyzing data -help network districts together to collaborate and share resources
Partner Organizations support the initiative financially.	-offer mini-grants to help districts that need it to pay for a third party partner to assist with creating or selecting instruments, collecting, and analyzing data -help network districts together to collaborate and share resources
Community	
Elected Officials	
<b>Implement initiative.</b>	
District implements the initiative following a plan.	-establish implementation, progress monitoring, communications, and training plan -district staff, in collaboration with bargaining units and higher ed, set standards, roles, responsibilities, and expectations for principal evaluators and monitor them -collect stakeholder feedback on plan and revise accordingly -implement plan, monitor progress, and use data to make course corrections in a timely manner -resources for program monitoring <a href="#">Planning, Assessment, and Communication</a> <a href="#">Outcomes, Indicators, Measures, and Targets</a> <a href="#">Introduction to program evaluation</a>
DEED supports planning and implementation.	-in a supportive and informational capacity, offer consultation time to support district staff with plan development, implementation, and troubleshooting
Partner Organizations review and provide input on the plan.	-review plans, provide input, and ask questions to inform the establishment of a frequently asked questions resource
Community reviews and provides input on the plan.	-review plans, provide input, and ask questions to inform the establishment of a frequently asked questions resource
Elected Officials	

Note: Group definitions

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- Community individuals include and are not limited to parents, families, and retirees.
- Elected officials include and are not limited to legislators, local governments such as mayors and assembly members, etc.

Note: Links to resources



- Developing survey questions: <https://ies.ed.gov/ncee/rel/Products/Publication/3248>
- Survey methods for educators: <https://ies.ed.gov/ncee/rel/Products/Publication/3752>
- Survey methods in education: <https://ies.ed.gov/ncee/rel/Products/Publication/3862>
- Teacher feedback on principals report:  
[https://docs.google.com/document/d/1aF7RdPpTyttoGVwXw0W4vgUeCk4Rxumz/edit?usp=drive\\_link&oid=106394927508872723092&rtpof=true&sd=true](https://docs.google.com/document/d/1aF7RdPpTyttoGVwXw0W4vgUeCk4Rxumz/edit?usp=drive_link&oid=106394927508872723092&rtpof=true&sd=true)
- Tools from vendors and states:  
[https://docs.google.com/spreadsheets/d/1NdaHDcHujKGCpqUgEVASONS5c3Rv9Rs/edit?usp=share\\_link&oid=113328134262697843009&rtpof=true&sd=true](https://docs.google.com/spreadsheets/d/1NdaHDcHujKGCpqUgEVASONS5c3Rv9Rs/edit?usp=share_link&oid=113328134262697843009&rtpof=true&sd=true)
- State administrator (p. 3) standards:  
[https://view.officeapps.live.com/op/view.aspx?src=https%3A%2F%2Feducation.alaska.gov%2Fakstandards%2Fother%2Fcontent\\_performance\\_standards\\_ak\\_educators.docx&wdOrigin=BROWSELINK](https://view.officeapps.live.com/op/view.aspx?src=https%3A%2F%2Feducation.alaska.gov%2Fakstandards%2Fother%2Fcontent_performance_standards_ak_educators.docx&wdOrigin=BROWSELINK)
- National leadership standards:  
<https://ccsso.org/resource-library/professional-standards-educational-leaders>
- Resources from the Center for Benefit-Cost Studies of Education: <https://www.cbcse.org/>
- Cost-Effectiveness, Cost-Feasibility, and Cost-Benefit Methods:  
<https://ies.ed.gov/ncee/rel/Products/Event/692>
- Planning, Assessment, and Communication:  
<https://ies.ed.gov/ncee/rel/Products/Publication/3598>
- Outcomes, Indicators, Measures, and Targets:  
<https://ies.ed.gov/ncee/rel/Products/Publication/3571>
- Introduction to program evaluation: <https://ies.ed.gov/ncee/rel/Products/Resource/100635>

### 3. Retirement Implementation Strategies

#### a. Restructuring TRS and PERS Retirement Systems

TRR Action Plan Recommendation 3.1 New Hybrid Retirement System

[Action Steps](#): This link produces the same information below as an independent google doc.

**Rationale:** *What* - Implement a new hybrid retirement system that uses the most desirable attributes of healthy models that work best for the State of Alaska, employers, and its public employees. Consider both TRS and PERS in the restructuring and processes to move between them.

We define a hybrid retirement system as one where the employee has the choice to be enrolled in a defined benefits (DB) or defined contributions (DC) plan. At the time of this writing, conversations through Senate Bill 88 ([SB88](#)) are addressing this recommendation.

*Why* - A hybrid retirement system allows for employee choice in their own finances, provides a greater level of financial security than what we currently have, allows Alaska to be competitive again in this area for recruitment and retention purposes, and provides a sustainable and balanced approach with an appropriate level of risk sharing for the state, employers, and employees. [Return to Section B Home](#)

Action Step	Implementation Detail
	Engage and educate members of Education Stakeholder Groups and individuals in support of creating a new hybrid retirement plan (choose either DC or DB), including a DB option for public employees in Alaska.
District engages all employees in	-use TRR contracted report to understand the pros and cons of the ranges of components, including health care coverage, within state retirement systems



understanding the retirement system and how changes will affect them and the state.	<ul style="list-style-type: none"> <li>-district leaders ensure employees are aware of conversations on creating a new hybrid retirement plan</li> <li>- support a feedback loop with stakeholders (i.e., NEA-AK, ALASBO, AASB, ACSA, etc.) to improve the proposed hybrid retirement plan</li> <li>-as individuals in the education system (employers and employees) be involved in understanding the proposed hybrid retirement plan and the range of components</li> <li>-resources around Alaska’s retirement system <a href="#">Restore Our Pension, NEA-AK website</a></li> <li>-TRR resources on retirement restructuring <a href="#">Retirement Plans Options and Analysis Report</a> <a href="#">TRR folder with compilation of resources</a></li> </ul>
DEED supports sharing of information.	<ul style="list-style-type: none"> <li>-support a feedback loop with stakeholders (i.e., NEA-AK, ALASBO, AASB, ACSA, etc.) to understand and improve the proposed hybrid retirement plan</li> <li>-provide opportunities to share the TRR contracted report to present findings and develop consensus on a model which works best for the State of Alaska, employers, and its public employees</li> </ul>
Partner Organizations support sharing of information.	<ul style="list-style-type: none"> <li>-provide information on components of a proposed hybrid retirement plan in accessible, shareable formats (handouts, fliers, infographics) to engage education stakeholder groups, community groups, business organizations, and legislators</li> <li>-support a feedback loop with stakeholders (i.e., NEA-AK, ALASBO, AASB, ACSA, etc.) to improve the proposed hybrid retirement plan</li> </ul>
Community shares information from other sectors.	<ul style="list-style-type: none"> <li>-consider sharing knowledge about plans in other fields to inform the conversation</li> </ul>
Elected Officials learn about components needed for good legislation.	<ul style="list-style-type: none"> <li>-consider legislation for creating a new hybrid retirement plan (choose either DC or DB), including a DB option for public employees in Alaska within the context of findings from reports and studies</li> </ul>
Support passing legislation creating a new hybrid retirement plan (choose either DC or DB), including a DB option for public employees in Alaska.	
District provides time and space for employees to testify to the legislature.	<ul style="list-style-type: none"> <li>-leaders provide testimony in support of a hybrid retirement plan and the urgency for its need</li> <li>-provide space and time for employees to share testimony in support of a hybrid retirement plan and the urgency for its need</li> <li>-employees agree to and participate in providing testimony in support of a hybrid retirement plan and the urgency for its need</li> </ul>
DEED supports by addressing questions.	<ul style="list-style-type: none"> <li>-address questions concerning retirement, referring to Division of Retirement and Benefits (<a href="#">DRB</a>) or other state agencies, when appropriate.</li> </ul>
Partner Organizations support by testifying.	<ul style="list-style-type: none"> <li>-provide testimony in support of a hybrid retirement plan and the urgency for its need</li> </ul>
Community supports by testifying.	<ul style="list-style-type: none"> <li>-provide testimony in support of a hybrid retirement plan for all public employees</li> </ul>
Elected Officials pass better retirement legislation.	<ul style="list-style-type: none"> <li>-pass legislation creating a new hybrid retirement plan (choose either DB or DC), including a DB option for public employees in Alaska</li> </ul>



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- Partner organizations include and are not limited to AASB, NEA-Alaska, ACSA, ASA, AAESP, AASSP, ALASBO, ASDN, UA and other IHEs, tribal entities, community-based organizations, local, state, and national organizations, other professional associations, and federally funded content and technical assistance centers.
- Community individuals include and are not limited to parents, families, and retirees.
- Elected officials include and are not limited to legislators, local governments such as mayors and assembly members, etc.

Note: Links to resources

- Senate Bill 88: <https://www.akleg.gov/basis/Bill/Detail/33?Root=SB88>
- Restore Our Pension, NEA-AK website: <https://neaalaska.org/issues/>
- Retirement Plans Options and Analysis:  
[https://drive.google.com/file/d/1MW-T-9pj5ICdumE0YO3A-mVcztzZYapT/view?usp=drive\\_link](https://drive.google.com/file/d/1MW-T-9pj5ICdumE0YO3A-mVcztzZYapT/view?usp=drive_link)
- Folder with compilation of resources:  
[https://drive.google.com/drive/folders/1vqT9kMCp9myvnb3BjUd\\_6cStd0DifWlu?usp=drive\\_link](https://drive.google.com/drive/folders/1vqT9kMCp9myvnb3BjUd_6cStd0DifWlu?usp=drive_link)
- Division of Retirement and Benefits (DRB): <https://drb.alaska.gov/>

**b. Financial Education**

TRR Action Plan Recommendation 3.2 Financial Education

[Action Steps](#): This link produces the same information below as an independent google doc.

Rationale: *What* - We define financial education on retirement as training and onboarding specifically for employees, either provided by a district, agency, association, or via independent learning.

*Why* - Financial education on retirement is essential to empower employees to understand their retirement systems, be proactive participants in their planning for the future, and ensure financial security. Both the employer and employee have a role in ensuring financial security. One component of this is to expand professional learning options for financial education specifically around retirement by tapping into existing resources (NEA-AK, District HRs, ASDN, ALASBO, Empower, ARM Board, and AK DRB). By tapping into a template for financial education (content, timeline, and participation) alignment across the system can be created.

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Action Step	Implementation Detail
Compile and develop additional financial education opportunities, including optional non-qualified, tax-deferred, and deferred compensation accounts (e.g., 403b, 457).	
District identifies components and content needed to develop a financial education plan.	<ul style="list-style-type: none"> <li>-develop an understanding of financial education opportunities currently offered by existing partners: <a href="#">NEA-AK</a>, District HRs, <a href="#">ASDN</a>, <a href="#">ALASBO</a>, <a href="#">Empower</a>, <a href="#">ARM Board</a></li> <li>- identify which available financial education opportunities are affordable, accessible, and fit within district timing (onboarding, training, professional development)</li> <li>- identify if new financial education opportunities need to be developed and who should do so</li> </ul>
DEED provides insight.	-in a supportive and informational capacity, provides input on pros, cons, and implementation considerations for district plans to provide and support financial education.
Partner Organizations provide content support.	<ul style="list-style-type: none"> <li>-partners (e.g., NEA-AK, District HRs, ASDN, ALASBO, Empower, ARM Board) provide a list of financial education opportunities currently offered</li> <li>-partners (e.g., NEA-AK, District HRs, ASDN, ALASBO, Empower, ARM Board) develop or revise financial education opportunities to fit the current and restructured retirement system</li> </ul>
Community shares insights.	-consider sharing knowledge about training in other fields to inform educator financial education
Elected Officials fund process.	-consider allocating funding for development of financial education opportunities that fit district needs
Adopt and implement a financial education plan including a developed template with resources that meets their local needs of districts.	
District creates a financial education plan for all employees.	<ul style="list-style-type: none"> <li>-build financial education opportunities that fit their district into a long term plan (timing, curriculum, participants, communication, feedback, evaluation)</li> <li>-collect stakeholder feedback on the plan and revise accordingly</li> <li>-implement the plan, monitor progress, and use data to make course corrections in a timely manner</li> <li>-resources for Program monitoring:  <a href="#">Planning, Assessment, and Communication</a>  <a href="#">Outcomes, Indicators, Measures, and Targets</a>  <a href="#">Introduction to program evaluation</a> </li> </ul>
DEED develops templates and provides feedback.	<ul style="list-style-type: none"> <li>-create (or contract development of) a template for financial education that can be adopted and modified to fit district needs</li> <li>-in a supportive and informational capacity, offer consultation time to support district staff with plan development, implementation, and troubleshooting</li> <li>-consult with the Dept. of Administration: Division of Retirement Benefits (<a href="#">DRB</a>) on the template so that DRB contributes to the content of the template</li> </ul>
Partner Organizations provide feedback on plans and create content that fits.	-partners (e.g., NEA-AK, District HRs, ASDN, ALASBO, Empower, ARM Board) agree to a template developed by DEED for the content of financial education



	<p>-partners (e.g., NEA-AK, District HRs, ASDN, ALASBO, Empower, ARM Board) provide input on pros, cons, and implementation considerations for district plans to provide and support financial education</p> <p>-partners (e.g., NEA-AK, District HRs, ASDN, ALASBO, Empower, ARM Board) create accessible, shareable information on all retirement tiers and options, such as infographics, slides, pdf handouts</p>
Community	
Elected Officials fund process.	-consider allocating funding for implementation of a financial education plan that fits district needs
<p>Employees recognize their own responsibility to take control of their retirement security by actively setting goals and being involved in meeting them.</p>	
District implements their financial education plan.	<p>-enroll employees (current and newly hired) into the financial education plan at the start of each school year or when hired</p> <p>-ensure employees have time to engage in financial education throughout the year, year after year, as appropriate</p> <p>-consider allocating funding for additional contributions to plans that support their employees beyond the Alaska state retirement system retirement plan</p> <p>-employees agree to and participate in financial education opportunities demonstrating they are active participants in their own retirement security</p>
DEED supports districts in implementation.	<p>-support smaller districts to ensure financial education opportunities are shared with employees regularly</p> <p>-welcome and address questions and concerns as they arise on content and plans</p>
Partner Organizations	
Community	
Elected Officials contribute to supplemental employee funding.	-allocate funding for additional contributions to plans that support their employees beyond the Alaska state retirement system retirement plan

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- Community individuals include and are not limited to parents, families, and retirees.
- Elected officials include and are not limited to legislators, local governments such as mayors and assembly members, etc.

**Note:** Links to resources

- NEA-AK: <https://neaalaska.org/>
- ASDN: <https://asdn.org/>



- ALASBO: <http://www.alasbo.org/>
- Empower: <https://www.empower.com/>
- ARM Board: <https://treasury.dor.alaska.gov/armb>
- Planning, Assessment, and Communication:  
<https://ies.ed.gov/ncee/rel/Products/Publication/3598>
- Outcomes, Indicators, Measures, and Targets:  
<https://ies.ed.gov/ncee/rel/Products/Publication/3571>
- Introduction to program evaluation: <https://ies.ed.gov/ncee/rel/Products/Resource/100635>
- Dept. of Administration: Division of Retirement Benefits (DRB): <https://drb.alaska.gov/>

#### 4. Enhancing Recruitment Implementation Strategies

##### a. Recruitment Solutions and Funding

TRR Action Plan Recommendation 4.2 Statewide Recruitment Task Force to Propose Solutions  
[Action Steps](#): This link produces the same information below as an independent google doc.

**Rationale:** Enhanced recruitment efforts are needed to recruit, grow, and keep teachers. A list of potential solutions are offered in the top box, many of which connect to several of the other specific recommendations and implementation strategies. [Return to Section B Home](#)

Action Step	Implementation Detail
	<ul style="list-style-type: none"> <li>● Adopt financial options to support people moving into the education profession.</li> <li>● Create and use Statewide Exit Interviews to strengthen recruiting efforts.</li> <li>● Employ innovative means targeting the population that comes to Alaska for other reasons and who may already have degrees to recruit them into the profession.</li> <li>● Scale current programs effectively implemented in Alaska Districts.</li> <li>● Create or strengthen webs of support for leadership development throughout the state around topics such as the new hire walkthrough process, teaching support, community support, and leadership support.</li> <li>● Develop and adopt processes for teachers to contribute to principal evaluation to strengthen leadership.</li> </ul>
District supports and incentivizes teachers.	<ul style="list-style-type: none"> <li>-offer full or partial tuition reimbursement for courses that lead to certification</li> <li>-provide release time to educators pursuing certification</li> <li>-support Grow-Your-Own teacher preparation programs</li> <li>-support and incentivize teachers to stay in Alaska</li> <li>-support and incentivize teachers to stay in the district, to the extent possible</li> <li>-TRR resources on recruitment</li> </ul> <p><a href="#">Contractual Benefits that Enhance TRR Report</a>  <a href="#">Alaska District Recruitment Strategies Survey Report</a>  <a href="#">Innovative Recruitment Strategies Report</a></p>
DEED prioritizes recruitment efforts via funding,	<ul style="list-style-type: none"> <li>-offer free teacher certification through a reimbursement program for candidates who sign an Alaska contract</li> <li>-offer course reimbursement for the cost of Alaska-required credit and training (i.e., reading courses, multicultural courses)</li> </ul>



<p>programs, and services.</p>	<ul style="list-style-type: none"> <li>-advocate for incentives to new and continuing employees to teach in Alaska hard-to-fill positions</li> <li>-advocate for special award funds to support proven successful Grow-Your-Own teacher educator programs</li> <li>-devise, promote, conduct, and analyze the results of a neutral, third-party <i>exit</i> interview of teachers leaving the state of Alaska</li> <li>-devise, promote, conduct, and analyze the results of a neutral, third-party, <i>stay</i> interview of teachers remaining in Alaska</li> <li>-increase mentorship availability and duration beyond one year for hard-to-fill teaching and administration positions.</li> <li>-conduct a massive “teach in Alaska” campaign in print and social media</li> <li>-ask the State Board of Education to expressly state recruitment as a goal and mission of DEED</li> <li>-offer incentives for teachers to work in Title 1-identified schools</li> </ul>
<p>Partner Organizations support with funding and revised services.</p>	<ul style="list-style-type: none"> <li>-offer full or partial tuition reimbursement for courses that lead to certification (Institutes of Higher Education)</li> <li>-reestablish and fund the teacher loan forgiveness or repayment program, modified to fit today’s students (ACPE)</li> <li>-identify methods to reimburse recruitment fees or compensate candidates contracted through outside recruitment services (ATP)</li> <li>-recruit evenly across the country, not localized to specific regions (ATP)</li> <li>-consider redirecting funds from job fairs, which are increasingly less effective, to more supportive practices of educators and social media (ATP)</li> <li>-access an increase in funding for middle and high school students who are considering teaching and may have an interest in career and technical education (CTE), i.e., <a href="#">Educators Rising</a></li> </ul>
<p>Community advocates for funding to support efforts.</p>	<ul style="list-style-type: none"> <li>-individuals, specifically educators and parents should reach out to elected officials to support funding these strategies</li> </ul>
<p>Elected Officials identify funding options.</p>	<ul style="list-style-type: none"> <li>-fund a loan forgiveness program with criteria similar to the medical WWAMI program for Alaska professionals</li> <li>-incentivize new and continuing employees to teach in Alaska Title 1 and hard-to-fill positions</li> <li>-provide special award funds to support Grow-Your-Own teacher educator programs that have been proven successful, such as Educators Rising</li> <li>-pursue Carl Perkins information and <a href="#">CTE funding</a> to support students in grades 6-12 expressing teacher education interest</li> <li>-advocate for robust internet connection in rural Alaska</li> <li>-explore covering tuition expenses at UA for all teacher certification programs with commitment of years of service</li> <li>-appropriate robust funding for Alaska education</li> <li>-fund a Teacher Recruitment office or effort</li> </ul>

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- Community individuals include and are not limited to parents, families, and retirees.
- Elected officials include and are not limited to legislators, local governments such as mayors and assembly members, etc.

Note: Links to resources

- Educators Rising: <https://www.alaska.edu/educatorsrising/>
- CTE funding: [https://s3.amazonaws.com/PCRN/docs/Final\\_Program\\_Memo-Estimated\\_FY\\_2023\\_Perkins\\_State\\_Allocations.pdf](https://s3.amazonaws.com/PCRN/docs/Final_Program_Memo-Estimated_FY_2023_Perkins_State_Allocations.pdf)
- Contractual Benefits that Enhance TRR Report: [https://docs.google.com/document/d/1KNbfd\\_0OcpHoIStztFh-kNpLi8pDwphJ/edit?usp=sharing&oid=106394927508872723092&rtpof=true&sd=true](https://docs.google.com/document/d/1KNbfd_0OcpHoIStztFh-kNpLi8pDwphJ/edit?usp=sharing&oid=106394927508872723092&rtpof=true&sd=true)
- Alaska District Recruitment Strategies Survey Report: <https://www.educating4leadership.org/trrsurvey>
- Innovative Recruitment Strategies Report: <https://drive.google.com/file/d/1vXxfzQ4zeIFxmTYEzbRtdGM17K4Y1bZN/view?usp=sharing>

**b. Maximize Statewide Recruitment Potential**

TRR Action Plan Recommendation 4.3 Restructure AT&P

Action Steps: This link produces the same information below as an independent google doc.

Rationale: Enhanced recruitment efforts are needed to recruit, grow, and keep teachers. [AT&P](#) (Alaska Teachers & Personnel, formerly Alaska Teacher Placement) has provided educator recruitment services to the state for nearly 50 years. Restructuring ATP provides the organization with what it needs to best serve districts and the state in the current environment. The task force participants agreed the following actions would substantially improve the statewide recruitment efforts. [Return to Section B Home](#)

Action Step	Implementation Detail
ATP, as the primary statewide recruitment organization, modernizes its services.	
District provides feedback on restructured ATP.	-provide feedback on restructured services in a timely manner -encourage and support new services that benefit district
DEED supports restructured ATP.	-streamline the Alaska teacher certification process -utilize its portion of Federal funds (Title IIA) to improve teacher recruitment and retention statewide
Partner Organizations - <a href="#">AT&amp;P</a> adjusts	-provide the necessary funding for improved recruitment outcomes -create a position to implement and monitor TRR action items



<p>services to meet needs of the state.</p>	<ul style="list-style-type: none"> <li>-provide a recruitment toolbox (best practices) for districts to recruit effectively</li> <li>-redirect recruitment efforts from job fairs (which have not been so successful in recent years) to more effective practices</li> <li>-provide statewide leadership to evaluate recruitment practices</li> <li>-recruit nationally and internationally, expanding beyond usual regions</li> <li>-provide guidelines to facilitate and encourage internship opportunities within districts for teachers and school leaders at other colleges and universities, and exchanges, and then recruit them to stay</li> <li>-lead the efforts around data collection supporting recruitment and retention, i.e., exit and stay interviews</li> <li>-as a statewide entity, increase staff and leadership to oversee these types of efforts</li> <li>-provide HR training in effective recruitment and facilitate collaborative sessions of HR staff</li> <li>-expand funding for the entity through a media blitz like the tourism industry to other states through ads and college visits</li> <li>-utilize FaceBook and other social media to promote teaching in Alaska</li> <li>-determine the best path forward for funding statewide recruitment</li> <li>-recruitment should support all positions across education: administrators, support staff, and superintendents</li> <li>-recruitment efforts should also encourage local people from the communities to fill these positions</li> </ul>
<p>Community</p>	
<p>Elected Officials support and fund ATP.</p>	<ul style="list-style-type: none"> <li>-more funding is dedicated to enhancing recruitment efforts</li> </ul>

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- Community individuals include and are not limited to parents, families, and retirees.
- Elected officials include and are not limited to legislators, local governments such as mayors and assembly members, etc.

Note: Links to resources

- Alaska Teachers & Personnel: <http://alaskateacher.org/>



## 5. Alternative Certification Implementation Strategies

### a. Create Career Ladders for Paraprofessionals

TRR Action Plan Recommendation 5.1 Career Ladder for Paraprofessionals

[Action Steps](#): This link produces the same information below as an independent google doc.

**Rationale:** Alaska is facing a teacher shortage. In addition, teacher retention and recruitment challenges are prompting the need to take a fresh look at access to all (education) certification programs in an effort to increase access to local teachers, increase entry level and career ladder opportunities, and support Grow-Your-Own programs (GYO). This approach increases access to potential teachers, paraprofessionals, and administrators and creates a system of change from the local level up through capacity building. The recommendations build on existing models already in use in Alaska as well as models currently working in other states. See the draft model used to discuss [Strategies and Partners](#). It is not only teachers that need to be recruited but all positions across education - we need expanded efforts to recruit administrators, support staff, and superintendents, and entice and encourage local communities to fill positions.

Marzano Research, *Paraprofessionals to Teacher Pathways* (Wolfe, C., & Yanoski, D., 2022), highlights the current strategies across the country with an emphasis on the Alaska context. The proposed Career Ladder & Paraprofessional Pathway components, listed as strategic categories within the report, are strongly suggested by this committee and included here. The draft model for [Considerations for Creating Paraprofessional Pathways](#) can provide a foundation to further this discussion. Another draft model that visualizes multiple [Pathways to Becoming an Alaska Educator](#) also sets the stage for discussions around additional pathways, valuing all avenues, and expanding opportunities.

Desired outcomes of creating the framework and implementing the components include (1) increased capacity to support district career ladders and staff development; (2) increased access for parapro upward mobility, Grow-Your-Own options, administrative leadership opportunities; (3) increased teacher recruitment pool, number of participants, local educators, representation among staff equivalent to representation across student population, and long-term educators; (4) increased funding, scholarships, and partnerships; (5) replicate what is successful in other Alaska programs (LKSD, SILKAT, other) and increase support for existing opportunities like PITTAS and CTSO program Educators Rising; (6) make the workplace where Indigenous educators want to be and increased support for increasing number of Alaska Native teachers and administrators; (7) Type M uplifts and recognizes local cultural educators and leadership within community; and (8) increase number of students participating in higher ed programs, mentorship, apprenticeship models available for teacher certification programs, and a clear pathway for paraprofessionals that leads to teacher certification.

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Action Step	Implementation Detail
Create visible, viable, and accessible career ladders and paraprofessional pathways.	
District builds and supports additional pathways.	<ul style="list-style-type: none"> <li>-build capacity: establish positions to oversee implementation</li> <li>-adopt a career ladder &amp; paraprofessional pathway model (framework) by creating opportunities organized into a pathway for current teacher aides with well-defined standards and appropriate level of responsibilities; include a list of coursework to align programs</li> <li>-design and implement pathway model, forms, application process and</li> </ul>



	<p>support mechanisms available on district web site and presented to communities within the district</p> <ul style="list-style-type: none"> <li>-educate communities, stakeholders, leadership on available options for capacity within the district</li> <li>-ensure distinct salary advancement options</li> <li>-include opportunities for field experience</li> <li>-collaborate with higher education programs</li> <li>-intentionally recruit local BIPOC (black, indigenous, people of color) residents (local Alaska Native educators should be a strong recruitment focus)</li> <li>-local certified teachers support paraprofessionals through mentorship (to be designed); vis-a-vis, local paraprofessionals provide support through mentorship to certified teachers new to community (to be designed)</li> <li>-support district Grow-Your-Own model</li> <li>-consider having a teacher of record that oversees paraprofessionals</li> <li>-formalize the relationship between an elevated paraprofessional role and a teacher of record</li> <li>-resources on pathways</li> </ul> <p><a href="#">Native educator programs</a></p> <p>-TRR resources on paraprofessional pathways</p> <p><a href="#">Paraprofessional to Teacher Pathways: Current Strategies</a></p>
<p>DEED supports additional pathways.</p>	<ul style="list-style-type: none"> <li>-support funding for career ladder/paraprofessional pathway model district-wide position</li> <li>-re-vamp <a href="#">Type M program</a> to ensure Certification is across districts (name change consideration, elevating its place in recognizing local level educators and experts)</li> <li>-include Cultural Artists as separate stand-alone category under Type-M</li> <li>-ensure Type M program feeds into a certification program</li> <li>-fund teacher mentorship program and ensure availability to paraprofessional/teacher prep programs</li> <li>-fully fund Grow-Your-Own model for districts (review <a href="#">PITAAS</a> model, <a href="#">Educators Rising</a> - CTSO)</li> <li>-teacher and administrative Career Marketing to showcase profession</li> <li>-require partnerships between state departments of education, state boards of education, districts, community organizations, colleges, and universities</li> <li>-establish a strong infrastructure to support GYO programs, including flexible credentialing options and ongoing evaluation</li> <li>-use localized approaches to target specific populations that empower districts to make decisions that work best in the local context and target specific populations of need</li> <li>-explore potential opportunities or certification mechanisms for Alaska Native professionals in other fields of studies to become Superintendents (leaders)</li> </ul>
<p>Partner Organizations expand and support programs.</p>	<ul style="list-style-type: none"> <li>-funding provided to sponsor and support Grow-Your-Own programs, student scholarships &amp; tuition reimbursement (higher ed)</li> <li>-consider the grant-funded initiative Sustaining Indigenous Local Knowledge,</li> </ul>



	<p>Arts, and Teaching (SILKAT) model as a current effective model previously a partnership between UAF and Bering Straits School District (higher ed)</p> <ul style="list-style-type: none"> <li>-develop mentoring opportunities with partner organizations or amongst with other teachers (mentor org)</li> <li>-identify and share additional resources that would assist districts and institutes of higher education in the development of Alaska alternative programs for paraprofessionals</li> <li>-expand PITAAS (possible partnership w/ districts)</li> <li>-expand Educators Rising (CTSO possible partnership)</li> <li>-create scholarship funding support, possible childcare support (Tribes)</li> <li>-create scholarship/funding support (Alaska Native Corporations and Foundations)</li> </ul>
Community engages in programs.	-provide professional support and mentorship to paraprofessionals and others along career ladder (veteran and mentor teachers)
Elected Officials support programs with funding and policy.	<ul style="list-style-type: none"> <li>-support increasing funding to support career ladder and paraprofessional pathway development</li> <li>-include community elected officials to support leadership development</li> <li>-participate in revamping Type M Program to include more Alaska Native cultural artists and skilled trades who work in school and consider program part of the pathway model</li> </ul>

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- Community individuals include and are not limited to parents, families, and retirees.
- Elected officials include and are not limited to legislators, local governments such as mayors and assembly members, etc.

Note: Links to resources

- Draft Model for Strategies and Partners:  
[https://docs.google.com/document/d/1zyRDmtT\\_2LPLGK9vI03z-1szM2riMkCf1cDPsp91wAc/edit?usp=sharing](https://docs.google.com/document/d/1zyRDmtT_2LPLGK9vI03z-1szM2riMkCf1cDPsp91wAc/edit?usp=sharing)
- Draft Model for Considerations for Creating Paraprofessional Pathways:  
<https://docs.google.com/document/d/1xWAYFTSjf1T1YUgAiOc0VFHG4smW9BzUWsPoH5srA18/edit?usp=sharing>
- Draft Model for Pathways to Becoming an Alaska Educator:  
<https://docs.google.com/document/d/1pWkHWA7bGqvwSDLUfn-YGVIYr6XebnGC8B4WT5zyefs/edit?usp=sharing>
- Native educator programs: <https://www.niea.org/niea-committees>



- Paraprofessional to Teacher Pathways: Current Strategies: <https://drive.google.com/file/d/1rQuVH7nokzudTRx8-ddFUVVTJ-Zh4LWt/view?usp=sharing>
- Type M Certificate: <https://education.alaska.gov/teachercertification/certification/typem>
- PITAAS: <https://uas.alaska.edu/education/scholarships-and-grants/pitaas.html>
- Educators Rising: <https://www.alaska.edu/educatorsrising/>

**b. Sharing Resources for Additional Pathways to Certification**

TRR Action Plan Recommendation 5.2 Share Resources to Develop Opportunities

Action Steps: This link produces the same information below as an independent google doc.

Rationale: This proposed framework is suggested by the TRR Alternative Certification Team subcommittee to be considered by each school district (Wolfe, C., & Yanoski, D. (2022). Paraprofessional to teacher pathways: Current strategies. Marzano Research.).

Desired outcomes of sharing resources include (1) increased accessibility to local candidates and more AK Native candidates; (2) pathway approach inclusive of local perspectives, local input, what works best, and values local experience; (3) increased understanding of higher education structure and processes with additional support to navigate the university model ; (4) increased incentive opportunities; (5) increased visibility of advancement potential and motivation; (6) students see partnership and support that increase ease of candidates completing program and recognize existing classroom experience, expertise and strengths; and (7) candidates see visible, viable and accessible career ladder available to them with the supports in place to help them achieve success. [Return to Section B Home](#)

Action Step	Implementation Detail
Share resources around Program Requirements to ensure additional pathways.	
District builds and supports additional pathways.	<ul style="list-style-type: none"> <li>-accessible in their home district</li> <li>-assessment of prior learning to meet program requirements</li> <li>-test prep support</li> <li>-multiple program track types</li> <li>-mentorship component</li> <li>-visible &amp; accessible program to rural/distance candidates</li> </ul>
DEED	
Partner Organizations	
Community	
Elected Officials	
Share resources around BIPOC/AK Native Programs to ensure additional pathways.	
District builds and supports additional pathways.	<ul style="list-style-type: none"> <li>-ensure Type M to paraprofessional teacher track has an emphasis on Indigenous/AK Native educators</li> <li>-inclusion of Indigenous beliefs and practices</li> <li>-inclusion of AK Native/local language(s)</li> </ul>



DEED	
Partner Organizations	
Community	
Elected Officials	
Share resources via Collaboration w/ Higher Ed to ensure additional pathways.	
District builds and supports additional pathways.	<ul style="list-style-type: none"> <li>-include combination of in-person and online instruction</li> <li>-include asynchronous certification</li> <li>-build partnerships between districts and HEI</li> <li>-consider the Inverted Career model</li> </ul>
DEED	
Partner Organizations	
Community	
Elected Officials	
Share resources around Field Experience to ensure additional pathways.	
District builds and supports additional pathways.	<ul style="list-style-type: none"> <li>-ensure it is completed and embedded within current in-school position</li> <li>-offer waivers for long-term parapros (credit for experience)</li> <li>-include HS field experience</li> </ul>
DEED	
Partner Organizations	
Community	
Elected Officials	
Share resources around Incentives to ensure additional pathways.	
District builds and supports additional pathways.	<ul style="list-style-type: none"> <li>-identify and articulate clear incentives for moving toward teaching cert</li> <li>-provide financial motivation, higher salary</li> <li>-offer commitment to hire candidate upon program completion</li> <li>-offer scholarship, tuition reimbursement, stipend or loan forgiveness</li> </ul>
DEED	
Partner Organizations	
Community	
Elected Officials	



Share resources around Program Supports to ensure additional pathways.	
District builds and supports additional pathways.	-provide possible childcare support -provide exam prep -accommodate class schedules and field experience -offer regular advising (academic & professional mentorship) -provide support in higher-ed system navigation -ensure salary and benefits continue when absent to attend classes
DEED	
Partner Organizations	
Community	
Elected Officials	
Share resources around Career Ladder to ensure additional pathways.	
District builds and supports additional pathways.	-create apprenticeship opportunities (alignment with AK labor laws) -support developing other credentials including skills development, employability, and occupational training -focus on development, special ed, teaching practices
DEED	
Partner Organizations	
Community	
Elected Officials	

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## 6. Streamlining Certification and Recertification Implementation Strategies

### a. Modernization of Process and Timeline

TRR Action Plan Recommendation 6.1 Modernize the Certification Process and Timelines

[Action Steps](#): This link produces the same information below as an independent google doc.

**Rationale:** At the time of this writing, DEED has already started the process of transitioning to an online system while still allowing paper applications through December 2023 (afterwards upon request with mitigating circumstances). The new system is up and running in a skeletal version and DEED is able to do the renewals and extensions online through it. DEED is currently finalizing and deploying the applications for initial licensure over the next two months. DEED has frozen the legacy system and will be sure that the legacy applications are reviewed and incorporated into the new system.

Desired outcomes from implementing all of the streamlining certification suggestions include (1) increased partnerships in all areas of the state which will strengthen quality of programs, coursework and student learning; (2) professional development inclusive of rural Alaska context, Tribal context, and dynamics of rural Alaska today; (3) teacher preparedness on-par with realistic understandings of teaching in rural Alaska; (4) increase access to certification programs; and (5) increased number of candidates available in educator hiring pool. [Return to Section B Home](#)

Action Step	Implementation Details
Modernize the process by creating an online certification system that is more automated and less paper.	
District informs and trains employees.	<ul style="list-style-type: none"> <li>-ensure existing and new staff as well as applicants are aware of the new online certification system</li> <li>-provide training opportunities for existing and new staff on the new online certification system</li> </ul>
DEED initiates an online system making it easier on applicants.	<ul style="list-style-type: none"> <li>-contract with <a href="#">InLumon</a> to develop an online application process for both initial application and renewal of Alaska licenses</li> <li>-transition from the paper-laden process to the new system</li> <li>-reformat <a href="#">teacher certification page</a> with a welcoming page including tools and tips for new applicants</li> <li>-ensure the teacher certification page goes directly to the new system</li> <li>-ensure the new system allows applicants to add a new license and track application status</li> </ul>
Partner Organizations	
Community	
Elected Officials	
Remove testing and timeline barriers to recertification.	



District offers ideas on alternatives to existing barriers.	-create alternatives to testing requirements that allow for district specific certification
DEED (SBOE) modifies regulations to remove barriers.	-remove the fee requirement for the first certificate for military spouses by instituting a funding process to cover those fees -approve alternatives to testing requirements that allow for district specific certification -allow educators three years to satisfy the Alaska history and culture coursework requirement, extended from two years -extend the reemployment certificate (offered to those formerly holding administrative and special services certificates that have been expired for over 12 months) beyond the current 1-year duration
Partner Organizations offer ideas.	-explore alternative testing options for certification and recertification
Community	
Elected Officials modify policy to remove barriers.	-extend professional teacher certificates beyond the current 5-year duration -extend initial out-of-state teacher certificates beyond the 1-year duration -explore additional pathways for certification and recertification -allow educators three years to satisfy the Alaska history and culture coursework requirement, extended from two years -remove the fee requirement for the first certificate for military spouses by providing a funding mechanism to cover those fees -allow out-of-state experience to be substituted for the basic competency exam requirement (e.g. waive competency exam for 3 years of experience) -endorse alternatives to testing requirements for basic competency, similar to the state of Washington <sup>4</sup> modified to fit Alaska

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<sup>4</sup> Details for the alternatives used in Washington can be found here:  
<https://www.pesb.wa.gov/preparation-programs/standards/assessments/basic-skills-assessment-west-b>



Note: Links to resources

- InLumon: <https://www.inlumon.com/>
- DEED Teacher Certification: <https://education.alaska.gov/teachercertification>

**b. Reciprocity**

TRR Action Plan Recommendation 6.2 Offer Reciprocity Among States with No Conditions

Action Steps: This link produces the same information below as an independent google doc.

Rationale: At the time of this writing, passage of Senate Bill 20 ([SB20](#)) during the 32nd<sup>5</sup> Legislature provided several of the avenues suggested below to offer reciprocity of [teacher certifications](#) among states with no conditions, specifically (a) removal of approved program verification if the applicant holds a current, valid, regular, out-of-state teaching certificate for at least two years; (b) extension of the initial out-of-state teacher certificate from 1-year to 2-year duration; and (c) acceptance of previous basic competency exams or content area exams submitted to the administrator with documentation to be used for initial licensure. Other suggestions below remain of high interest to education stakeholders.

[Return to Section B Home](#)

Action Step	Implementation Details
Offer reciprocity among states with no conditions.	
District informs applicants.	-ensure applicants are aware of the new policies and regulations
DEED modifies regulations to remove barriers.	-remove the approved program verification for individuals holding a valid regular, out-of-state teaching certificate -honor teacher certification and content areas if certificated in another state as policy, with no follow up on how the endorsement was awarded -explore additional pathways for certification of out-of-state applicants -consider joining the <a href="#">Interstate Teacher Mobility Compact</a> through <a href="#">NASDTEC</a>
Partner Organizations offer ideas.	-explore additional pathways for certification of out-of-state applicants
Community	
Elected Officials modify policy to remove barriers.	-remove the approved program verification for individuals holding a valid regular, out-of-state teaching certificate -honor teacher certification and content areas if certificated in another state as policy -approve alternatives to testing requirements that allow for district specific certification -change statutes to waive basic exam and content competency exams

<sup>5</sup> Corrected reference and link on October 25, 2023.



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- Community individuals include and are not limited to parents, families, and retirees.
- Elected officials include and are not limited to legislators, local governments such as mayors and assembly members, etc.

**Note:** Links to resources

- Senate Bill 20 (SB20): <https://www.akleg.gov/basis/Bill/Detail/32?Root=SB%20%2020>
- DEED Teacher Certification: <https://education.alaska.gov/teachercertification>
- Interstate Teacher Mobility Compact: [https://www.nasdtec.net/general/custom.asp?page=Teacher\\_Mobility\\_Interstate\\_Compact](https://www.nasdtec.net/general/custom.asp?page=Teacher_Mobility_Interstate_Compact)
- NASDTEC: <https://www.nasdtec.net/>

**c. Extended Options for Alaska Studies and Multicultural Coursework**

TRR Action Plan Recommendation 6.3 Alaska Studies and Multicultural Coursework

**Action Steps:** This link produces the same information below as an independent google doc.

**Rationale:** At the time of this writing, no actions have been taken to address this third TRR Action Plan recommendation under the Essential Area of Streamlining Certification. However, DEED does currently offer a free of charge trauma informed instruction CEU via eLearning modules that can be used towards renewal of license. [Return to Section B Home](#)

Action Step	Implementation Details
Allow alternative methods to satisfy the <a href="#">Alaska Studies</a> and <a href="#">Multicultural</a> Coursework.	
District informs employees and collaborates on new coursework.	<ul style="list-style-type: none"> <li>-ensure educators are aware of the new policies, regulations, and options</li> <li>-support Alaska history and culture classes reflecting the region of the school or district</li> <li>-consider possibilities such as eLearning modules, online courses, district induction programs, and training offered by Tribal Governments and Native Corporations</li> <li>-work with regional Native Corporations in the development of history and culture training specific to the regions of Alaska</li> <li>-require inclusion of trauma-engaged practices in the courses</li> </ul>
DEED modifies regulations to remove barriers.	<ul style="list-style-type: none"> <li>-allow educators three years to satisfy the Alaska history and culture coursework requirement, extended from two years (SBOE)</li> <li>-provide guidance on options and alternatives for satisfying requirement</li> </ul>



Partner Organizations engage in planning and implementing new coursework.	<ul style="list-style-type: none"> <li>-allow alternative methods to satisfy the Alaska studies and multicultural coursework</li> <li>-support Alaska history and culture classes reflecting the region of the school or district</li> <li>-consider possibilities such as eLearning modules, online courses, district induction programs, and training offered by Tribal Governments and Native Corporations</li> <li>-work with regional Native Corporations in the development of history and culture training specific to the regions of Alaska</li> <li>-require inclusion of trauma-engaged practices in the courses</li> </ul>
Community provides support with new coursework.	<ul style="list-style-type: none"> <li>-veteran and mentor teachers provide professional support and mentorship to paraprofessionals and others along career ladder</li> </ul>
Elected Officials modify policy to remove barriers.	<ul style="list-style-type: none"> <li>-change statutes to allow educators three years to satisfy the Alaska history and culture coursework requirement, extended from two years</li> </ul>

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- Community individuals include and are not limited to parents, families, and retirees.
- Elected officials include and are not limited to legislators, local governments such as mayors and assembly members, etc.

Note: Links to resources

- Alaska Studies Coursework: <https://education.alaska.gov/teacher certification/alaska-studies>
- Multicultural Coursework: <https://education.alaska.gov/teacher certification/culture>

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## Section C. Implementation Strategies reorganized by Stakeholder Groups

In this section, the same implementation strategies have been reorganized by stakeholder groups. Each one of the five groups (district, state administration, partner organizations, community, and elected officials) also has its own document to ease in accessing the information and focusing on the most relevant tasks. Each of the Action Steps' pages linked below contain 14 tables referencing 14 of the 16 TRR Action Plan recommendations, sharing anywhere from one to seven implementation strategies with specific action steps for each. The remaining two recommendations do not have action steps, rather one connects to a long-term plan for Convenings and the TRR goal of alignment across the system and the other was achieved by contracting two studies around recruitment.

### 1. District

Download the [District Action Steps](#) document for all implementation strategies.

### 2. DEED

Download the [State Administration Action Steps](#) document for all implementation strategies.

### 3. Partner Organizations

Download the [Partner Organizations Action Steps](#) document for all implementation strategies.

### 4. Community

Download the [Community Action Steps](#) document for all implementation strategies.

### 5. Elected Officials

Download the [Elected Officials Action Steps](#) document for all implementation strategies.

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## Section D. Looking Ahead

### 1. Progress from 2001 to 2021

To situate the TRR Playbook while looking ahead, it's helpful to see how far Alaska has come since a Teacher Shortage report was produced in 2001. As shared in the conclusion of the TRR Action Plan:

Looking back two decades at the Teacher Shortage Report,<sup>6</sup> progress has been made on only six of the 40 items identified there as problems contributing to Alaska's teacher shortage.

- Lack of mentoring/administrative guidance.
- Lack of professional development opportunities.
- High cost of coming to job fairs in Alaska.
- Lack of paid in-service opportunities for new teachers – professional and cultural.
- Schools without sufficient resources – textbooks, supplies, copy machines, etc.
- Condition of school buildings (size, disrepair).

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<sup>6</sup> Bunde, C. (2001). Committee Report on the Statewide Teacher Shortage: House special committee on education. Juneau, AK.



Of the 52 proposed solutions in that report, five have been implemented and continue to serve the needs of the state. Those include mentoring programs, using retired teachers, improved professional development opportunities, distance learning, and offering a lifetime teaching certificate. In fact, of the six problems and five solutions from this report, most fell low on the new TRR Survey priority, most likely since they are supported and implemented effectively in the state at this time.

Even in the cases where Alaska has made progress since the start of the 21st century, the TRR Playbook encourages continued support and expansion of those services. For example, mentoring is one of those solutions that has been developed, implemented, and expanded for educators over the last 20 years. It is well appreciated across the state whether it is from a district or statewide program. Funding and continued support are needed to carry on the good work. Further, engagement in administrator mentoring is growing, thus also requiring funding and support to expand to that group and to continue to ensure all new administrators are included when possible.

## **2. Progress from 2020 to 2023 during TRR**

There are many good things currently happening in education in Alaska since the Teacher Retention and Recruitment work started in 2020. The TRR Playbook focuses on how to expand the good work, align the various components of the system, support communication and collaboration across stakeholder groups, and take action on practical, professional, and policy solutions. That's why the TRR Playbook approaches the teacher retention and recruitment challenge from diverse perspectives and addresses multiple levels of the educational system. For example, if Alaska restructures our state retirement system then it may support recruitment efforts, but without improved working conditions educators may not stay in the state, thus decreasing retention. Here are a few examples that TRR has highlighted.

The State Administration has engaged in many efforts to open up opportunities through certification addressed by the State Board of Education (SBOE) and enacted by the Department of Education & Early Development (DEED). In early 2023 the SBOE offered public support to pursue development of teacher apprenticeship programs for the state. Since then DEED has received letters of interest through the RFI process (request for information) and will soon announce their RFP (request for proposals) to start developing those programs. The SBOE has consistently supported additional pathways emphasizing the need to ensure quality in the programs and the teachers. Changes to out-of-state certification have streamlined efforts for those educators coming in who are already licensed and have at least two years of experience. DEED has already launched the new online certification system and is in the process of transitioning to it fully and away from paper applications. DEED can now track and support those with emergency licenses. Further, during the first year of the 33rd Legislative session, the Governor proposed providing direct teacher incentives tied to retention, scaled by remoteness of district. These solutions connect directly to implementation strategies found in Section B. 1c, 5a, 6a, 6b, and those also in 4a.

ACSA, as the umbrella organization of the practitioner groups (ASA, AAESP, AASSP, ALASBO, ASDN), in addition to regular meetings they coordinate with their members, also hosts monthly statewide education leader stakeholder meetings to strengthen communication across Alaska education organizations. These could be a foundation for expanding who is considered a stakeholder and widening that group of participants. Further, they continue to brainstorm how to bring solutions to the table while also advocating for education funding. They have expanded their administrator mentoring program,



[ASLA - the Alaska School Leadership Academy](#),<sup>7</sup> and all administrator pipeline support programs (e.g., a new program, [BELA](#)<sup>8</sup>), which relate to implementation strategies in Section B. 2b and 2a, 2c.

AASB continues to advocate for education funding, which supports several TRR recommendations and aligns with many of the action steps within the implementation strategies shared in the Playbook. They also provide grant-funded programming that offers school districts support for other essential components needed in our public education system. For example, the School Climate and Connectedness Survey measures school climate and connectedness for staff, students, and parents. Staff responses are one way to measure working conditions and connections with students. In addition, programs and resources for trauma-engaged services, early childhood education, and supporting family and student engagement promote serving the needs of the whole student. These solutions connect directly to implementation strategies found in Section B. 1a.

NEA-AK has continually supported the restructuring TRS and PERS retirement system recommendation with communication, educational outreach, advocacy, and time. Further, they are expanding their professional development support to educators with micro credentialing opportunities and have been working to elevate the role of paraprofessionals and classified staff to educator support staff. These solutions connect directly to implementation strategies found in Section B. 3a, 3b.

AT&P, as the primary statewide recruitment organization, has expanded their activities since the TRR work began in 2020. New activities include creative outreach efforts, rethinking in-person job fairs, modified fee structures, and expanding their scope. Outreach efforts like installing recruitment banners at airports, creating podcasts geared for certain age groups of teachers (metrics show these reaching 400,000 people), and tapping into other digital advertising techniques demonstrate their modernization efforts. Partnerships with organizations like International Schools Services (ISS) provide additional outreach to groups of teachers otherwise not reached. Further, the recent name change from Alaska Teacher Placement (ATP) to Alaska Teachers & Personnel (AT&P) itself demonstrates their receptiveness to increased services requested by districts. These solutions connect directly to implementation strategies found in Section B. 4b and also to 4a.

At the University of Alaska, a new position housed at statewide was formed in 2023 called the Liaison to the [Alaska College of Education Consortium](#).<sup>9</sup> This position has been filled with a recent urban superintendent providing an opportunity to bridge K-12 system experiences and UA systems in the area of teacher preparation programming. The position is roughly 60% supporting the consortium and 40% building, expanding, and supporting bridges to the K-12 education system. Although this type of position has existed for decades at UA, it has gone through many changes in administrative location, authority, purpose and reach. It's worth noting that at the core, teacher preparation is the sole mission of the three UA Schools of Education. The formation of the Consortium is a dedicated approach to nurturing system-wide approaches to the work of teacher preparation. Additionally, UA created and maintains a website called [Teach Alaska](#)<sup>10</sup> as a single point access to the various programs and opportunities offered, including the new UA Teacher Internship Scholarship. These solutions connect directly to implementation strategies found in Section B. 4b, 5a, 5b and also to 4a.

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<sup>7</sup> <https://sites.google.com/alaskaasdn.org/asla23-24/home> - link good for 2023-2024 academic year

<sup>8</sup> <https://docs.google.com/document/d/1WHpc8vUlWkgUnKRApZtXnbtKhJ-rjhJA/edit?usp=sharing&oid=104812579532025730353&rtpof=true&sd=true>

<sup>9</sup> <https://www.alaska.edu/acec/>

<sup>10</sup> <https://www.alaska.edu/teach/>



ACPE, the Alaska Commission on Postsecondary Education has been a partner through the TRR process focusing on what that organization can do to support the efforts. They are increasing and expanding their efforts to improve Alaska's FAFSA completion rate. This is an important component related to getting high school students into teacher preparation programs. Further, they have shared the history of a teacher loan forgiveness program and have brainstormed loans that might benefit anyone wanting to engage in becoming a teacher. These solutions connect directly to implementation strategies found in Section B. 4a, 5a, 5b.

Lastly, there are many other partner organizations who have also been engaging in solutions around the teacher retention and recruitment efforts. The more opportunities for all the agencies, organizations, projects, and programs to be brought together to share, collaborate, and align efforts, the easier for Alaska's education system to become a seamless supportive network for educators. Well-supported educators can then focus fully on their role in an excellent education for every student every day.

### **3. Goals for Progress by 2035**

Looking ahead, it is possible to have enough educators, quality 21st-century educators, and happy educators in all schools across Alaska. Additional pathways to certification including apprenticeships and paraprofessional career ladders, innovative 21st-century recruitment efforts from district and state perspectives, and removal of barriers to certification are necessary. A solid retirement system providing choice to educators and allowing for movement from PERS to TRS, or vice versa, is foundational. And to ensure that Alaska's education system is the best it can be, along with those changes, there needs to be a focus on organizational health (excellent leadership and improved working conditions) in all Alaska districts, schools, departments, and agencies.

Overarching all of the concepts above is the need for an Induction Framework that aims to create alignment and collaboration. This can be accomplished via convenings to build cross-agency processes that will form a seamless system. A seamless system will support educators and provide students the best opportunities to learn, grow, and thrive.

Looking ahead there is more to do. The TRR Playbook provides suggestions for how to get started on the implementation strategies. These are suggestions for how to make the TRR Action Plan recommendations a reality - to engage in the practical, professional, and policy solutions proposed. As a state the next phase needs to encompass all of the ideas above and support movement on each simultaneously.

As an education stakeholder, take the ideas and modify them to fit your context, location, and scenario. Work with other stakeholders to build additional partnerships and collaborations. Help build public will on the various efforts and let's transform our system together. Let's make Alaska a great state to teach in, a great state to learn in, and a great state to call home. [Return to Section B Home](#) [Return to TOC](#)



**CS FOR HOUSE BILL NO. 78(FIN) am(efd fld)**  
IN THE LEGISLATURE OF THE STATE OF ALASKA  
THIRTY-FOURTH LEGISLATURE - FIRST SESSION

**BY THE HOUSE FINANCE COMMITTEE**

**Amended: 5/10/25**

**Offered: 5/9/25**

**Sponsor(s): HOUSE FINANCE COMMITTEE**

**A BILL**

**FOR AN ACT ENTITLED**

1 **"An Act relating to the public employees' retirement system and the teachers'**  
2 **retirement system; and providing certain employees an opportunity to choose between**  
3 **the defined benefit and defined contribution plans of the public employees' retirement**  
4 **system and the teachers' retirement system."**

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

6 \* **Section 1.** AS 14.25.009 is repealed and reenacted to read:

7           **Sec. 14.25.009. Applicability of AS 14.25.009 - 14.25.220.** The provisions of  
8 AS 14.25.009 - 14.25.220 apply to teachers who are eligible to be members of the  
9 defined benefit retirement plan under AS 14.25.009 - 14.25.220 and are not members  
10 of the defined contribution retirement plan under AS 14.25.310 - 14.25.590.

11 \* **Sec. 2.** AS 14.25.040(a) is amended to read:

12           (a) **A teacher or member contracting for service with a participating**  
13 **employer is subject to AS 14.25.009 - 14.25.220 unless the** [UNLESS A] teacher or  
14 member

1                   **(1)** participates in a university retirement program under AS 14.40.661  
2 - 14.40.799;

3                   **(2) became a member after June 30, 2006, and before July 1, 2026,**  
4 **is eligible to participate in the defined contribution retirement plan under**  
5 **AS 14.25.310 - 14.25.590, and does not elect to participate in the defined benefit**  
6 **retirement plan under AS 14.25.009 - 14.25.220;** or

7                   **(3)** has elected under AS 14.25.540 to participate in the plan  
8 established in AS 14.25.310 - 14.25.590 **and does not elect to participate in the**  
9 **defined benefit retirement plan under AS 14.25.009 - 14.25.220** [, A TEACHER  
10 OR MEMBER CONTRACTING FOR SERVICE WITH A PARTICIPATING  
11 EMPLOYER IS SUBJECT TO AS 14.25.009 - 14.25.220].

12 \* **Sec. 3.** AS 14.25.040 is amended by adding new subsections to read:

13                   (f) An active member of this plan who is also employed in a position in the  
14 public employees' retirement plan under AS 39.35.095 - 39.35.680 may elect to  
15 participate solely in this plan if

16                   (1) the member directs the public employees' retirement plan employer  
17 in writing to

18                                   (A) pay into this plan the employer contributions required for a  
19 member under AS 14.25.009 - 14.25.220; and

20                                   (B) deduct from the member's salary and pay into this plan

21   (i) the employee contributions required for a member  
22 under AS 14.25.009 - 14.25.220; and

23   (ii) an amount equal to the difference between the total  
24 employer and state contributions required for a member under  
25 AS 14.25.009 - 14.25.220 and the employer contributions that would be  
26 required under AS 39.35.095 - 39.35.680 if the member participated in  
27 that plan; and

28                   (2) the member provides written notice to the administrator.

29                   (g) An active member of this plan who elects to participate solely in this plan  
30 under (f) of this section may not, while participating solely in this plan, receive  
31 credited service for benefit eligibility for service performed in a position in the public

1 employees' retirement plan.

2 (h) A teacher who became a member of the system after June 30, 2006, and  
3 before July 1, 2026, or who has elected under AS 14.25.540 to participate in the  
4 defined contribution retirement plan under AS 14.25.310 - 14.25.590, is subject to  
5 AS 14.25.009 - 14.25.220 and is not eligible to participate in the defined contribution  
6 retirement plan established in AS 14.25.310 - 14.25.590 if the teacher

7 (1) is not employed by an employer on July 1, 2026;

8 (2) is reemployed by an employer after July 1, 2026; and

9 (3) has, before the date of reemployment, received

10 (A) a distribution, other than a rollover distribution, of the  
11 entire balance in the teacher's individual account in the defined contribution  
12 retirement plan; or

13 (B) a rollover distribution of the entire balance in the teacher's  
14 individual account in the defined contribution retirement plan under  
15 AS 14.25.310 - 14.25.590 and has not within 180 days of reemployment had  
16 all or part of a direct rollover distribution from an eligible retirement plan  
17 owned by the teacher paid directly into the teacher's individual account under  
18 AS 14.25.310 - 14.25.590.

19 \* **Sec. 4.** AS 14.25 is amended by adding a new section to read:

20 **Sec. 14.25.044. Election of defined benefit retirement plan by reemployed**  
21 **teachers.** (a) A teacher may make a one-time election to participate in the defined  
22 benefit retirement plan under AS 14.25.009 - 14.25.220 if the teacher

23 (1) became a member of the defined contribution retirement plan under  
24 AS 14.25.310 - 14.25.590 after June 30, 2006, and before July 1, 2026;

25 (2) is not employed by an employer on July 1, 2026;

26 (3) is reemployed by an employer after July 1, 2026; and

27 (4) before the date of reemployment,

28 (A) has not received a distribution of the entire balance in the  
29 teacher's individual account under the defined contribution retirement plan  
30 under AS 14.25.310 - 14.25.590; or

31 (B) has received a rollover distribution of the entire balance in

1 the teacher's individual account in the plan under AS 14.25.310 - 14.25.590  
2 and has within 180 days of reemployment had all or part of a direct rollover  
3 distribution from an eligible retirement plan owned by the teacher paid directly  
4 into the teacher's individual account under AS 14.25.310 - 14.25.590.

5 (b) An election under (a) of this section may be made not more than 180 days  
6 after the date of reemployment. A reemployed teacher electing to participate under (a)  
7 of this section shall use the balance of the teacher's individual account in the plan  
8 under AS 14.25.310 - 14.25.590, including any rollover contributions, to purchase  
9 credited service in the plan under AS 14.25.009 - 14.25.220. An election made under  
10 (a) of this section must be made in writing in the manner prescribed by the  
11 administrator. An election made by a teacher who is married is not effective unless the  
12 election is signed by the teacher's spouse. The administrator shall provide a teacher  
13 who is eligible to make an election under (a) of this section with information about the  
14 potential consequences of the teacher's election, including calculations to illustrate the  
15 effect of moving the teacher's retirement plan from a defined contribution retirement  
16 plan to a defined benefit retirement plan.

17 (c) An election made under (a) of this section to participate in the plan under  
18 AS 14.25.009 - 14.25.220 is irrevocable. On the effective date of the election, the  
19 teacher shall be enrolled as a member of the plan, and the teacher's participation in the  
20 plan shall be governed by the applicable provisions of the plan. The teacher's  
21 enrollment in the plan is retroactive to the date of hire.

22 (d) When a teacher makes an election under this section to participate in the  
23 plan under AS 14.25.009 - 14.25.220, the administrator shall cause the total amount of  
24 the teacher's member and employer contributions to the plan under AS 14.25.310 -  
25 14.25.590, with investment earnings and losses through the day of the teacher's  
26 election to participate as a member in the plan under AS 14.25.009 - 14.25.220, to be  
27 actuarially calculated and, subject to (f) of this section, transferred to the retirement  
28 fund in the plan under AS 14.25.009 - 14.25.220. On the effective date of the teacher's  
29 participation in the plan under AS 14.25.009 - 14.25.220, the teacher shall be credited  
30 with service in the plan. The board shall determine the cost of the teacher's actual  
31 service time based on the teacher's accrued actuarial liability of pension benefits in the

1 plan, and credit the teacher with service time equal to the value actuarially calculated  
2 and transferred to the retirement fund in the plan under AS 14.25.009 - 14.25.220. The  
3 board shall adopt regulations establishing transfer procedures. The transfer may not  
4 occur later than 60 days after the date the administrator receives the teacher's election,  
5 unless the major financial markets for securities available for a transfer are seriously  
6 disrupted by an unforeseen event that also causes the suspension of trading on a  
7 national securities exchange in the country where the securities were issued; in that  
8 event, the 60-day period may be extended by a resolution of the board. A transfer is  
9 not commissionable or subject to a fee and may be in the form of cash or a security as  
10 determined by the board. The value of a security shall be assessed on the date the  
11 security is received in the teacher's account.

12 (e) When making a transfer under (d) of this section or a transfer for a  
13 reemployed teacher subject to the plan under AS 14.25.040(h), the administrator shall  
14 transfer

15 (1) an amount equal to the decrease in the accrued actuarial liability of  
16 the death and disability trust in the plan established under AS 14.25.310 - 14.25.590  
17 resulting from the transfer as of the date of transfer, based on the most recent actuarial  
18 valuation of the death and disability trust, from the death and disability trust in the  
19 plan established under AS 14.25.310 - 14.25.590 to the retirement fund in the plan  
20 established under AS 14.25.009 - 14.25.220; and

21 (2) an amount equal to the increase in the accrued actuarial liability of  
22 the health care trust in the plan established under AS 14.25.009 - 14.25.220 resulting  
23 from the transfer as of the date of transfer, based on the actuarial assumptions set out  
24 in (g) of this section, from the trust established under AS 39.30.097(b) for the  
25 prefunding of medical benefits provided by AS 14.25.480 to the trust established  
26 under AS 39.30.097(a) for the prefunding of medical benefits provided by  
27 AS 14.25.171.

28 (f) If the value actuarially calculated under (d) of this section is insufficient to  
29 pay for service credit equal to the teacher's actual service time, the administrator shall  
30 allow the teacher the option of purchasing service credit in an amount up to the  
31 amount needed to eliminate the insufficiency; however, if that value exceeds the

1 amount needed to pay for service credit equal to the teacher's actual service, the  
 2 administrator shall cause the excess to be paid to the employee as a rollover transfer  
 3 either to an individual employee annuity account in the Department of Administration  
 4 under the terms of AS 39.30.150 - 39.30.180 (State of Alaska Supplemental Annuity  
 5 Plan) or, if the member's employer does not participate in the State of Alaska  
 6 Supplemental Annuity Plan, to an eligible retirement plan as defined in  
 7 AS 14.25.360(d). An excess may not be used to purchase additional service credit in  
 8 the plan under AS 14.25.009 - 14.25.220. When a reemployed teacher enters the plan  
 9 under AS 14.25.040(h), the administrator shall allow the teacher to pay for a period of  
 10 service credit up to the teacher's actual service. When a teacher elects to purchase  
 11 service credit under this section and does not immediately pay for the service credit  
 12 purchased, an indebtedness is established. Interest as prescribed by regulation accrues  
 13 on a teacher's indebtedness. If the indebtedness exists when the teacher is appointed to  
 14 retirement, the administrator shall make a corresponding actuarial adjustment to the  
 15 benefit payable to the teacher for service in the defined contribution retirement plan.

16 (g) Actuarial assumptions about the plan under AS 14.25.009 - 14.25.220  
 17 must be based on the most recent actuarial valuation of the plan, except that the  
 18 retirement rates are computed at 25 percent of the retirement rates used in the most  
 19 recent actuarial valuation of the retirement fund plus 75 percent of the retirement rates  
 20 used in the most recent actuarial valuation of the plan under AS 14.25.310 - 14.25.590.

21 (h) The provisions of this section are subject to the requirements of the  
 22 Internal Revenue Code and the limitations under AS 14.25.010, 14.25.181,  
 23 14.25.320(c) and (d), and 14.25.490.

24 \* **Sec. 5.** AS 14.25.048(b) is amended to read:

25 (b) An employee or former employee **who first became a member of the**  
 26 **plan before July 1, 2006,** may receive credit for retroactive membership service for  
 27 employment before June 5, 1988, if the employee or former employee met the  
 28 requirements listed in (a) of this section at the time of the employment. To receive  
 29 credit for the retroactive membership service, the employee or former employee shall  
 30 claim the service and pay the retroactive contributions required under **former**  
 31 AS 14.25.061. However, an employee or former employee may not receive retroactive

1 credit under this subsection if the employee received credited service under AS 39.35  
2 for the employment.

3 \* **Sec. 6.** AS 14.25.048(c) is amended to read:

4 (c) An employee or former employee **who first became a member of the**  
5 **plan before July 1, 2006, and** who received credit under AS 39.35 for service that  
6 qualifies under (a) of this section may elect to transfer those periods of employment to  
7 the plan. To receive credit for retroactive membership service under this subsection,  
8 the employee or former employee shall claim the service and pay the retroactive  
9 contributions required under **former** AS 14.25.061.

10 \* **Sec. 7.** AS 14.25.050(a) is amended to read:

11 (a) Except as provided in (c) **and (e)** of this section, beginning January 1,  
12 1991, each member shall contribute to the plan an amount equal to 8.65 percent of the  
13 member's base salary accrued from July 1 to the following June 30. [THE  
14 EMPLOYER SHALL DEDUCT THE CONTRIBUTION FROM THE MEMBER'S  
15 SALARY AT THE END OF EACH PAYROLL PERIOD, AND THE  
16 CONTRIBUTION SHALL BE CREDITED BY THE PLAN TO THE MEMBER  
17 CONTRIBUTION ACCOUNT. THE CONTRIBUTIONS SHALL BE DEDUCTED  
18 FROM EMPLOYEE COMPENSATION BEFORE THE COMPUTATION OF  
19 APPLICABLE FEDERAL TAXES AND SHALL BE TREATED AS EMPLOYER  
20 CONTRIBUTIONS UNDER 26 U.S.C. 414(h)(2). A MEMBER MAY NOT HAVE  
21 THE OPTION OF MAKING THE PAYROLL DEDUCTION DIRECTLY IN CASH  
22 INSTEAD OF HAVING THE CONTRIBUTION PICKED UP BY THE  
23 EMPLOYER.]

24 \* **Sec. 8.** AS 14.25.050 is amended by adding new subsections to read:

25 (e) A member who first participates in the plan after June 30, 2006, shall  
26 contribute to the plan an amount equal to eight percent of the member's base salary  
27 accrued from July 1 to the following June 30. The board may, from time to time,  
28 adjust the contribution under this subsection to an amount that,

29 (1) if decreased, is not less than eight percent of the member's base  
30 salary; and

31 (2) if increased, is not more than 12 percent of the member's base

1 salary.

2 (f) The employer shall deduct a contribution under this section from the  
3 member's salary at the end of each payroll period, and the contribution shall be  
4 credited by the plan to the member contribution account. The contributions shall be  
5 deducted from member compensation before the computation of applicable federal  
6 taxes and shall be treated as employer contributions under 26 U.S.C. 414(h)(2). A  
7 member may not have the option of making the payroll deduction directly in cash  
8 instead of having the contribution picked up by the employer.

9 (g) The board shall increase the member contribution under (e) of this section  
10 if the board determines that, unless the contribution is increased, the portion of the  
11 liability of the plan that is attributable to all members who first became members of  
12 the plan after June 30, 2006, will be funded below 90 percent. The board may not  
13 increase the member contribution unless the board increases the employer contribution  
14 under AS 14.25.070(a)(2) by an equal amount. The board may decrease the  
15 contribution under (e) of this section if the board determines that, after the  
16 contribution is decreased, the portion of the liability of the plan that is attributable to  
17 all members who first became members of the plan after June 30, 2006, will be funded  
18 above 90 percent. The board may not decrease the member contribution unless the  
19 board decreases the employer contribution under AS 14.25.070(a)(2) by an equal  
20 amount.

21 (h) The board may not increase the employer contribution under  
22 AS 14.25.070(a) unless the board increases the member contribution under (e) of this  
23 section by a comparable amount.

24 \* **Sec. 9.** AS 14.25.065(b) is amended to read:

25 (b) The contributions of employers under AS 14.25.070 must be transmitted to  
26 the plan for deposit in the retirement fund and the Alaska retiree health care trust at the  
27 close of each pay period. If the contributions are not submitted within the prescribed  
28 time limit, interest must be assessed on the outstanding contributions at [ONE AND  
29 ONE-HALF TIMES] the most recent actuarially determined rate of earnings for the  
30 plan from the date that contributions were originally due. Amounts due from an  
31 employer and interest as prescribed in this section may be claimed by the

1 administrator from any agency of the state or political subdivision that has in its  
 2 possession funds of the employer or that is authorized to disburse funds to the  
 3 employer that are not restricted by statute or appropriation to a specific purpose. The  
 4 amount claimed shall be certified by the administrator as sufficient to pay the  
 5 contributions and interest due from the employer. The amount claimed shall be  
 6 submitted to the administrator for deposit in the retirement fund and the Alaska retiree  
 7 health care trust.

8 \* **Sec. 10.** AS 14.25.070(a) is amended to read:

9 (a) Each employer shall contribute to the system every payroll period **the**  
 10 **lesser of**

11 **(1) an amount calculated by applying a rate of 12.56 percent to the**  
 12 **total of all base salaries paid by the employer to active members of the system and to**  
 13 **members who are retired from the plan and reemployed under AS 14.20.136,**  
 14 **including any adjustments to contributions required by AS 14.25.173(a); or**

15 **(2) an amount calculated by applying a rate established by the**  
 16 **board under AS 37.10.220 to the total of all base salaries paid by the employer to**  
 17 **active members of the system and to members who are retired from the plan and**  
 18 **reemployed under AS 14.20.136, including any adjustments to contributions**  
 19 **required by AS 14.25.173(a); the rate must be at least 12 percent and be sufficient**  
 20 **to pay the actuarially determined employer normal cost, all contributions**  
 21 **required under AS 14.25.350 and AS 39.30.370, and past service cost for**  
 22 **members of the system.**

23 \* **Sec. 11.** AS 14.25.070 is amended by adding a new subsection to read:

24 (i) If the legislature appropriates funds for the purpose of decreasing an  
 25 employer's contribution, the employer's contribution under (a) of this section shall  
 26 decrease by that amount.

27 \* **Sec. 12.** AS 14.25.075(a) is amended to read:

28 (a) An employee who is eligible to purchase credited service under  
 29 AS 14.25.047 or 14.25.048, a member who is eligible to purchase credited service  
 30 under **former AS 14.25.061 or under** AS 14.25.048, 14.25.050, 14.25.060,  
 31 [14.25.061,] 14.25.100, or 14.25.107, or a teacher who is eligible to purchase credited

1 service under AS 14.20.345, AS 14.25.044, 14.25.050 [AS 14.25.050], or 14.25.105,  
 2 in lieu of making payments directly to the plan, may elect to have the member's  
 3 employer make payments as provided in this section.

4 \* **Sec. 13.** AS 14.25.075(b) is amended to read:

5 (b) A member may elect to have the employer make payments for all or any  
 6 portion of the amounts payable for the member's purchase of credited service through  
 7 a salary reduction program as follows:

8 (1) the amounts paid under a salary reduction program are in lieu of  
 9 contributions by the member making the election; the electing member's salary or  
 10 other compensation shall be reduced by the amount paid by the employer under this  
 11 subsection;

12 (2) the member shall make an irrevocable election under this  
 13 subsection to purchase credited service as permitted in **former AS 14.25.061 or in**  
 14 AS 14.20.345, AS 14.25.044, 14.25.047 [AS 14.25.047], 14.25.048, 14.25.050,  
 15 14.25.060, [14.25.061,] 14.25.100, 14.25.105, or 14.25.107 before the member's  
 16 termination of employment; the irrevocable election must specify the number of  
 17 payroll periods that deductions will be made from the member's compensation and the  
 18 dollar amount of deductions for each payroll period during the specified number of  
 19 payroll periods; the deductions made under this paragraph cease upon the earlier of the  
 20 member's termination of employment with the employer or the member's death;  
 21 amounts paid by an employer under (f) of this section may not be applied toward the  
 22 payment of the dollar amount of the deductions representing the portion of the credited  
 23 service that is being purchased by the member through payroll deduction in  
 24 accordance with the member's irrevocable election under this paragraph;

25 (3) amounts paid by an employer under this subsection shall be treated  
 26 as employer contributions for the purpose of determining tax treatment under 26  
 27 U.S.C. (Internal Revenue Code); the amounts paid by the employer under this section  
 28 may not be included in the member's gross income for income tax purposes until those  
 29 amounts are distributed by refund or retirement benefit payments.

30 \* **Sec. 14.** AS 14.25.075(i) is amended to read:

31 (i) On satisfaction of the eligibility requirements of **former AS 14.25.061 or**

1 **of** AS 14.20.345, **AS 14.25.044, 14.25.047** [AS 14.25.047], 14.25.048, 14.25.050,  
 2 14.25.060, [14.25.061,] 14.25.100, 14.25.105, or 14.25.107, the requirements of this  
 3 section, and the administrative filing requirements specified by the administrator, the  
 4 plan shall adjust the member's credited service history and add any additional service  
 5 credits acquired.

6 \* **Sec. 15.** AS 14.25 is amended by adding a new section to read:

7 **Sec. 14.25.086. Sub-trust for members who first became members after**  
 8 **June 30, 2006.** The administrator shall deposit a portion of employer contributions  
 9 under AS 14.25.070 and 14.25.085 in a sub-trust of the retirement fund established by  
 10 the board for members who first became members after June 30, 2006. The amount  
 11 deposited, when combined with the amount separately computed for medical benefits  
 12 under AS 14.25.087, must be sufficient to pay the actuarially determined employer  
 13 normal cost and past service cost for members of the system who first became  
 14 members after June 30, 2006. When the amount sufficient to pay the actuarially  
 15 determined employer normal cost, all contributions required under AS 14.25.350 and  
 16 AS 39.30.370, and past service cost for members of the system is less than 12 percent  
 17 of all base salaries paid to active members of the system and to members who are  
 18 retired from the plan and reemployed under AS 14.20.136, including any adjustments  
 19 to contributions required by AS 14.25.173(a), the administrator shall deposit the  
 20 difference in the sub-trust established under this section.

21 \* **Sec. 16.** AS 14.25.087 is amended to read:

22 **Sec. 14.25.087. Contributions for medical benefits.** Contributions made by  
 23 an employer under AS 14.25.070 and 14.25.085 **must** [SHALL] be separately  
 24 computed for benefits provided by AS 14.25.168 **and retiree major medical**  
 25 **insurance plan benefits provided under AS 14.25.171,** and **must** [SHALL] be  
 26 deposited in the Alaska retiree health care trust established under AS 39.30.097(a).

27 \* **Sec. 17.** AS 14.25.110(a) is amended to read:

28 (a) Subject to AS 14.25.167,

29 **(1)** a member **who first became a member of the plan before July 1,**  
 30 **2006,** is eligible for a normal retirement benefit if the member

31 **(A)** [(1)] was first hired before July 1, 1975, has attained the

1 age of 55 years, and has at least 15 years of credited service, the last five of  
2 which have been membership service, or is otherwise vested in the plan;

3 **(B)** [(2)] has attained the age of 60 years and has at least eight  
4 years of membership service;

5 **(C)** [(3)] has attained the age of 60 years, has at least five years  
6 of membership service, and has Alaska BIA service which, when added to the  
7 membership service, will equal at least eight years;

8 **(D)** [(4)] has at least 25 years of credited service, the last five  
9 of which have been membership service;

10 **(E)** [(5)] has at least 20 years of membership service;

11 **(F)** [(6)] has at least 20 years of combined membership service  
12 and Alaska BIA service, the last five of which have been membership service;  
13 or

14 **(G)** [(7)] has, for each of 20 school years,

15 **(i)** [(A)] at least one-half year of membership service as  
16 a part-time teacher;

17 **(ii)** [(B)] one full year of membership service as a full-  
18 time teacher; or

19 **(iii)** [(C)] any combination of service qualified under  
20 this **subparagraph**;

21 **(2) a member who first became a member of the plan after**  
22 **June 30, 2006, is eligible for a normal retirement benefit if the member**

23 **(A) has attained the age of 60 years and has at least five**  
24 **years of membership service; or**

25 **(B) has at least 30 years of membership service**

26 [PARAGRAPH].

27 \* **Sec. 18.** AS 14.25.110(b) is amended to read:

28 (b) Subject to AS 14.25.167, a member is eligible for an early retirement  
29 benefit upon completing the service requirements in **(a)(1)(A)** [(a)(1)] of this section  
30 and attaining the age of 50 years or upon completing the service requirements in  
31 **(a)(1)(B) or (C)** [(a)(2) OR (3)] of this section and attaining the age of 55 years.

1 \* **Sec. 19.** AS 14.25.110(d) is amended to read:

2 (d) The monthly amount of a retirement benefit

3 **(1)** for a member **who first became a member of the plan before**  
 4 **July 1, 2006, and** who has paid the full amount of any indebtedness is one-twelfth of  
 5 the member's average base salary during any three school years of membership service  
 6 multiplied by

7 **(A)** [(1)] two percent of the years of credited service earned  
 8 before June 30, 1990, including credited fractional years, and the years of  
 9 credited service through a total of 20 years; plus

10 **(B)** [(2)] two and one-half percent of the years of credited  
 11 service earned after June 30, 1990, that are more than 20 years of total credited  
 12 service;

13 **(2)** for a member who first became a member of the plan after  
 14 **June 30, 2006, and who has paid the full amount of any indebtedness is one-**  
 15 **twelfth of the member's average base salary during any five school years of**  
 16 **membership service multiplied by**

17 **(A)** two percent of the years of credited service through a  
 18 **total of 10 years; plus**

19 **(B)** two and one-quarter percent of the years over 10 years  
 20 **of total credited service through 20 years; plus**

21 **(C)** two and one-half percent of the years of credited service  
 22 **that are more than 20 years of total credited service.**

23 \* **Sec. 20.** AS 14.25.142(a) is amended to read:

24 (a) While residing in the state, a person **who first became a member of the**  
 25 **plan before July 1, 2006, who is** receiving a benefit under AS 14.25.009 - 14.25.220,  
 26 **and** who is at least 65 years of age or **a person who first became a member of the**  
 27 **plan before July 1, 2006, and** who is receiving a disability benefit under  
 28 AS 14.25.009 - 14.25.220 is entitled to receive a monthly cost-of-living allowance in  
 29 addition to the basic benefit. The amount of this allowance is 10 percent of the basic  
 30 benefit.

31 \* **Sec. 21.** AS 14.25.143(a) is amended to read:

1 (a) Once each year, the administrator shall increase benefit payments to  
 2 eligible disabled members, to persons age 60 or older receiving benefits under this  
 3 plan in the preceding calendar year, and to persons who have received benefits under  
 4 this plan for at least **five** [EIGHT] years who are not otherwise eligible for an increase  
 5 under this section.

6 \* **Sec. 22.** AS 14.25.143(b) is amended to read:

7 (b) **Subject to (g) and (h) of this section, the** [THE] increase in benefit  
 8 payments applies to total benefit payments except for the cost-of-living allowance  
 9 under AS 14.25.142. The amount of the increase is a percentage of the current benefit  
 10 equal to

11 (1) the lesser of 75 percent of the increase in the cost of living in the  
 12 preceding calendar year or nine percent, for recipients who on July 1 are at least 65  
 13 years old and for members receiving disability benefits; and

14 (2) the lesser of 50 percent of the increase in the cost of living in the  
 15 preceding calendar year or six percent, for recipients who on July 1 are at least 60 but  
 16 less than 65 years old or for recipients who on July 1 are less than 60 years old but  
 17 who have received benefits from the plan for at least **five** [EIGHT] years.

18 \* **Sec. 23.** AS 14.25.143 is amended by adding new subsections to read:

19 (g) Subject to (h) of this section, the amount of an increase for members who  
 20 first became members of the plan after June 30, 2006, and do not meet the eligibility  
 21 requirements for a permanent fund dividend under AS 43.23.005(a) in effect on July 1,  
 22 2025, is equal to one-half of the applicable percentage under (b) of this section.

23 (h) If the board determines that the portion of the liability of the plan that is  
 24 attributable to all members who first became members of the plan after June 30, 2006,  
 25 is funded below 90 percent, the board shall reduce the amount of the increase  
 26 determined under (b) or (g) of this section that is payable to a member who first  
 27 became a member after June 30, 2006. At any time, the board may terminate a  
 28 reduction made under this subsection.

29 \* **Sec. 24.** AS 14.25.168(a) is amended to read:

30 (a) Except as provided in **AS 14.25.171 and** (c) of this section, the following  
 31 persons are entitled to major medical insurance coverage under this section:

1 (1) for teachers first hired before July 1, 1990,

2 (A) a teacher who is receiving a monthly benefit from the plan  
3 and who has elected coverage;

4 (B) the spouse and dependent children of the teacher described  
5 in (A) of this paragraph;

6 (C) the surviving spouse of a deceased teacher who is receiving  
7 a monthly benefit from the plan and who has elected coverage;

8 (D) the dependent children of a deceased teacher who are  
9 dependent on the surviving spouse described in (C) of this paragraph;

10 (2) for teachers first hired [ON OR] after **June 30** [JULY 1], 1990,

11 (A) a teacher who is receiving a monthly benefit from the plan  
12 and who has elected coverage for the teacher;

13 (B) the spouse of the teacher described in (A) of this paragraph  
14 if the teacher elected coverage for the spouse;

15 (C) the dependent children of the teacher described in (A) of  
16 this paragraph if the teacher elected coverage for the dependent children;

17 (D) the surviving spouse of a deceased teacher who is receiving  
18 a monthly benefit from the plan and who has elected coverage;

19 (E) the dependent children of a deceased teacher who are  
20 dependent on the surviving spouse described in (D) of this paragraph if the  
21 surviving spouse has elected coverage for the dependent children.

22 \* **Sec. 25.** AS 14.25 is amended by adding a new section to read:

23 **Sec. 14.25.171. Medical benefit; eligibility of employees first hired after**  
24 **June 30, 2006; surviving spouses and dependents.** (a) A teacher who first became a  
25 member of the plan after June 30, 2006, receives a monthly benefit from the plan,  
26 retired from the plan, and has elected benefits under this section is entitled to medical  
27 benefits under this section. A member who applies for medical benefits under this  
28 section shall apply on the forms and in the manner prescribed by the administrator. A  
29 member is eligible to retire from the plan if the member

30 (1) has at least 25 years of service; or

31 (2) reaches the age set for Medicare eligibility and has at least 10 years

1 of service.

2 (b) The member's surviving spouse is eligible to elect medical benefits if the  
3 member had retired or was eligible for retirement and medical benefits at the time of  
4 the member's death.

5 (c) The medical benefits available to eligible persons are access to the retiree  
6 major medical insurance plan and access to the health reimbursement arrangement  
7 plan under AS 39.30.300. Access to the retiree major medical insurance plan means  
8 that an eligible person may not be denied insurance coverage except for failure to pay  
9 the required premium.

10 (d) Retiree major medical insurance plan coverage elected by an eligible  
11 member under this section covers the eligible member, the spouse of the eligible  
12 member, and the dependent children of the eligible member.

13 (e) Retiree major medical insurance plan coverage elected by a surviving  
14 spouse of an eligible member under this section covers the surviving spouse and the  
15 dependent children of the eligible member who are dependent on the surviving spouse.

16 (f) Participation in the retiree major medical insurance plan is not required in  
17 order to participate in the health reimbursement arrangement plan.

18 (g) A person eligible for medical benefits under this section is not required to  
19 participate in the health reimbursement arrangement plan in order to participate in the  
20 retiree major medical insurance plan.

21 (h) A person who is eligible for medical benefits under this section must make  
22 the irrevocable election to participate or not participate in the retiree major medical  
23 insurance plan on or before the date the person reaches 70 1/2 years of age or when the  
24 person applies for retirement and medical benefits, whichever is later.

25 (i) Major medical insurance coverage takes effect on the first day of the month  
26 following the date of the administrator's approval of the election and stops when the  
27 person who elects coverage dies or fails to make a required premium payment.

28 (j) The coverage for persons 65 years of age or older is the same as that  
29 available for persons under 65 years of age. The benefits payable to those persons 65  
30 years of age or older supplement any benefits provided under the federal old age,  
31 survivors, and disability insurance program.

1           (k) The medical and optional insurance premiums owed by the person who  
2 elects coverage may be deducted from the health reimbursement arrangement plan. If  
3 the amount of the health reimbursement arrangement plan becomes insufficient to pay  
4 the premiums, the person who elects coverage under (a) of this section shall pay the  
5 premiums directly.

6           (l) The cost of premiums for retiree major medical insurance coverage under  
7 this section for an eligible member or surviving spouse who is

8                   (1) not eligible for Medicare is an amount equal to the full monthly  
9 group premiums for retiree major medical insurance coverage;

10                   (2) eligible for Medicare is the following percentage of the premium  
11 amounts established for retirees who are eligible for Medicare:

12                           (A) 30 percent if the member had 10 or more, but less than 15,  
13 years of service;

14                           (B) 25 percent if the member had 15 or more, but less than 20,  
15 years of service;

16                           (C) 20 percent if the member had 20 or more, but less than 25,  
17 years of service;

18                           (D) 15 percent if the member had 25 or more, but less than 30,  
19 years of service;

20                           (E) 10 percent if the member had 30 or more years of service.

21           (m) The eligibility for retiree major medical insurance coverage for an  
22 alternate payee under a qualified domestic relations order shall be determined based  
23 on the eligibility of the member to elect coverage. The alternate payee shall pay the  
24 full monthly premium for retiree major medical insurance coverage.

25           (n) The administrator shall

26                   (1) inform a person entitled to retiree major medical insurance  
27 coverage under this section in writing

28                           (A) that the health insurance coverage available to retired  
29 members may be different from the health insurance coverage provided to  
30 employees;

31                           (B) of time limits for selecting optional health insurance

1 coverage; and

2 (C) whether the election is irrevocable; and

3 (2) require that a person entitled to retiree major medical insurance  
4 coverage under this section indicate in writing on a form provided by the administrator  
5 whether the person has chosen to receive optional health insurance coverage.

6 (o) The monthly group premiums for retiree major medical insurance coverage  
7 under this section are established by the administrator in accordance with  
8 AS 39.30.095. Nothing in this chapter guarantees a person who elects coverage under  
9 (a) of this section a monthly group premium rate for retiree major medical insurance  
10 coverage other than the premium in effect for the month in which the premium is due  
11 for coverage for that month.

12 (p) In this section, "health reimbursement arrangement plan" means the State  
13 of Alaska Teachers' and Public Employees' Retiree Health Reimbursement  
14 Arrangement Plan established in AS 39.30.300.

15 \* **Sec. 26.** AS 14.25.220(5) is amended to read:

16 (5) "average base salary" means,

17 **(A) for a teacher who first became a member before July 1,**  
18 **2006,** the result obtained by dividing the sum of the member's three highest  
19 years' base salary by three, or if a member does not have three years base  
20 salary, then by dividing the sum of all base salaries by the number of years of  
21 base salary; the base salary for a year in which credit is granted for disability  
22 totaling more than one-third of a year may not be used in the computation of  
23 the average base salary; the base salary in a school year for which the member  
24 receives compensation for less than two-thirds of a year may not be used in the  
25 computation of the average base salary; if compensation is received for more  
26 than two-thirds of a year, the full base salary for that school year shall be used  
27 in the computation of the average base salary;

28 **(B) for a teacher who first became a member after June 30,**  
29 **2006, the result obtained by dividing the sum of the member's five highest**  
30 **years' base salary by five, or if a member does not have five years' base**  
31 **salary, then by dividing the sum of all base salaries by the number of**

1           years of base salary; the base salary for a year in which credit is granted  
 2           for disability totaling more than one-third of a year may not be used in the  
 3           computation of the average base salary; the base salary in a school year  
 4           for which the member receives compensation for less than two-thirds of a  
 5           year may not be used in the computation of the average base salary; if  
 6           compensation is received for more than two-thirds of a year, the full base  
 7           salary for that school year shall be used in the computation of the average  
 8           base salary;

9           \* **Sec. 27.** AS 14.25.220(6) is amended to read:

10                           (6) "base salary"

11   (A) means the total remuneration payable under contract for a  
 12           full year of membership service, including addenda to the contract and, for a  
 13           member who elects to participate solely in this plan under AS 14.25.040(f),  
 14           remuneration paid by the public employees' retirement plan employer,  
 15           but, for a member first hired on or after July 1, 1996, does not include  
 16           remuneration in excess of the limitations set out in 26 U.S.C. 401(a)(17);

17   (B) has the same meaning as "compensation" under  
 18           AS 39.35.680(9) when applied to a state legislator who elects membership  
 19           under AS 14.25.040(b);

20           \* **Sec. 28.** AS 14.25.220(46) is amended to read:

21   (46) "vested member" or "vested teacher" means an active member  
 22           who [HAS COMPLETED EITHER]

23   (A) first became a member before July 1, 2006, and has  
 24           completed

25   (i) 15 years of service, the last five of which have been  
 26           membership service, for a member first hired before July 1, 1975;

27   (ii) [(B)] eight years of membership service;

28   (iii) [(C)] five years of membership and three years of  
 29           BIA service; or

30   (iv) [(D)] 12 school years of part-time membership  
 31           service or 12 school years in each of which the member earned either

1 part-time or full-time membership service;

2 **(B) first became a member after June 30, 2006, and has**  
 3 **completed five years of membership service;**

4 \* **Sec. 29.** AS 14.25.220 is amended by adding a new paragraph to read:

5 (48) "first became a member after June 30, 2006" and "first became a  
 6 member of the plan after June 30, 2006" include a member who elected under  
 7 AS 14.25.540 to participate in the defined contribution retirement plan under  
 8 AS 14.25.310 - 14.25.590 and who elects to participate in the defined benefit  
 9 retirement plan under AS 14.25.009 - 14.25.220.

10 \* **Sec. 30.** AS 14.25.310 is amended to read:

11 **Sec. 14.25.310. Applicability of AS 14.25.310 - 14.25.590.** The provisions of  
 12 AS 14.25.310 - 14.25.590 apply only to

13 **(1) teachers who first become members [ON OR] after June 30, 2006,**  
 14 **and before July 1, 2026, and who are eligible but do not elect to participate in a**  
 15 **defined benefit retirement plan under AS 14.25.009 - 14.25.220 or AS 39.35.095 -**  
 16 **39.35.680; and**

17 **(2) teachers** [JULY 1, 2006, TO MEMBERS WHO ARE  
 18 EMPLOYED BY EMPLOYERS THAT DO NOT PARTICIPATE IN THE  
 19 DEFINED BENEFIT RETIREMENT PLAN ESTABLISHED UNDER AS 14.25.009  
 20 - 14.25.220, TO FORMER MEMBERS UNDER AS 14.25.220, OR TO MEMBERS]  
 21 who **transferred** [TRANSFER] into the defined contribution retirement plan under  
 22 AS 14.25.540 **and do not elect to participate in the defined benefit retirement plan**  
 23 **under AS 14.25.009 - 14.25.220.**

24 \* **Sec. 31.** AS 14.25.310 is amended by adding a new subsection to read:

25 (b) An employer that participates in the plan shall also participate in the  
 26 defined benefit retirement plan under AS 14.25.009 - 14.25.220.

27 \* **Sec. 32.** AS 14.25.330(a) is amended to read:

28 (a) A teacher who first becomes a member [ON OR] after **June 30, 2006, and**  
 29 **before July 1, 2026, and who does not participate in a defined benefit retirement**  
 30 **plan under AS 14.25.009 - 14.25.220 or AS 39.35.095 - 39.35.680 is** [JULY 1, 2006,  
 31 SHALL PARTICIPATE IN THE PLAN AS] a member of the defined contribution

1 retirement plan.

2 \* **Sec. 33.** AS 14.25.470(a) is amended to read:

3 (a) In order to obtain medical benefits under AS 14.25.480, a member must  
4 retire [DIRECTLY] from the plan. A member is eligible to retire from the plan if  
5 [THE MEMBER HAS BEEN AN ACTIVE MEMBER FOR AT LEAST 12  
6 MONTHS BEFORE APPLICATION FOR RETIREMENT AND]

7 (1) the member has at least 25 [30] years of service; or

8 (2) the member reaches the normal retirement age and has at least 10  
9 years of service.

10 \* **Sec. 34.** AS 14.25.490(a) is amended to read:

11 (a) Subject to art. XII, sec. 7, Constitution of the State of Alaska, the  
12 [THE] state may [HAS THE RIGHT TO] amend the plan at any time and from time to  
13 time, in whole or in part, including the right to make retroactive amendments referred  
14 to in 26 U.S.C. 401(b).

15 \* **Sec. 35.** AS 14.25.490(b) is amended to read:

16 (b) The plan administrator may not modify or amend the plan retroactively [IN  
17 SUCH A MANNER AS] to reduce [THE] benefits accrued by a [OF ANY] member  
18 [ACCRUED TO DATE UNDER THE PLAN BY REASON OF CONTRIBUTIONS  
19 MADE] before the modification or amendment except to the extent that the reduction  
20 is permitted by art. XII, sec. 7, Constitution of the State of Alaska, and the Internal  
21 Revenue Code.

22 \* **Sec. 36.** AS 14.25.490(c) is amended to read:

23 (c) Subject to art. XII, sec. 7, Constitution of the State of Alaska, and the  
24 Internal Revenue Code, the [THE] state may [, IN ITS DISCRETION,] terminate the  
25 plan in whole or part [AT ANY TIME] without liability for the termination. If the plan  
26 is terminated, all investments at the time of termination remain in force until all  
27 individual accounts have been completely distributed under the plan. After [, AND,  
28 AFTER] all plan liabilities are satisfied, excess assets of the plan revert to the  
29 employer.

30 \* **Sec. 37.** AS 14.25.490(d) is repealed and reenacted to read:

31 (d) Within one year after determining that a contribution to the plan by an

1 employer was the result of a mistake of fact, the administrator shall return the  
2 contribution to the employer.

3 \* **Sec. 38.** AS 37.10.220(a) is amended to read:

4 (a) The board shall

5 (1) hold regular and special meetings at the call of the chair or of at  
6 least five members; meetings are open to the public, and the board shall keep a full  
7 record of all its proceedings;

8 (2) after reviewing recommendations from the Department of  
9 Revenue, adopt investment policies for each of the funds entrusted to the board,  
10 **including a policy to prevent each fund from having an unfunded liability greater**  
11 **than 10 percent;**

12 (3) determine the appropriate investment objectives for the defined  
13 benefit plans established under the teachers' retirement system under AS 14.25 and the  
14 public employees' retirement system under AS 39.35;

15 (4) assist in prescribing the policies for the proper operation of the  
16 systems and take other actions necessary to carry out the intent and purpose of the  
17 systems in accordance with AS 37.10.210 - 37.10.390;

18 (5) provide a range of investment options and establish the rules by  
19 which participants can direct their investments among those options with respect to  
20 accounts established under

21 (A) AS 14.25.340 - 14.25.350 (teachers' retirement system  
22 defined contribution individual accounts);

23 (B) AS 39.30.150 - 39.30.180 (State of Alaska Supplementary  
24 Annuity Plan);

25 (C) AS 39.35.730 - 39.35.750 (public employees' retirement  
26 system defined contribution individual accounts); and

27 (D) AS 39.45.010 - 39.45.060 (public employees' deferred  
28 compensation program);

29 (6) establish the rate of interest that shall be annually credited to each  
30 member's individual contribution account in accordance with AS 14.25.145 and  
31 AS 39.35.100 and the rate of interest that shall be annually credited to each member's

1 account in the health reimbursement arrangement plan under AS 39.30.300 -  
 2 39.30.495; the rate of interest shall be adopted on the basis of the probable effective  
 3 rate of interest on a long-term basis, and the rate may be changed from time to time;

4 (7) adopt a contribution surcharge as necessary under AS 39.35.160(c);

5 (8) coordinate with the retirement system administrator to have an  
 6 annual actuarial valuation of each retirement system prepared to determine system  
 7 assets, accrued liabilities, and funding ratios and to certify to the appropriate  
 8 budgetary authority of each employer in the system

9 (A) an appropriate contribution rate for normal costs; [AND]

10 (B) an appropriate contribution rate for liquidating any past  
 11 service liability; in this subparagraph, the appropriate contribution rate for  
 12 liquidating the past service liability of the defined benefit retirement plan under  
 13 AS 14.25.009 - 14.25.220 or the past service liability of the defined benefit  
 14 retirement plan under AS 39.35.095 - 39.35.680 must be [DETERMINED BY  
 15 A LEVEL PERCENT OF PAY METHOD] based on amortization of the past  
 16 service liability for a closed term of 25 years;

17 **(C) an appropriate monthly employer contribution under**  
 18 **AS 14.25.070 and AS 39.35.255; and**

19 **(D) appropriate adjustments, if any, under AS 14.25.050(e)**  
 20 **and AS 39.35.160(e);**

21 (9) review actuarial assumptions prepared and certified by a member  
 22 of the American Academy of Actuaries and conduct experience analyses of the  
 23 retirement systems not less than once every four years, except for health cost  
 24 assumptions, which shall be reviewed annually; the results of all actuarial assumptions  
 25 prepared under this paragraph shall be reviewed and certified by a second member of  
 26 the American Academy of Actuaries before presentation to the board;

27 (10) contract for an independent audit of the state's actuary not less  
 28 than once every four years;

29 (11) contract for an independent audit of the state's performance  
 30 consultant not less than once every four years;

31 (12) obtain an external performance review to evaluate the investment

1 policies of each fund entrusted to the board and report the results of the review to the  
2 appropriate fund fiduciary;

3 (13) by the first day of each regular legislative session, report to the  
4 governor, the legislature, and the individual employers participating in the state's  
5 retirement systems on the financial condition of the systems in regard to

6 (A) the valuation of trust fund assets and liabilities;

7 (B) current investment policies adopted by the board;

8 (C) a summary of assets held in trust listed by the categories of  
9 investment;

10 (D) the income and expenditures for the previous fiscal year;

11 (E) the return projections for the next calendar year;

12 (F) one-year, three-year, five-year, and 10-year investment  
13 performance for each of the funds entrusted to the board; and

14 (G) other statistical data necessary for a proper understanding  
15 of the financial status of the systems;

16 (14) submit quarterly updates of the investment performance reports to  
17 the Legislative Budget and Audit Committee;

18 (15) develop an annual operating budget; [AND]

19 (16) administer pension forfeitures required under AS 37.10.310 using  
20 the procedures of AS 44.62 (Administrative Procedure Act);

21 **(17) establish one or more sub-trusts of the pension fund to hold**  
22 **employer contributions deposited under AS 14.25.086 and AS 39.35.281,**  
23 **employee contributions, assets, and earnings attributable to members of the**  
24 **defined benefit retirement plan under AS 14.25.009 - 14.25.220 or the defined**  
25 **benefit retirement plan under AS 39.35.095 - 39.35.680 who first became**  
26 **members of the respective plan after June 30, 2006; and**

27 **(18) account for and track employer contributions, employee**  
28 **contributions, assets, and earnings in each trust fund or sub-trust attributable to**  
29 **members who first became members after June 30, 2006, of the defined benefit**  
30 **retirement plan under AS 14.25.009 - 14.25.220 and members who first became**  
31 **members after June 30, 2006, of the defined benefit retirement plan under**

1 AS 39.35.095 - 39.35.680; employer contributions that exceed those assigned to  
 2 members who first became members after June 30, 2006, of the defined benefit  
 3 retirement plan under AS 14.25.009 - 14.25.220 and members who first became  
 4 members after June 30, 2006, of the defined benefit retirement plan under  
 5 AS 39.35.095 - 39.35.680 shall be transferred or retained in trusts or sub-trusts  
 6 with liability allocated toward employer normal costs for members who became  
 7 members of the respective defined benefit retirement plan before July 1, 2026,  
 8 past service costs, the health reimbursement arrangement plan under  
 9 AS 39.30.300 - 39.30.495, and employer contributions under AS 14.25.350 and  
 10 AS 39.35.750.

11 \* **Sec. 39.** AS 37.10.220(b) is amended to read:

12 (b) The board may

13 (1) employ outside investment advisors to review investment policies;

14 (2) enter into an agreement with the fiduciary of another state fund in  
 15 order to assume the management and investment of those assets;

16 (3) contract for other services necessary to execute the board's powers  
 17 and duties;

18 (4) enter into confidentiality agreements that would exempt records  
 19 from AS 40.25.110 and 40.25.120 if the records contain information that could affect  
 20 the value of investment by the board or that could impair the ability of the board to  
 21 acquire, maintain, or dispose of investments;

22 (5) adjust the amount of the increase in benefits payable to a  
 23 member who first became a member after June 30, 2006, as provided under  
 24 AS 14.25.143 and AS 39.35.475;

25 (6) adjust contributions under AS 14.25.050(e) and  
 26 AS 39.35.160(e).

27 \* **Sec. 40.** AS 39.30.090(a) is amended to read:

28 (a) The Department of Administration may obtain a policy or policies of group  
 29 insurance covering state employees, persons entitled to coverage under AS 14.25.168,  
 30 14.25.171, 14.25.480, AS 22.25.090, AS 39.35.535, 39.35.537, 39.35.880, or former  
 31 AS 39.37.145, employees of other participating governmental units, or persons

1 entitled to coverage under AS 23.15.136, subject to the following conditions:

2 (1) a group insurance policy shall provide one or more of the following  
3 benefits: life insurance, accidental death and dismemberment insurance, weekly  
4 indemnity insurance, hospital expense insurance, surgical expense insurance, dental  
5 expense insurance, audiovisual insurance, or other medical care insurance;

6 (2) each eligible employee of the state, the spouse and the unmarried  
7 children chiefly dependent on the eligible employee for support, and each eligible  
8 employee of another participating governmental unit shall be covered by the group  
9 policy, unless exempt under regulations adopted by the commissioner of  
10 administration;

11 (3) a governmental unit may participate under a group policy if

12 (A) its governing body adopts a resolution authorizing  
13 participation and payment of required premiums;

14 (B) a certified copy of the resolution is filed with the  
15 Department of Administration; and

16 (C) the commissioner of administration approves the  
17 participation in writing;

18 (4) in procuring a policy of group health or group life insurance as  
19 provided under this section or excess loss insurance as provided in AS 39.30.091, the  
20 Department of Administration shall comply with the dual choice requirements of  
21 AS 21.86.310, and shall obtain the insurance policy from an insurer authorized to  
22 transact business in the state under AS 21.09, a hospital or medical service corporation  
23 authorized to transact business in this state under AS 21.87, or a health maintenance  
24 organization authorized to operate in this state under AS 21.86; an excess loss  
25 insurance policy may be obtained from a life or health insurer authorized to transact  
26 business in this state under AS 21.09 or from a hospital or medical service corporation  
27 authorized to transact business in this state under AS 21.87;

28 (5) the Department of Administration shall make available bid  
29 specifications for desired insurance benefits or for administration of benefit claims and  
30 payments to (A) all insurance carriers authorized to transact business in this state  
31 under AS 21.09 and all hospital or medical service corporations authorized to transact

1 business under AS 21.87 who are qualified to provide the desired benefits; and (B)  
2 insurance carriers authorized to transact business in this state under AS 21.09, hospital  
3 or medical service corporations authorized to transact business under AS 21.87, and  
4 third-party administrators licensed to transact business in this state and qualified to  
5 provide administrative services; the specifications shall be made available at least once  
6 every five years; the lowest responsible bid submitted by an insurance carrier, hospital  
7 or medical service corporation, or third-party administrator with adequate servicing  
8 facilities shall govern selection of a carrier, hospital or medical service corporation, or  
9 third-party administrator under this section or the selection of an insurance carrier or a  
10 hospital or medical service corporation to provide excess loss insurance as provided in  
11 AS 39.30.091;

12 (6) if the aggregate of dividends payable under the group insurance  
13 policy exceeds the governmental unit's share of the premium, the excess shall be  
14 applied by the governmental unit for the sole benefit of the employees;

15 (7) a person receiving benefits under AS 14.25.110, AS 22.25,  
16 AS 39.35, or former AS 39.37 may continue the life insurance coverage that was in  
17 effect under this section at the time of termination of employment with the state or  
18 participating governmental unit;

19 (8) a person electing to have insurance under (7) of this subsection  
20 shall pay the cost of this insurance;

21 (9) for each permanent part-time employee electing coverage under  
22 this section, the state shall contribute one-half the state contribution rate for permanent  
23 full-time state employees, and the permanent part-time employee shall contribute the  
24 other one-half;

25 (10) a person receiving benefits under AS 14.25, AS 22.25, AS 39.35,  
26 or former AS 39.37 may obtain auditory, visual, and dental insurance for that person  
27 and eligible dependents under this section; the level of coverage for persons over 65  
28 shall be the same as that available before reaching age 65 except that the benefits  
29 payable shall be supplemental to any benefits provided under the federal old age,  
30 survivors, and disability insurance program; a person electing to have insurance under  
31 this paragraph shall pay the cost of the insurance; the commissioner of administration

1 shall adopt regulations implementing this paragraph;

2 (11) a person receiving benefits under AS 14.25, AS 22.25, AS 39.35,  
3 or former AS 39.37 may obtain long-term care insurance for that person and eligible  
4 dependents under this section; a person who elects insurance under this paragraph  
5 shall pay the cost of the insurance premium; the commissioner of administration shall  
6 adopt regulations to implement this paragraph;

7 (12) each licensee holding a current operating agreement for a vending  
8 facility under AS 23.15.010 - 23.15.210 shall be covered by the group policy that  
9 applies to governmental units other than the state.

10 \* **Sec. 41.** AS 39.30.097(a) is amended to read:

11 (a) The commissioner of administration is authorized to prefund medical  
12 benefits provided by AS 14.25.168, 14.25.171, AS 22.25.090, [AND] AS 39.35.535,  
13 and 39.35.537 by establishing an irrevocable trust that is exempt from federal income  
14 tax under 26 U.S.C. 115 and subject to the applicable financial reporting, disclosure,  
15 and actuarial requirements of the Governmental Accounting Standards Board.

16 \* **Sec. 42.** AS 39.30.097(b) is amended to read:

17 (b) The commissioner of administration is authorized to prefund medical  
18 benefits provided by AS 14.25.480 [, AS 39.30.300,] and AS 39.35.880 by  
19 establishing an irrevocable trust that is exempt from federal income tax under 26  
20 U.S.C. 115 and subject to the applicable financial reporting, disclosure, and actuarial  
21 requirements of the Governmental Accounting Standards Board.

22 \* **Sec. 43.** AS 39.30.097 is amended by adding a new subsection to read:

23 (f) The commissioner of administration is authorized to prefund medical  
24 benefits provided by AS 39.30.300 by establishing an irrevocable trust that is exempt  
25 from federal income tax under 26 U.S.C. 115 and subject to the applicable financial  
26 reporting, disclosure, and actuarial requirements of the Governmental Accounting  
27 Standards Board.

28 \* **Sec. 44.** AS 39.30.300 is amended to read:

29 **Sec. 39.30.300. State of Alaska Teachers' and Public Employees' Retiree**  
30 **Health Reimbursement Arrangement Plan established.** The State of Alaska  
31 Teachers' and Public Employees' Retiree Health Reimbursement Arrangement Plan is

1 established for

2 **(1)** teachers who first become members of the [DEFINED  
3 CONTRIBUTION PLAN OF THE] teachers' retirement system under **AS 14.25.009 -**  
4 **14.25.590** [AS 14.25.310 - 14.25.590 ON OR] after **June 30, 2006** [JULY 1, 2006],  
5 and **teachers who elected under AS 14.25.540 to participate in the plan under**  
6 **AS 14.25.310 - 14.25.590; and**

7 **(2)** employees of the state, political subdivisions of the state, and  
8 public organizations of the state who first become members [OF THE DEFINED  
9 CONTRIBUTION PLAN] of the **public employees' retirement system (AS 39.35)**  
10 [PUBLIC EMPLOYEES' RETIREMENT SYSTEM UNDER AS 39.35.700 -  
11 39.35.990 ON OR] after **June 30, 2006, and employees of the state, political**  
12 **subdivisions of the state, and public organizations of the state who elected under**  
13 **AS 39.35.940 to participate in the plan established under AS 39.35.700 - 39.35.990**  
14 [JULY 1, 2006].

15 \* **Sec. 45.** AS 39.30.340 is amended to read:

16 **Sec. 39.30.340. Powers and duties of the administrator.** The administrator  
17 shall establish a teachers' and public employees' retiree health reimbursement  
18 arrangement plan trust fund **under AS 39.30.097(f)** in which the assets of the plan  
19 shall be deposited and held. [THE RETIREE HEALTH REIMBURSEMENT  
20 ARRANGEMENT PLAN TRUST FUND MAY BE A SUB-TRUST OF THE  
21 ALASKA RETIREE HEALTH CARE TRUST ESTABLISHED UNDER  
22 AS 39.30.097(b).] The administrator has the same powers and duties with regard to  
23 the plan and the trust fund as provided in AS 14.25.003 and 14.25.004.

24 \* **Sec. 46.** AS 39.30.370 is amended to read:

25 **Sec. 39.30.370. Contributions by employers. Except as required under (b)**  
26 **of this section, for** [FOR] each member of the plan, an employer shall contribute to  
27 the teachers' and public employees' retiree health reimbursement arrangement plan  
28 trust fund an amount equal to three percent of the average annual compensation of all  
29 employees of all employers in the teachers' retirement system and public employees'  
30 retirement system. [THE ADMINISTRATOR SHALL MAINTAIN A RECORD FOR  
31 EACH MEMBER TO ACCOUNT FOR EMPLOYER CONTRIBUTIONS ON

1 BEHALF OF THAT MEMBER. THE BOARD SHALL ESTABLISH BY  
 2 REGULATION THE RATE OF INTEREST TO BE APPLIED ANNUALLY TO  
 3 THE AMOUNT IN A MEMBER'S INDIVIDUAL ACCOUNT.]

4 \* **Sec. 47.** AS 39.30.370 is amended by adding new subsections to read:

5 (b) For each member of the plan who is a peace officer or firefighter, an  
 6 employer shall contribute to the teachers' and public employees' retiree health  
 7 reimbursement arrangement plan trust fund an amount equal to four percent of the  
 8 average annual compensation of all employees of all employers in the teachers'  
 9 retirement system and public employees' retirement system.

10 (c) The administrator shall maintain a record for each member to account for  
 11 employer contributions on behalf of that member. The board shall establish by  
 12 regulation the rate of interest to be applied annually to the amount in a member's  
 13 individual account.

14 (d) In this section, "peace officer" and "firefighter" have the meaning given in  
 15 AS 39.35.990.

16 \* **Sec. 48.** AS 39.30.380 is amended to read:

17 **Sec. 39.30.380. Termination of employment.** A person who terminates  
 18 employment before meeting the eligibility requirements of AS 14.25.171, 14.25.470,  
 19 AS 39.35.537, or 39.35.870 [AS 14.25.470 OR AS 39.35.870] loses any right to the  
 20 contributions made on behalf of the person to the teachers' and public employees'  
 21 retiree health reimbursement arrangement trust fund. If a person returns to  
 22 employment with a participating employer by December 31 of the year in which the  
 23 person reaches 65 years of age, the person's account balance shall be restored in the  
 24 amount recorded on the date of termination from the trust, adjusted for inflation at the  
 25 rate of the Consumer Price Index for Anchorage, Alaska. The earlier period of  
 26 employment with a participating employer shall be credited toward eligibility for  
 27 medical benefits.

28 \* **Sec. 49.** AS 39.30.390 is amended to read:

29 **Sec. 39.30.390. Eligibility and reimbursement.** Persons who meet the  
 30 eligibility requirements of AS 14.25.171, 14.25.470, AS 39.35.537, or 39.35.870  
 31 [AS 14.25.470 AND AS 39.35.870] are eligible for reimbursements from the

1 individual account established for a member under the plan [, EXCEPT MEMBERS  
2 DO NOT HAVE TO RETIRE DIRECTLY FROM THE SYSTEM]. A person who is  
3 the dependent child of an eligible member is eligible for reimbursements if the eligible  
4 member and surviving spouse have both died so long as the person meets the  
5 definition of dependent child.

6 \* **Sec. 50.** AS 39.30.400(a) is amended to read:

7 (a) The administrator may deduct the cost of monthly premiums from the  
8 individual account for retiree major medical insurance on behalf of an eligible person  
9 who elected retiree major medical insurance under AS 14.25.171, 14.25.480,  
10 AS 39.35.537, or 39.35.880 [AS 14.25.480 OR AS 39.35.880].

11 \* **Sec. 51.** AS 39.30.420(a) is amended to read:

12 (a) Subject to art. XII, sec. 7, Constitution of the State of Alaska, the  
13 [THE] state may [HAS THE RIGHT TO] amend the plan at any time and from time to  
14 time, in whole or in part, including the right to make retroactive amendments referred  
15 to in 26 U.S.C. 401(b).

16 \* **Sec. 52.** AS 39.30.420(b) is amended to read:

17 (b) The plan administrator may not modify or amend the plan retroactively [IN  
18 SUCH A MANNER AS] to reduce [THE] benefits accrued by a [OF ANY] member  
19 [ACCRUED TO DATE UNDER THE PLAN BY REASON OF CONTRIBUTIONS  
20 MADE] before the modification or amendment except to the extent that the reduction  
21 is permitted by art. XII, sec. 7, Constitution of the State of Alaska, and the Internal  
22 Revenue Code.

23 \* **Sec. 53.** AS 39.30.420(c) is amended to read:

24 (c) Subject to art. XII, sec. 7, Constitution of the State of Alaska, and the  
25 Internal Revenue Code, the [THE] state may [, IN ITS DISCRETION,] terminate the  
26 plan in whole or part [AT ANY TIME] without liability for the termination. If the plan  
27 is terminated, all investments at the time of termination remain in force until all  
28 individual accounts have been completely distributed under the plan. After [, AND,  
29 AFTER] all plan liabilities are satisfied, excess assets of the plan revert to the  
30 employer.

31 \* **Sec. 54.** AS 39.30.420(d) is repealed and reenacted to read:

1 (d) Within one year after determining that a contribution to the plan by an  
 2 employer was the result of a mistake of fact, the administrator shall return the  
 3 contribution to the employer.

4 \* **Sec. 55.** AS 39.30.495(5) is amended to read:

5 (5) "eligible person" means a person who meets the eligibility  
 6 requirements of AS 14.25.171, 14.25.470, AS 39.35.537, or 39.35.870 [AS 14.25.470  
 7 OR AS 39.35.870];

8 \* **Sec. 56.** AS 39.30.495(6) is amended to read:

9 (6) "employer" has the meaning given in AS 14.25.220 for employers  
 10 of teachers in the defined benefit retirement plan established in AS 14.25.009 -  
 11 14.25.220, has the meaning given in AS 14.25.590 for employers of teachers in the  
 12 defined contribution plan established in AS 14.25.310 - 14.25.590, has the meaning  
 13 given in AS 39.35.680 for employers of public employees in the defined benefit  
 14 retirement plan established in AS 39.35.095 - 39.35.680, and has the meaning given  
 15 in AS 39.35.990 for employers of public employees in the defined contribution plan  
 16 established in AS 39.35.700 - 39.35.990;

17 \* **Sec. 57.** AS 39.30.495(9) is amended to read:

18 (9) "member" means a member of the plan [DEFINED  
 19 CONTRIBUTION PLAN OF THE TEACHERS' RETIREMENT SYSTEM IN  
 20 AS 14.25.310 - 14.25.590 OR A MEMBER OF THE PUBLIC EMPLOYEES'  
 21 RETIREMENT SYSTEM IN AS 39.35.700 - 39.35.990];

22 \* **Sec. 58.** AS 39.35.095 is amended to read:

23 **Sec. 39.35.095. Applicability of AS 39.35.095 - 39.35.680.** The  
 24 [FOLLOWING] provisions of AS 39.35.095 - 39.35.680 [THIS CHAPTER] apply  
 25 only to members first hired

26 (1) before July 1, 2006, who have

27 (A) not elected under AS 39.35.940 to participate in the  
 28 defined contribution retirement plan under AS 39.35.700 - 39.35.990; or

29 (B) elected under AS 39.35.940 to participate in the defined  
 30 contribution retirement plan under AS 39.35.700 - 39.35.990 and are  
 31 former members of the defined contribution retirement plan under

**AS 39.35.700 - 39.35.990;**

**(2) after June 30, 2006, and before July 1, 2026, who are former members of the defined contribution retirement plan under AS 39.35.700 - 39.35.990; or**

**(3) on or after July 1, 2026** [: AS 39.35.095 - 39.35.680].

\* **Sec. 59.** AS 39.35.095 is amended by adding a new subsection to read:

(b) An employee who became a member of the system after June 30, 2006, and before July 1, 2026, or who has elected under AS 39.35.940 to participate in the defined contribution retirement plan under AS 39.35.700 - 39.35.990, is subject to AS 39.35.095 - 39.35.680 if the employee

(1) is not employed by an employer on July 1, 2026;

(2) is reemployed by an employer after July 1, 2026; and

(3) has, before the date of reemployment, received

(A) a distribution, other than a rollover distribution, of the entire balance in the member's individual account in the defined contribution retirement plan; or

(B) a rollover distribution of the entire balance in the member's individual account in the defined contribution retirement plan and has not within 180 days of reemployment had all or part of a direct rollover distribution from an eligible retirement plan owned by the member paid directly into the member's individual account.

\* **Sec. 60.** AS 39.35.100(b) is amended to read:

(b) An individual account shall be maintained for each employee to record the amount of the employee's mandatory contributions collected under **AS 39.35.160** [AS 39.35.160(a)]. As of the last day of each calendar year and of each fiscal year, this account shall be credited with interest by applying the prescribed rate of interest, as determined by the board, to the balance in the account as of that date. When the employee is appointed to retirement, the amount held in the individual account shall be used first to fully finance the benefits paid. Once this account has been exhausted, the plan shall fully finance the benefits paid that were not financed by the employee's individual account.

1 \* **Sec. 61.** AS 39.35 is amended by adding a new section to article 3 to read:

2 **Sec. 39.35.159. Election of defined benefit retirement plan by reemployed**  
3 **employees.** (a) An employee may make a one-time election to participate in the plan  
4 under AS 39.35.095 - 39.35.680 if the employee was first hired after June 30, 2006,  
5 and before July 1, 2026, and, if not employed by an employer on July 1, 2026, is  
6 reemployed by an employer after July 1, 2026, and, before the date of reemployment,

7 (1) has not received a distribution of the entire balance in the  
8 employee's individual account under the defined contribution retirement plan  
9 established in AS 39.35.700 - 39.35.990; or

10 (2) has received a rollover distribution of the entire balance in the  
11 member's individual account in the defined contribution retirement plan and has  
12 within 180 days of reemployment had all or part of a direct rollover distribution from  
13 an eligible retirement plan owned by the member paid directly into the member's  
14 individual account.

15 (b) An election under (a) of this section may be made not more than 180 days  
16 after the date of reemployment. A reemployed employee electing to participate under  
17 (a) of this section shall use the balance of the employee's individual account in the  
18 plan under AS 39.35.700 - 39.35.990, including any rollover contributions, to  
19 purchase credited service in the plan under AS 39.35.095 - 39.35.680. An election  
20 made under (a) of this section must be made in writing in the manner prescribed by the  
21 administrator. An election made by an employee who is married is not effective unless  
22 the election is signed by the employee's spouse. The administrator shall provide an  
23 employee who is eligible to make an election under (a) of this section with  
24 information about the potential consequences of the employee's election, including  
25 calculations to illustrate the effect of moving the employee's retirement plan from a  
26 defined contribution retirement plan to a defined benefit retirement plan.

27 (c) An election made under (a) of this section to participate in the plan under  
28 AS 39.35.095 - 39.35.680 is irrevocable. On the effective date of the election, an  
29 eligible employee shall be enrolled as a member of the plan, and the employee's  
30 participation in the plan shall be governed by the applicable provisions of the plan.  
31 The employee's enrollment in the plan is retroactive to the date of hire.

1           (d) When an eligible employee makes an election under this section to  
2 participate in the plan under AS 39.35.095 - 39.35.680, the administrator shall cause  
3 the total amount of the employee's employee and employer contributions to the plan  
4 under AS 39.35.700 - 39.35.990, with investment earnings and losses through the day  
5 of the employee's election to participate as a member in the plan under AS 39.35.095 -  
6 39.35.680, to be actuarially calculated and, subject to (f) of this section, transferred to  
7 the pension fund in the plan under AS 39.35.095 - 39.35.680. On the effective date of  
8 the employee's participation in the plan under AS 39.35.095 - 39.35.680, the employee  
9 shall be credited with service in the plan. The board shall determine the cost of the  
10 employee's actual service time based on the employee's accrued actuarial liability of  
11 pension benefits in the plan, and credit the employee with service time equal to the  
12 value actuarially calculated and transferred to the pension fund in the plan under  
13 AS 39.35.095 - 39.35.680. The board shall adopt regulations establishing transfer  
14 procedures. The transfer may not occur later than 60 days after the date the  
15 administrator receives the employee's election, unless the major financial markets for  
16 securities available for a transfer are seriously disrupted by an unforeseen event that  
17 also causes the suspension of trading on a national securities exchange in the country  
18 where the securities were issued; in that event, the 60-day period may be extended by  
19 a resolution of the board. A transfer is not commissionable or subject to a fee and may  
20 be in the form of cash or a security as determined by the board. The value of a security  
21 shall be assessed on the date the security is received in the employee's account.

22           (e) When making a transfer under (d) of this section or a transfer for a  
23 reemployed employee subject to the plan under AS 39.35.095(b), the administrator  
24 shall transfer

25                   (1) an amount equal to the decrease in the accrued actuarial liability of  
26 the death and disability trust in the plan under AS 39.35.700 - 39.35.990 resulting  
27 from the transfer as of the date of transfer, based on the most recent actuarial valuation  
28 of the death and disability trust, from the death and disability trust in the plan under  
29 AS 39.35.700 - 39.35.990 to the pension fund in the plan under AS 39.35.095 -  
30 39.35.680; and

31                   (2) an amount equal to the increase in the accrued actuarial liability of

1 the health care trust in the plan under AS 39.35.095 - 39.35.680 resulting from the  
2 transfer as of the date of transfer, based on the actuarial assumptions set out in (g) of  
3 this section, from the trust established under AS 39.30.097(b) for the prefunding of  
4 medical benefits provided by AS 39.35.880 to the trust established under  
5 AS 39.30.097(a) for the prefunding of medical benefits provided by AS 39.35.537.

6 (f) If the value actuarially calculated under (d) of this section is insufficient to  
7 pay for service credit equal to the employee's actual service, the administrator shall  
8 allow the employee the option of purchasing service credit in an amount up to the  
9 amount needed to eliminate the insufficiency; however, if that value exceeds the  
10 amount needed to pay for service credit equal to the employee's actual service, the  
11 administrator shall cause the excess to be paid to the employee as a rollover transfer  
12 either to an individual employee annuity account in the Department of Administration  
13 under the terms of AS 39.30.150 - 39.30.180 (State of Alaska Supplemental Annuity  
14 Plan) or, if the member's employer does not participate in the State of Alaska  
15 Supplemental Annuity Plan, to an eligible retirement plan as defined in  
16 AS 39.35.760(d). An excess may not be used to purchase additional service credit in  
17 the plan under AS 39.35.095 - 39.35.680. When a reemployed employee enters the  
18 plan under AS 39.35.095(b), the administrator shall allow the employee to pay for a  
19 period of service credit up to the employee's actual service. When an employee elects  
20 to purchase service credit under this section and does not immediately pay for the  
21 service credit purchased, an indebtedness is established. Interest as prescribed by  
22 regulation accrues on an employee's indebtedness. If the indebtedness exists when the  
23 employee is appointed to retirement, the administrator shall make a corresponding  
24 actuarial adjustment to the benefit payable to the employee for service in the defined  
25 contribution retirement plan.

26 (g) Actuarial assumptions about the plan under AS 39.35.095 - 39.35.680  
27 must be based on the most recent actuarial valuation of the plan, except that the  
28 retirement rates are computed at 25 percent of the retirement rates used in the most  
29 recent actuarial valuation of the pension fund for the plan plus 75 percent of the  
30 retirement rates used in the most recent actuarial valuation of the plan under  
31 AS 39.35.700 - 39.35.990.

1 (h) The provisions of this section are subject to the requirements of the  
 2 Internal Revenue Code and the limitations under AS 39.35.115, 39.35.678,  
 3 39.35.710(c) and (d), and 39.35.895. In this subsection, "Internal Revenue Code" has  
 4 the meaning given in AS 39.35.990.

5 \* **Sec. 62.** AS 39.35.160(a) is amended to read:

6 (a) **Subject to (e) of this section, beginning** [BEGINNING] January 1, 1987,  
 7 each peace officer or firefighter shall contribute to the plan an amount equal to seven  
 8 and one-half percent of the peace officer's or firefighter's compensation, **and, except** [  
 9 EXCEPT] as provided in **(d) - (e)** [(d)] of this section, beginning January 1, 1987,  
 10 each other employee shall contribute to the plan an amount equal to six and three-  
 11 quarters percent of the employee's compensation. [THE CONTRIBUTIONS SHALL  
 12 BE DEDUCTED BY THE EMPLOYER AT THE END OF EACH PAYROLL  
 13 PERIOD. THE CONTRIBUTIONS SHALL BE DEDUCTED FROM EMPLOYEE  
 14 COMPENSATION BEFORE COMPUTATION OF APPLICABLE FEDERAL  
 15 TAXES, AND THE CONTRIBUTIONS SHALL BE TREATED AS EMPLOYER  
 16 CONTRIBUTIONS UNDER 26 U.S.C. 414(h)(2). A MEMBER MAY NOT HAVE  
 17 THE OPTION OF MAKING THE PAYROLL DEDUCTION DIRECTLY INSTEAD  
 18 OF HAVING THE CONTRIBUTION PICKED UP BY THE EMPLOYER.]

19 \* **Sec. 63.** AS 39.35.160 is amended by adding new subsections to read:

20 (e) An employee who first participates in the plan after June 30, 2006, shall  
 21 contribute to the plan an amount equal to eight percent of the employee's  
 22 compensation. The board may, from time to time, adjust the employee contribution  
 23 under this subsection to an amount that,

24 (1) if decreased, is not less than eight percent of the employee's  
 25 compensation; and

26 (2) if increased, is not more than 12 percent of the employee's  
 27 compensation.

28 (f) Contributions under (a) and (e) of this section shall be deducted by the  
 29 employer at the end of each payroll period. The contributions shall be deducted from  
 30 employee compensation before computation of applicable federal taxes, and the  
 31 contributions shall be treated as employer contributions under 26 U.S.C. 414(h)(2). A

1 member may not have the option of making the payroll deduction directly instead of  
2 having the contribution picked up by the employer.

3 (g) The board shall increase the employee contribution under (e) of this  
4 section if the board determines that, unless the contribution is increased, the portion of  
5 the liability of the plan that is attributable to employees who first participate in the  
6 plan after June 30, 2006, will be funded below 90 percent. The board may not increase  
7 the employee contribution unless the board increases the employer contribution under  
8 AS 39.35.255(a)(2) by an equal amount. The board may decrease the contribution  
9 under (e) of this section if the board determines that, after the contribution is  
10 decreased, the portion of the liability of the plan that is attributable to all members  
11 who first became members of the plan after June 30, 2006, will be funded above 90  
12 percent. The board may not decrease the employee contribution unless the board  
13 decreases the employer contribution under AS 39.35.255(a)(2) by an equal amount.

14 (h) The board may not increase the employer contribution under  
15 AS 39.35.255(a) unless the board increases the member contribution under (e) of this  
16 section by a comparable amount.

17 \* **Sec. 64.** AS 39.35.165(a) is amended to read:

18 (a) An employee who is eligible to purchase credited service under  
19 **AS 39.35.159, 39.35.310** [AS 39.35.310], 39.35.330, 39.35.340, 39.35.342, 39.35.345,  
20 39.35.360, or 39.35.370, a member who is eligible to purchase credited service under  
21 AS 39.35.375, or an elected public official who is eligible to purchase credited service  
22 under AS 39.35.381 is an employee for purposes of this section. An employee may, in  
23 lieu of making payments directly to the plan, elect to have the employee's employer  
24 make payments as provided in this section.

25 \* **Sec. 65.** AS 39.35.165(b) is amended to read:

26 (b) An employee may elect to have the employer make payments for all or any  
27 portion of the amounts payable for the employee's purchase of credited service  
28 through a salary reduction program as follows:

29 (1) the amounts paid under a salary reduction program are in lieu of  
30 contributions by the employee making the election; the electing employee's salary or  
31 other compensation shall be reduced by the amount paid by the employer under this

1 subsection;

2 (2) the employee shall make an irrevocable election under this section  
 3 to purchase credited service as permitted in AS 39.35.159, 39.35.310 [AS 39.35.310],  
 4 39.35.330, 39.35.340, 39.35.342, 39.35.345, 39.35.360, 39.35.370, 39.35.375, or  
 5 39.35.381 and before the employee's termination of employment; the irrevocable  
 6 election must specify the number of payroll periods that deductions will be made from  
 7 the employee's compensation and the dollar amount of deductions for each payroll  
 8 period during the specified number of payroll periods; the deductions made under this  
 9 paragraph cease upon the earlier of the member's termination of employment with the  
 10 employer or the member's death; amounts paid by an employer under (f) of this  
 11 section may not be applied toward the payment of the dollar amount of the deductions  
 12 representing the portion of the credited service that is being purchased by the member  
 13 through payroll deduction in accordance with the member's irrevocable election under  
 14 this subsection;

15 (3) amounts paid by an employer under this subsection shall be treated  
 16 as employer contributions for the purpose of determining tax treatment under the  
 17 Internal Revenue Code; the amounts paid by the employer under this section may not  
 18 be included in the member's gross income for income tax purposes until those amounts  
 19 are distributed by refund or retirement benefit payments.

20 \* **Sec. 66.** AS 39.35.165(g) is amended to read:

21 (g) Payments made under this section shall be applied to reduce the  
 22 employee's outstanding indebtedness described in AS 39.35.159, 39.35.310  
 23 [AS 39.35.310], 39.35.330, 39.35.340, 39.35.342, 39.35.345, 39.35.360, 39.35.370,  
 24 39.35.375, or 39.35.381 at the time that the contributions are received by the plan.

25 \* **Sec. 67.** AS 39.35.165(i) is amended to read:

26 (i) On satisfaction of the eligibility requirements of AS 39.35.159, 39.35.310  
 27 [AS 39.35.310], 39.35.330, 39.35.340, 39.35.341, 39.35.345, 39.35.360, 39.35.370,  
 28 39.35.375, or 39.35.381, the requirements of this section, and the administrative filing  
 29 requirements specified by the commissioner, the plan shall adjust the employee's  
 30 credited service history and add any additional service credits acquired.

31 \* **Sec. 68.** AS 39.35.255(a) is amended to read:

1 (a) Each employer, except as provided in (h) of this section, shall contribute to  
2 the system every payroll period **the lesser of**

3 **(1)** an amount calculated by applying a rate of 22 percent of the greater  
4 of the total of all base salaries

5 **(A)** [(1)] paid by the employer to employees who are active  
6 members of the system, including any adjustments to contributions required by  
7 AS 39.35.520; or

8 **(B)** [(2)] paid by the employer to employees who were active  
9 members of the system during the corresponding payroll period for the fiscal  
10 year ending

11 **(i)** [(A)] June 30, 2008; or

12 **(ii)** [(B)] June 30, 2012, if that total is less than the total  
13 under **(i) of this subparagraph** [(A) OF THIS PARAGRAPH], and the  
14 employer is a municipality in which the population decreased by more  
15 than 25 percent between 2000 and 2010, according to the decennial  
16 census conducted by the United States Bureau of the Census; **or**

17 **(2) an amount calculated by applying a rate established by the**  
18 **board under AS 37.10.220 to the total of all base salaries paid by the employer to**  
19 **active members of the system; the rate must be at least 12 percent and be**  
20 **sufficient to pay the actuarially determined employer normal cost, all**  
21 **contributions required under AS 39.30.370 and AS 39.35.750, and past service**  
22 **cost for members of the system.**

23 \* **Sec. 69.** AS 39.35.255 is amended by adding a new subsection to read:

24 (j) If the legislature appropriates funds for the purpose of decreasing an  
25 employer's contribution, the employer's contribution under (a) of this section shall  
26 decrease by that amount.

27 \* **Sec. 70.** AS 39.35 is amended by adding a new section to read:

28 **Sec. 39.35.281. Sub-trust for members who first became members after**  
29 **June 30, 2006.** The administrator shall deposit a portion of employer contributions  
30 under AS 39.35.255 and 39.35.280 in a sub-trust of the retirement fund established by  
31 the board for members who first became members after June 30, 2006. The amount

1 deposited, when combined with the amount separately computed for medical benefits  
 2 under AS 39.35.282, must be sufficient to pay the actuarially determined employer  
 3 normal cost and past service cost for members of the system who first became  
 4 members after June 30, 2006. When the amount sufficient to pay the actuarially  
 5 determined employer normal cost, all contributions required under AS 39.30.370 and  
 6 AS 39.35.750, and past service cost for members of the system is less than 12 percent  
 7 of all base salaries paid to active members of the system, the administrator shall  
 8 deposit the difference in the sub-trust established under this section.

9 \* **Sec. 71.** AS 39.35.282 is amended to read:

10 **Sec. 39.35.282. Contributions for medical benefits.** Contributions made by  
 11 an employer under AS 39.35.255 and 39.35.280 must [SHALL] be separately  
 12 computed for benefits provided by AS 39.35.535 and retiree major medical  
 13 insurance plan benefits provided under AS 39.35.537, and must [SHALL] be  
 14 deposited in the Alaska retiree health care trust established under AS 39.30.097(a).

15 \* **Sec. 72.** AS 39.35.340(i) is amended to read:

16 (i) Notwithstanding (d) of this section, a member who retires as a peace officer  
 17 or firefighter may elect to use five or fewer years of credited service granted under this  
 18 section in computing years of credited service under AS 39.35.535(c) or 39.35.537.  
 19 When eligibility for credited service for military service has been established and an  
 20 election under this subsection has been made, an indebtedness in addition to the  
 21 indebtedness determined under (b) of this section shall be determined for each year of  
 22 military service used under this subsection, in an amount based on the increase, if any,  
 23 in the present value of future benefits for that year as determined by the department.

24 \* **Sec. 73.** AS 39.35.345(d) is amended to read:

25 (d) An employee may choose whether the credited service granted under this  
 26 section is used to satisfy the credited service requirements for normal retirement under  
 27 AS 39.35.370(a)(1)(B) or (C), 39.35.370(a)(2)(B), (C), or (D), [AS 39.35.370(a)(2)  
 28 OR (3)] or 39.35.385(f) or is only used for the calculation of benefits. An election  
 29 under this subsection is irrevocable and applies to all temporary credited service that  
 30 the employee has accrued when the employee retires. An election under this  
 31 subsection does not change the date that an employee is considered to have

1 commenced participation in the plan under AS 39.35.120.

2 \* **Sec. 74.** AS 39.35.370(a) is amended to read:

3 (a) Subject to AS 39.35.450, a terminated employee

4 **(1) who first became a member before July 1, 2006,** is eligible for a  
5 normal retirement benefit

6 **(A) [(1)]** at age 60 with at least five years **of** credited service;

7 **(B) [(2)]** with at least 20 years of credited service as a peace  
8 officer or firefighter; or

9 **(C) [(3)]** with at least 30 years of credited service;

10 **(2) who first became a member after June 30, 2006, is eligible for a**  
11 **normal retirement benefit**

12 **(A) at age 60 with at least five years of credited service;**

13 **(B) at age 55 with at least 20 years of credited service as a**  
14 **peace officer or firefighter;**

15 **(C) at age 50 with at least 25 years of credited service as a**  
16 **peace officer or firefighter; or**

17 **(D) with at least 30 years of credited service** [FOR ALL  
18 OTHER EMPLOYEES].

19 \* **Sec. 75.** AS 39.35.381(e) is amended to read:

20 (e) A person who retires under this section is not entitled to disability or death  
21 benefits under AS 39.35.400 - 39.35.440, a minimum benefit under AS 39.35.485, or  
22 to medical benefits under AS 39.35.535 **or 39.35.537**. Service earned under this  
23 section may not be used for vesting under AS 39.35.095 - 39.35.680.

24 \* **Sec. 76.** AS 39.35.475(b) is amended to read:

25 (b) **Subject to (g) and (h) of this section, the** [THE] increase in benefit  
26 payments applies to total benefit payments except for the cost-of-living allowance  
27 under AS 39.35.480. The amount of the increase is a percentage of the current benefit  
28 equal to

29 (1) the lesser of 75 percent of the increase in the cost of living in the  
30 preceding calendar year or nine percent, for recipients who on July 1 are at least 65  
31 years old and for members receiving disability benefits; and

1 (2) the lesser of 50 percent of the increase in the cost of living in the  
 2 preceding calendar year or six percent, for recipients who on July 1 are at least 60 but  
 3 less than 65 years old or for recipients who are less than 60 years old on July 1 but  
 4 who have received benefits from the plan for at least five years.

5 \* **Sec. 77.** AS 39.35.475 is amended by adding a new subsection to read:

6 (g) Subject to (h) of this section, the amount of an increase for members who  
 7 first became members of the plan after June 30, 2006, and do not meet the eligibility  
 8 requirements for a permanent fund dividend under AS 43.23.005(a) in effect on July 1,  
 9 2025, is equal to one-half of the applicable percentage under (b) of this section.

10 (h) If the board determines that the portion of the liability of the plan that is  
 11 attributable to all members who first became members of the plan after June 30, 2006,  
 12 is funded below 90 percent, the board shall reduce the amount of the increase  
 13 determined under (b) or (g) of this section that is payable to a member who first  
 14 became a member after June 30, 2006. At any time, the board may terminate a  
 15 reduction made under this subsection.

16 \* **Sec. 78.** AS 39.35.480(a) is amended to read:

17 (a) While residing in the state, a person **who first became a member of the**  
 18 **plan before July 1, 2006, who is** receiving a benefit under AS 39.35.095 - 39.35.680,  
 19 **and** who is 65 years of age or older or **a person who first became a member of the**  
 20 **plan before July 1, 2006, and** who is receiving a disability benefit is entitled to  
 21 receive a monthly cost-of-living allowance in addition to the basic benefit. The  
 22 amount of this allowance shall be \$50 or 10 percent of the basic benefit, whichever is  
 23 greater.

24 \* **Sec. 79.** AS 39.35.535(a) is amended to read:

25 (a) Except as provided in (d) **and (g)** of this section, the following persons are  
 26 entitled to major medical insurance coverage under this section:

27 (1) for employees first hired before July 1, 1986,

28 (A) an employee who is receiving a monthly benefit from the  
 29 plan and who has elected coverage;

30 (B) the spouse and dependent children of the employee  
 31 described in (A) of this paragraph;

1 (C) the surviving spouse of a deceased employee who is  
2 receiving a monthly benefit from the plan and who has elected coverage;

3 (D) the dependent children of a deceased employee who are  
4 dependent on the surviving spouse described in (C) of this paragraph;

5 (2) for members first hired [ON OR] after **June 30** [JULY 1], 1986,

6 (A) an employee who is receiving a monthly benefit from the  
7 plan and who has elected coverage for the employee;

8 (B) the spouse of the employee described in (A) of this  
9 paragraph if the employee elected coverage for the spouse;

10 (C) the dependent children of the employee described in (A) of  
11 this paragraph if the employee elected coverage for the dependent children;

12 (D) the surviving spouse of a deceased employee who is  
13 receiving a monthly benefit from the plan and who has elected coverage;

14 (E) the dependent children of a deceased employee who are  
15 dependent on the surviving spouse described in (D) of this paragraph if the  
16 surviving spouse has elected coverage for the dependent children.

17 \* **Sec. 80.** AS 39.35.535(c) is amended to read:

18 (c) A benefit recipient **who became a member before July 1, 2006, or the**  
19 **surviving spouse of the member** may elect major medical insurance coverage in  
20 accordance with regulations and under the following conditions:

21 (1) a person, other than a disabled member or a disabled member who  
22 is appointed to normal retirement, **shall** [MUST] pay an amount equal to the full  
23 monthly group premium for retiree major medical insurance coverage if the person is

24 (A) younger than 60 years of age and has less than

25 (i) 25 years of credited service as a peace officer under  
26 AS 39.35.360 and 39.35.370; or

27 (ii) 30 years of credited service under AS 39.35.360 and  
28 39.35.370 that is not service as a peace officer; or

29 (B) of any age and has less than 10 years of credited service;

30 (2) a person is not required to make premium payments for retiree  
31 major medical coverage if the person

- 1 (A) is a disabled member;
- 2 (B) is a disabled member who is appointed to normal  
3 retirement;
- 4 (C) is 60 years of age or older and has at least 10 years of  
5 credited service; or
- 6 (D) has at least
- 7 (i) 25 years of credited service as a peace officer under  
8 AS 39.35.360 and 39.35.370; or
- 9 (ii) 30 years of credited service under AS 39.35.360 and  
10 39.35.370 not as a peace officer.

11 \* **Sec. 81.** AS 39.35.535 is amended by adding a new subsection to read:

12 (g) A benefit recipient who first became a member after June 30, 2006, or a  
13 surviving spouse who is eligible under AS 39.35.537(b), is not eligible for benefits  
14 under this section but may elect medical benefits under AS 39.35.537.

15 \* **Sec. 82.** AS 39.35 is amended by adding a new section to read:

16 **Sec. 39.35.537. Medical benefit; eligibility of employees first hired after**  
17 **June 30, 2006; surviving spouses and dependents.** (a) An employee who first  
18 became a member of the plan after June 30, 2006, receives a monthly benefit from the  
19 plan, retired from the plan, and has elected benefits under this section is entitled to  
20 medical benefits under this section. A member who applies for medical benefits under  
21 this section shall apply on the forms and in the manner prescribed by the  
22 administrator. A member is eligible to retire from the plan if the member

23 (1) is at least 50 years of age and has at least 20 years of membership  
24 service as a peace officer or firefighter;

25 (2) has at least 25 years of membership; or

26 (3) reaches the age set for Medicare eligibility and has at least 10 years  
27 of membership service.

28 (b) The member's surviving spouse is eligible to elect medical benefits if the  
29 member had retired or was eligible for retirement and medical benefits at the time of  
30 the member's death.

31 (c) The medical benefits available to eligible persons are access to the retiree

1 major medical insurance plan and access to the health reimbursement arrangement  
2 plan under AS 39.30.300. Access to the retiree major medical insurance plan means  
3 that an eligible person may not be denied insurance coverage except for failure to pay  
4 the required premium.

5 (d) Retiree major medical insurance plan coverage elected by an eligible  
6 member under this section covers the eligible member, the spouse of the eligible  
7 member, and the dependent children of the eligible member.

8 (e) Retiree major medical insurance plan coverage elected by a surviving  
9 spouse of an eligible member under this section covers the surviving spouse and the  
10 dependent children of the eligible member who are dependent on the surviving spouse.

11 (f) Participation in the retiree major medical insurance plan is not required in  
12 order to participate in the health reimbursement arrangement plan.

13 (g) A person eligible for medical benefits under this section is not required to  
14 participate in the health reimbursement arrangement plan in order to participate in the  
15 retiree major medical insurance plan.

16 (h) A person who is eligible for medical benefits under this section must make  
17 the irrevocable election to participate or not participate in the retiree major medical  
18 insurance plan on or before the date the person reaches 70 1/2 years of age or when the  
19 person applies for retirement and medical benefits, whichever is later.

20 (i) Major medical insurance coverage takes effect on the first day of the month  
21 following the date of the administrator's approval of the election and stops when the  
22 person who elects coverage dies or fails to make a required premium payment.

23 (j) The coverage for persons 65 years of age or older is the same as that  
24 available for persons under 65 years of age. The benefits payable to those persons 65  
25 years of age or older supplement any benefits provided under the federal old age,  
26 survivors, and disability insurance program.

27 (k) The medical and optional insurance premiums owed by the person who  
28 elects coverage may be deducted from the health reimbursement arrangement plan. If  
29 the amount of the health reimbursement arrangement plan becomes insufficient to pay  
30 the premiums, the person who elects coverage under (a) of this section shall pay the  
31 premiums directly.

1 (l) The cost of premiums for retiree major medical insurance coverage under  
2 this section for an eligible member or surviving spouse who is

3 (1) not eligible for Medicare is an amount equal to the full monthly  
4 group premiums for retiree major medical insurance coverage;

5 (2) eligible for Medicare is the following percentage of the premium  
6 amounts established for retirees who are eligible for Medicare:

7 (A) 30 percent if the member had 10 or more, but less than 15,  
8 years of service;

9 (B) 25 percent if the member had 15 or more, but less than 20,  
10 years of service;

11 (C) 20 percent if the member had 20 or more, but less than 25,  
12 years of service;

13 (D) 15 percent if the member had 25 or more, but less than 30,  
14 years of service;

15 (E) 10 percent if the member had 30 or more years of service.

16 (m) The eligibility for retiree major medical insurance coverage for an  
17 alternate payee under a qualified domestic relations order shall be determined based  
18 on the eligibility of the member to elect coverage. The alternate payee shall pay the  
19 full monthly premium for retiree major medical insurance coverage.

20 (n) The administrator shall

21 (1) inform a person entitled to retiree major medical insurance  
22 coverage under this section in writing

23 (A) that the health insurance coverage available to retired  
24 members may be different from the health insurance coverage provided to  
25 employees;

26 (B) of time limits for selecting optional health insurance  
27 coverage; and

28 (C) whether the election is irrevocable; and

29 (2) require that a person entitled to retiree major medical insurance  
30 coverage under this section indicate in writing on a form provided by the administrator  
31 whether the person has chosen to receive optional health insurance coverage.

1 (o) The monthly group premiums for retiree major medical insurance coverage  
 2 under this section are established by the administrator in accordance with  
 3 AS 39.30.095. Nothing in this chapter guarantees a person who elects coverage under  
 4 (a) of this section a monthly group premium rate for retiree major medical insurance  
 5 coverage other than the premium in effect for the month in which the premium is due  
 6 for coverage for that month.

7 (p) In this section, "health reimbursement arrangement plan" means the State  
 8 of Alaska Teachers' and Public Employees' Retiree Health Reimbursement  
 9 Arrangement Plan established in AS 39.30.300.

10 \* **Sec. 83.** AS 39.35.610(a) is amended to read:

11 (a) The contributions of an employer and the contributions of its employees  
 12 shall be transmitted to the administrator as soon as practicable after the close of the  
 13 payroll period for which the contributions are made. Subject to (c) of this section, if an  
 14 employer is delinquent in transferring the contributions for more than 15 days, interest  
 15 shall be assessed on the outstanding contributions at [ONE AND ONE-HALF TIMES]  
 16 the most recent actuarially determined rate of earnings for the retirement plan from the  
 17 date that the contributions were originally due.

18 \* **Sec. 84.** AS 39.35.680(4) is amended to read:

19 (4) "average monthly compensation" means the result obtained by  
 20 dividing the compensation earned by an employee during a considered period by the  
 21 number of months, including fractional months, for which compensation was earned;  
 22 an employee must have at least 115 days of credited service in the last payroll year in  
 23 order for that year to be used as part of the consecutive payroll years; the considered  
 24 period consists of

25 (A) for employees first hired before July 1, 1996, the three  
 26 consecutive payroll years during the period of credited service that yield the  
 27 highest average;

28 (B) for employees first hired [ON OR] after **June 30** [JULY 1],  
 29 1996, the five consecutive payroll years during the period of credited service  
 30 that yield the highest average;

31 (C) if the employee does not have the number of consecutive

1 payroll years required by (A) or (B) of this paragraph, the actual number of  
2 months, including fractional months, that the employee worked;

3 (D) for an employee who has made an election under  
4 AS 39.35.300(c) or 39.35.310(c), the actual number of months, including  
5 fractional months, that the employee worked;

6 (E) for a peace officer or firefighter hired **before July 1, 2006**  
7 [AT ANY TIME], the three consecutive payroll years during the period of  
8 credited service that yield the highest average;

9 \* **Sec. 85.** AS 39.35.680(18) is amended to read:

10 (18) "employer" means

11 (A) the State of Alaska;

12 (B) a political subdivision or public organization of the state  
13 that participates in the plan based on a resolution to participate in the plan that  
14 was approved by the administrator [ON OR BEFORE JULY 1, 2006]; or

15 (C) a political subdivision or public organization of the state  
16 that, as a result of consolidation or reorganization [THAT OCCURS ON OR  
17 AFTER JULY 1, 2006], assumes liability under the plan of a political  
18 subdivision or public organization described in (B) of this paragraph;

19 \* **Sec. 86.** AS 39.35.680 is amended by adding a new paragraph to read:

20 (44) "first became a member after June 30, 2006" and "first became a  
21 member of the plan after June 30, 2006" include a member who elected under  
22 AS 39.35.940 to participate in the plan under AS 39.35.700 - 39.35.990 and who  
23 elects to participate in the defined benefit retirement plan under AS 39.35.095 -  
24 39.35.680.

25 \* **Sec. 87.** AS 39.35.700 is amended to read:

26 **Sec. 39.35.700. Applicability of AS 39.35.700 - 39.35.990.** The provisions of  
27 AS 39.35.700 - 39.35.990 apply only to

28 **(1) members first hired [ON OR] after June 30, 2006, and before**  
29 **July 1, 2026, who do not participate in a defined benefit retirement plan under**  
30 **AS 14.25.009 - 14.25.220 or AS 39.35.095 - 39.35.680; and**

31 **(2) [JULY 1, 2006, TO] members [WHO ARE EMPLOYED BY**

1 EMPLOYERS THAT DO NOT PARTICIPATE IN THE DEFINED BENEFIT  
 2 RETIREMENT PLAN ESTABLISHED UNDER AS 39.35.095 - 39.35.680, TO  
 3 FORMER MEMBERS AS DEFINED IN AS 39.35.680, OR TO MEMBERS] who  
 4 **transferred** [TRANSFER] into the defined contribution retirement plan under  
 5 AS 39.35.940 **and do not elect to participate in the defined benefit retirement plan**  
 6 **under AS 39.35.095 - 39.35.680.**

7 \* **Sec. 88.** AS 39.35.700 is amended by adding a new subsection to read:

8 (b) A public organization as defined in AS 39.35.680 or a municipality or  
 9 other political subdivision of the state that participates in the plan shall also participate  
 10 in the defined benefit retirement plan under AS 39.35.095 - 39.35.680.

11 \* **Sec. 89.** AS 39.35.720 is amended to read:

12 **Sec. 39.35.720. Membership.** An employee who becomes a member [ON OR]  
 13 after **June 30, 2006, and before July 1, 2026, who does not participate in a defined**  
 14 **benefit retirement plan under AS 14.25.009 - 14.25.220 or AS 39.35.095 -**  
 15 **39.35.680** [JULY 1, 2006,] shall participate in the plan set out in AS 39.35.700 -  
 16 39.35.990.

17 \* **Sec. 90.** AS 39.35.870(a) is amended to read:

18 (a) In order to obtain medical benefits under AS 39.35.880, an active member  
 19 must retire [DIRECTLY] from the plan. A member is eligible to retire from the plan if  
 20 [THE MEMBER HAS BEEN AN ACTIVE MEMBER FOR AT LEAST 12  
 21 MONTHS BEFORE APPLICATION FOR RETIREMENT AND]

22 (1) the member has at least **20** [25] years of membership service as a  
 23 peace officer or firefighter or at least **25** [30] years of membership service for all other  
 24 employees; or

25 (2) the member reaches the normal retirement age and has at least 10  
 26 years of membership service.

27 \* **Sec. 91.** AS 39.35.895(a) is amended to read:

28 (a) **Subject to art. XII, sec. 7, Constitution of the State of Alaska, the**  
 29 [THE] state **may** [HAS THE RIGHT TO] amend the plan at any time and from time to  
 30 time, in whole or in part, including the right to make retroactive amendments referred  
 31 to in 26 U.S.C. 401(b).

1 \* **Sec. 92.** AS 39.35.895(b) is amended to read:

2 (b) The plan administrator may not modify or amend the plan retroactively [IN  
3 SUCH A MANNER AS] to reduce [THE] benefits **accrued by a** [OF ANY] member  
4 [ACCRUED TO DATE UNDER THE PLAN BY REASON OF CONTRIBUTIONS  
5 MADE] before the modification or amendment except to the extent that the reduction  
6 is permitted by **art. XII, sec. 7, Constitution of the State of Alaska, and** the Internal  
7 Revenue Code.

8 \* **Sec. 93.** AS 39.35.895(c) is amended to read:

9 (c) **Subject to art. XII, sec. 7, Constitution of the State of Alaska, and the**  
10 **Internal Revenue Code, the** [THE] state may [, IN ITS DISCRETION,] terminate the  
11 plan in whole or part [AT ANY TIME] without liability for the termination. If the plan  
12 is terminated, all investments **at the time of termination** remain in force until all  
13 individual accounts have been completely distributed under the plan. **After** [, AND,  
14 AFTER] all plan liabilities are satisfied, excess assets **of the plan** revert to the  
15 employer.

16 \* **Sec. 94.** AS 39.35.895(d) is repealed and reenacted to read:

17 (d) Within one year after determining that a contribution to the plan by an  
18 employer was the result of a mistake of fact, the administrator shall return the  
19 contribution to the employer.

20 \* **Sec. 95.** AS 14.25.012(c) and 14.25.061 are repealed.

21 \* **Sec. 96.** The uncodified law of the State of Alaska is amended by adding a new section to  
22 read:

23 TRANSITION: RETIREMENT PLAN ELECTION. (a) A teacher who became a  
24 member of the defined contribution retirement plan of the teachers' retirement system after  
25 June 30, 2006, and before July 1, 2026, and who, on July 1, 2026, is a member employed by  
26 an employer in the defined contribution retirement plan of the teachers' retirement system  
27 may, before January 1, 2027, make a one-time election to participate in the defined benefit  
28 retirement plan and to transfer all contributions that have been made or should be made to the  
29 defined contribution retirement plan for service the member completes before the effective  
30 date of the member's participation in the defined benefit retirement plan. The transferred  
31 contributions shall be used to purchase credited service in the defined benefit retirement plan

1 on an actuarial equivalent basis determined by the Alaska Retirement Management Board  
2 established under AS 37.10.210. The provisions of AS 14.25.044 apply to an election made  
3 under this subsection.

4 (b) An employee who became a member of the defined contribution retirement plan  
5 of the public employees' retirement system after June 30, 2006, and before July 1, 2026, and  
6 who, on July 1, 2026, is a member employed by an employer in the defined contribution  
7 retirement plan of the public employees' retirement system may, before January 1, 2027, make  
8 a one-time election to participate in the defined benefit retirement plan under AS 39.35.095 -  
9 39.35.680 and to transfer all contributions that have been made or should be made to the  
10 defined contribution retirement plan for service the member completes before the effective  
11 date of the member's participation in the defined benefit retirement plan. The transferred  
12 contributions shall be used to purchase credited service in the defined benefit retirement plan  
13 on an actuarial equivalent basis determined by the Alaska Retirement Management Board  
14 established under AS 37.10.210. The provisions of AS 39.35.159 apply to an election made  
15 under this subsection.

16 \* **Sec. 97.** The uncodified law of the State of Alaska is amended by adding a new section to  
17 read:

18 **ADOPTION OF REGULATIONS.** (a) The Alaska Retirement Management Board  
19 may adopt regulations necessary to implement secs. 38 and 39 of this Act. Regulations  
20 adopted by the Alaska Retirement Management Board under this Act relate to the internal  
21 management of a state agency and are not subject to AS 44.62 (Administrative Procedure Act)  
22 under AS 37.10.240.

23 (b) The commissioner of administration may adopt regulations necessary to  
24 implement secs. 1 - 37 and 40 - 96 of this Act. Regulations adopted by the commissioner of  
25 administration under this Act relate to the internal management of a state agency and are not  
26 subject to AS 44.62 (Administrative Procedure Act) under AS 14.25.005, AS 39.30.098, and  
27 AS 39.35.005.

28 (c) Regulations adopted under this section may not take effect before the effective  
29 date of the law being implemented by the regulation.

**HOUSE BILL NO. 152**

IN THE LEGISLATURE OF THE STATE OF ALASKA  
THIRTY-FOURTH LEGISLATURE - FIRST SESSION

**BY REPRESENTATIVES GALVIN, Mina, Himschoot**

**Introduced: 3/24/25**

**Referred: State Affairs, Finance**

**A BILL**

**FOR AN ACT ENTITLED**

1 **"An Act establishing an education tax on the income of individuals, partners,**  
2 **shareholders in S corporations, trusts, and estates; repealing tax credits applied against**  
3 **the tax on individuals under the Alaska Net Income Tax Act; and providing for an**  
4 **effective date."**

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

6 \* **Section 1.** AS 43.05.045(a) is amended to read:

7 (a) **Except as provided in AS 43.22.075(h), unless** [UNLESS] an exemption  
8 is granted under (b) of this section, a taxpayer required to submit a return or report for  
9 a tax levied under this title or for any other tax administered by the department shall  
10 submit the return or report electronically in a format prescribed by the department.  
11 Failure to comply with this section may result in a civil penalty under  
12 AS 43.05.220(f). If a law under this title requires a report or return or a portion of a  
13 report or return to be in writing, an electronically filed report or return satisfies this  
14 section. A taxpayer shall submit attachments to a report or return required under this

1 title electronically.

2 \* **Sec. 2.** AS 43 is amended by adding a new chapter to read:

3 **Chapter 22. Education Tax.**

4 **Sec. 43.22.010. Education tax on individuals.** (a) Each calendar year or  
5 fraction of a calendar year, a tax is imposed on the income of a

6 (1) resident individual, trust, or estate;

7 (2) nonresident individual, trust, or estate that is derived from or  
8 connected with a source in the state.

9 (b) The tax under this section is four percent of taxable income over \$150,000  
10 for an individual who files a separate federal income tax return or four percent of  
11 taxable income over \$300,000 for individuals who file a joint federal income tax  
12 return.

13 (c) Two individuals who file a joint federal income tax return when both or  
14 one of whom is not a resident may elect to determine the tax imposed by this chapter  
15 either

16 (1) individually; or

17 (2) jointly as if both individuals were residents; the income of the  
18 individuals filing jointly under this paragraph is not subject to the calculation under  
19 AS 43.22.015.

20 (d) In addition to the tax under (a) - (c) of this section, each individual who  
21 has wages, net earnings from self-employment, or combined wages and net earnings  
22 from self-employment in the state shall pay an annual tax of \$150. In this subsection,  
23 "net earnings from self-employment" has the meaning given in 26 U.S.C. 1402.

24 **Sec. 43.22.015. Calculation of tax on a nonresident individual.** (a) Except as  
25 otherwise provided in (b) of this section, the tax on a nonresident individual is the  
26 product of

27 (1) the tax determined under AS 43.22.010(b) on the nonresident  
28 individual's taxable income computed as if the nonresident individual were a resident  
29 individual but taking a deduction under AS 43.22.030(b)(2); and

30 (2) a fraction, the

31 (A) numerator of which is the nonresident individual's income

1 taxable under AS 43.22.045; and

2 (B) denominator of which is the nonresident individual's  
3 taxable income computed as if the nonresident individual were a resident  
4 individual.

5 (b) If a nonresident individual's taxable income computed under (a)(2)(B) of  
6 this section is less than the nonresident individual's income taxable under (a)(2)(A) of  
7 this section, the tax imposed by this chapter is on the nonresident individual's taxable  
8 income as computed under AS 43.22.045.

9 **Sec. 43.22.020. Tax on trusts and estates.** (a) A tax is imposed for each  
10 taxable year or portion of a taxable year on the taxable income of a resident or  
11 nonresident trust or estate. The tax under this section for a trust or estate is \$150 plus  
12 four percent of taxable income over \$150,000.

13 (b) In this section, the taxable income of a nonresident trust or estate is the  
14 income of the trust or estate that is derived from or connected with a source in the  
15 state.

16 (c) A trust is not subject to tax under this chapter if

17 (1) all of the trustees of the trust are nonresidents;

18 (2) the entire corpus of the trust, including real, tangible, and  
19 intangible property, is located outside the state; and

20 (3) no income or gains of the trust are derived from or connected with  
21 a source in the state.

22 (d) For purposes of (c)(1) of this section, a trustee that is a nonresident  
23 banking corporation at the time the banking corporation becomes a trustee is a  
24 nonresident trustee even if the banking corporation later becomes a resident trustee  
25 because it is acquired by or becomes an office or branch of a resident trustee.

26 (e) A trust that is exempt from federal income tax because of its purpose or  
27 activities is not subject to tax under this chapter.

28 (f) A special needs trust or other trust established to provide solely for the  
29 housing, living expenses, or medical care of a disabled beneficiary is not subject to tax  
30 under this chapter. In this subsection,

31 (1) "disabled beneficiary" means an individual who has

1 (A) a physical or mental impairment that substantially limits  
2 one or more major life activities; or

3 (B) a condition that may require the use of a prosthesis, special  
4 equipment for mobility, or a service animal;

5 (2) "special needs trust" has the meaning given in AS 13.36.215(b).

6 **Sec. 43.22.025. Credit for taxes imposed by other jurisdictions.** (a) A  
7 resident individual, trust, or estate or part-year resident individual, trust, or estate is  
8 allowed a credit against the tax due under this chapter for an income tax that was  
9 imposed on the resident or part-year resident for the taxable year by another state or  
10 the political subdivision of another state on income derived from or connected with  
11 that state or political subdivision.

12 (b) A credit allowed under (a) of this section

13 (1) for a resident individual, trust, or estate may not exceed the  
14 individual's, trust's, or estate's tax due under this chapter before credits are applied,  
15 multiplied by a fraction, the numerator of which is the portion of the individual's,  
16 trust's, or estate's taxable income that is derived from or connected with a source in  
17 another state or the political subdivision of another state and the denominator of which  
18 is the resident individual's, trust's, or estate's taxable income;

19 (2) for a part-year resident individual, trust, or estate may not exceed  
20 the individual's, trust's, or estate's tax due for the period of state residency before  
21 credits are applied, multiplied by a fraction, the numerator of which is the individual's,  
22 trust's, or estate's taxable income derived from or connected with a source in another  
23 state or the political subdivision of another state during the period of state residency  
24 and the denominator of which is the part-year resident individual's, trust's, or estate's  
25 taxable income during the period of state residency;

26 (3) may not reduce the tax due under this chapter to less than the tax  
27 that would have been due if the income derived from or connected with a source in  
28 another state or the political subdivision of another state and subject to taxation by the  
29 other state or political subdivision had been excluded from the resident or part-year  
30 resident individual's, trust's, or estate's taxable income during the calculation of tax  
31 under this chapter before the application of credits.

1 (c) If the tax administration of another state or a political subdivision of  
 2 another state determines that a taxpayer has overpaid tax, affecting the computation of  
 3 the credit allowed under this section for any taxable year, the taxpayer shall file an  
 4 amended return with the department not later than 90 days after the final determination  
 5 by the state or political subdivision that the tax was overpaid. The department may  
 6 assess a taxpayer additional tax, proportional to the amount overpaid in the other state  
 7 or political subdivision.

8 (d) A taxpayer is not allowed a credit under this section for taxes paid to  
 9 another jurisdiction if the taxpayer claims a credit against the income tax imposed by  
 10 the other jurisdiction for the tax payable under this chapter.

11 (e) Income tax imposed on a partner or the shareholder of an S corporation on  
 12 the income of the partnership or S corporation, including tax paid by the partnership or  
 13 S corporation to satisfy the tax liability of the partner or shareholder, may be included  
 14 in the calculation of a credit under this section. Tax imposed on the partnership or S  
 15 corporation that is the direct liability of the partnership or S corporation and not that of  
 16 the partner or shareholder may not be included in the calculation of a credit under this  
 17 section.

18 **Sec. 43.22.030. Taxable income; general rule.** (a) In this chapter, taxable  
 19 income is the taxpayer's federal adjusted gross income for the taxable year

20 (1) plus, if not already included in federal adjusted gross income,

21 (A) interest on obligations of another state, a political  
 22 subdivision of another state, the public instrumentality of another state, or the  
 23 local authority of another state;

24 (B) a loss on the sale or exchange of an obligation issued by or  
 25 on behalf of

26 (i) the state;

27 (ii) a municipality of the state; or

28 (iii) a public instrumentality, public authority, or public  
 29 corporation created under state law;

30 (C) a loss from the sale or exchange of shares in a unit  
 31 investment trust if the loss is attributable to an obligation issued by or on

1 behalf of

2 (i) the state;

3 (ii) a municipality of the state; or

4 (iii) a public instrumentality, public authority, or public  
5 corporation created under state law;

6 (D) interest or dividends on obligations or securities issued by  
7 the United States, or an authority, commission, or instrumentality of the United  
8 States, that the Internal Revenue Code exempts from federal income tax;

9 (E) taxes under this chapter;

10 (F) a gain realized but not recognized under 26 U.S.C. 1031  
11 (Internal Revenue Code);

12 (G) a deduction allowed in the determination of federal  
13 adjusted gross income that is directly or indirectly related to income that is not  
14 taxable under this chapter; and

15 (H) income of an incomplete gift nongrantor trust to which a  
16 taxpayer transferred property, less deductions of the trust, if

17 (i) the income and deductions of the trust would be  
18 taken into account in computing the taxpayer's federal taxable income  
19 if the trust in its entirety was treated as a grantor trust under the Internal  
20 Revenue Code;

21 (ii) the trust is a resident trust;

22 (iii) the trust does not qualify as a grantor trust under 26  
23 U.S.C. 671 - 679 (Internal Revenue Code); and

24 (iv) the grantor's transfer of assets to the trust is treated  
25 as an incomplete gift under 26 U.S.C. 2511 (Internal Revenue Code);

26 (2) minus, if included in federal adjusted gross income,

27 (A) interest income or a dividend from an obligation that is  
28 exempt from taxation by a state under federal law;

29 (B) a refund or credit for the overpayment of an income tax;

30 (C) an ordinary and necessary expense, including an interest  
31 expense, paid or incurred during the taxable year, that is directly or indirectly

1 related to income exempt under the Internal Revenue Code but taxable by the  
2 state;

3 (D) a gain recognized under 26 U.S.C. 1031 (Internal Revenue  
4 Code) that was included in federal adjusted gross income under (1) of this  
5 subsection;

6 (E) income exempt under 4 U.S.C. 114;

7 (F) compensation prohibited from state taxation by 50 U.S.C.  
8 3901 - 4043 (Servicemembers Civil Relief Act);

9 (G) a gain from the sale or exchange of an obligation issued by  
10 or on behalf of

11 (i) the state;

12 (ii) a municipality of the state; or

13 (iii) a public instrumentality, public authority, or public  
14 corporation created under state law;

15 (H) a permanent fund dividend received by the taxpayer or the  
16 taxpayer's dependent under AS 43.23.

17 (b) In addition to the adjustments made to taxable income under (a) of this  
18 section, a taxpayer may receive a standard deduction. Subject to adjustment under (d)  
19 of this section, the deduction under this subsection for

20 (1) an individual resident taxpayer is \$12,950;

21 (2) an individual resident who files federal income taxes as a head of  
22 household is \$19,400;

23 (3) two resident taxpayers filing jointly is \$25,900;

24 (4) an individual nonresident is the product of \$12,950 and a fraction,  
25 the numerator of which is the nonresident individual's income taxable under  
26 AS 43.22.045, computed without the deduction under this subsection, and the  
27 denominator of which is the nonresident individual's taxable income computed as if  
28 the nonresident individual were a resident individual and without the deduction under  
29 this subsection; the deduction under this paragraph may not exceed \$12,950 for each  
30 exemption claimed;

31 (5) an individual nonresident who files federal income taxes as a head

1 of household is the product of \$19,400 and a fraction, the numerator of which is the  
 2 nonresident individual's income taxable under AS 43.22.045, computed without the  
 3 deduction under this subsection, and the denominator of which is the nonresident  
 4 individual's taxable income computed as if the nonresident individual were a resident  
 5 individual and without the deduction under this subsection; the deduction under this  
 6 paragraph may not exceed \$19,400 for each exemption claimed;

7 (6) two nonresident individuals filing jointly is the product of \$25,900  
 8 and a fraction, the numerator of which is the nonresident individuals' income taxable  
 9 under AS 43.22.045, computed without the deduction under this subsection, and the  
 10 denominator of which is the nonresident individuals' taxable income computed as if  
 11 the nonresident individuals were resident individuals and without the deduction under  
 12 this subsection; the deduction under this paragraph may not exceed \$25,900 for each  
 13 exemption claimed.

14 (c) The deduction under (b) of this section may not

15 (1) be claimed by a trust;

16 (2) reduce a taxpayer's tax liability under this chapter to below zero.

17 (d) Each year, the department shall adjust the amounts of the standard  
 18 deduction under (b) of this section for inflation. The adjustment for inflation is equal  
 19 to the adjustment for inflation calculated for the standard deduction against the federal  
 20 income tax as set out in 26 U.S.C. 63.

21 (e) When calculating taxable income, a taxpayer

22 (1) may not carry back a net operating loss under 26 U.S.C.  
 23 172(b)(1)(A)(i) (Internal Revenue Code);

24 (2) may carry over a net operating loss under 26 U.S.C.  
 25 172(b)(1)(A)(ii) (Internal Revenue Code), except that a loss may not be carried over  
 26 for more than five years; for a taxpayer subject to AS 43.19 (Multistate Tax Compact),  
 27 the amount of a net operating loss allowed to be carried over is limited to the amount  
 28 apportioned to the state in the taxable year in which the loss was generated under  
 29 AS 43.19 (Multistate Tax Compact);

30 (3) shall include the modifications required by AS 43.20.144(b)(2),  
 31 concerning intangible drilling and development costs, AS 43.20.144(b)(3), concerning

1 percentage depletion, and AS 43.20.144(b)(4), concerning depreciation.

2 **Sec. 43.22.035. Taxable income from partnerships and S corporations.** (a)

3 A partner or shareholder shall make an adjustment described in AS 43.22.030 to  
4 income or a gain, loss, or deduction from a partnership or S corporation in proportion  
5 to a partner's distributive share of a partnership or a shareholder's pro rata share of an  
6 S corporation. If a partner's distributive share or a shareholder's pro rata share of an  
7 adjustment is not required to be accounted for separately for federal income tax  
8 purposes, the partner's or shareholder's share of the adjustment must be determined in  
9 proportion to the partner's or shareholder's share of partnership or S corporation  
10 income or losses for federal income tax purposes.

11 (b) In determining taxable income, a partner or shareholder shall treat income  
12 or a gain, loss, or deduction from a partnership or S corporation as if it has the same  
13 character as it does for federal income tax purposes. If income or a gain, loss, or  
14 deduction from a partnership or S corporation is not accounted for separately for  
15 federal income tax purposes, a partner or shareholder shall treat the income, gain, loss,  
16 or deduction as if it were realized directly from the source from which it was realized  
17 by the partnership or S corporation or incurred in the same manner it was incurred by  
18 the partnership or S corporation.

19 (c) If the principal purpose of a special allocation of partnership income or a  
20 gain, loss, or deduction is the evasion of tax under this chapter, the partner's  
21 distributive share is determined as if the partnership agreement did not have the  
22 special allocation. In this subsection, "special allocation" means an allocation of the  
23 distributive share of partnership income or a gain, loss, or deduction made under the  
24 partnership agreement to a partner in a proportion different than the partner's  
25 partnership interest.

26 **Sec. 43.22.040. Taxable income of an estate, trust, or beneficiary.** (a) The

27 taxable income of an estate or trust is determined as if the estate or trust were an  
28 individual and is subject to adjustments under AS 43.22.030 and reduction under 26  
29 U.S.C. 661 (Internal Revenue Code). The department may establish in regulation the  
30 method for determining the taxable income of an estate or trust, including the manner  
31 in which the adjustments under AS 43.22.030 will be allocated between the estate's or

1 trust's taxable share and a beneficiary's distributive share. Unless otherwise provided  
 2 by the department in regulation, an allocation must be made in proportion to the  
 3 estate's or trust's taxable share or the beneficiary's distributive share of the trust or  
 4 estate for federal income tax purposes.

5 (b) If the principal purpose of a provision of an instrument directing the  
 6 distribution of income or a gain, loss, or deduction of an estate or trust is the evasion  
 7 of tax under this chapter, the taxable income of the estate, trust, or beneficiary will be  
 8 determined as if the instrument did not contain the provision.

9 **Sec. 43.22.045. Nonresident individuals; income derived from or**  
 10 **connected with a source in the state.** (a) The taxable income of a nonresident  
 11 individual is the nonresident individual's income derived from or connected with a  
 12 source in the state, as adjusted under AS 43.22.030. The taxable income of a  
 13 nonresident individual includes

14 (1) a partner's distributive share of income or a gain, loss, or deduction  
 15 of the partnership, as determined under AS 43.22.050;

16 (2) a shareholder's pro rata share of an S corporation's income or loss,  
 17 increased by the reductions for taxes described in 26 U.S.C. 1366(f)(2) and (3)  
 18 (Internal Revenue Code), as determined under AS 43.22.050;

19 (3) income or loss of a business conducted by a nonresident individual,  
 20 nonresident estate, or nonresident trust, other than income or loss from a partnership or  
 21 S corporation, as determined under AS 43.22.050;

22 (4) estate or trust income or a gain, loss, or deduction of the estate or  
 23 trust, as determined under AS 43.22.055;

24 (5) income or a gain, loss, or deduction from the sale or assignment of  
 25 a beneficial interest, or other disposition of an interest in tangible personal property in  
 26 the state, or rental income or loss from the use of tangible personal property in the  
 27 state; if the income, gain, loss, or deduction is from tangible personal property used or  
 28 employed both in and outside the state, the amount included in taxable income is  
 29 determined by multiplying the income, gain, loss, or deduction by a fraction, the  
 30 numerator of which is the number of days during which the property was used or  
 31 employed to earn, accrue, or incur the income, gain, loss, or deduction in the state and

1 the denominator of which is the total number of days during the taxable year that the  
 2 property was used or employed to earn, accrue, or incur the income, gain, loss, or  
 3 deduction;

4 (6) income or a gain, loss, or deduction from the sale, assignment, or  
 5 other disposition of an interest in real property in the state, or rental income or loss  
 6 from the use of real property in the state, including the percentage of ordinary and  
 7 capital gains received from a real estate investment trust, as defined in 26 U.S.C. 856  
 8 (Internal Revenue Code), that is attributable to rents from or sale or other disposition  
 9 of real property located in the state; in this paragraph, income or a gain, loss, or  
 10 deduction from the sale, assignment of a beneficial interest, or other disposition of real  
 11 property in the state includes income or a gain, loss, or deduction derived from the sale  
 12 or assignment of a beneficial interest in a partnership, S corporation, nonpublicly  
 13 traded C corporation with 100 or fewer shareholders, estate, or trust, if the entity owns  
 14 real property in the state that has a fair market value equal to or exceeding 50 percent  
 15 of all assets of the entity on the date of sale, assignment, or other disposition of the  
 16 taxpayer's interest in the entity; for purposes of this paragraph,

17 (A) only assets owned for at least two years before the date of  
 18 the sale, assignment, or other disposition of an interest in the entity shall be  
 19 used to determine the fair market value of all of the assets of the entity on the  
 20 date of sale, assignment, or other disposition; and

21 (B) the amount of income or a gain, loss, or deduction derived  
 22 from or connected with a source in the state from the sale, assignment, or other  
 23 disposition of an interest in an entity that is subject to the provisions of this  
 24 paragraph is the amount recognized for federal income tax purposes related to  
 25 the sale, assignment, or disposition, multiplied by a fraction, the numerator of  
 26 which is the fair market value of the real property located in the state on the  
 27 date of sale, assignment, or disposition and the denominator of which is the fair  
 28 market value of all of the assets of the entity on the date of the sale,  
 29 assignment, or disposition;

30 (7) compensation, salary, or wages for personal services rendered or  
 31 performed in the state that are derived from a business, trade, profession, occupation,

1 or employment carried on in the state; for purposes of this paragraph, personal  
2 services

3 (A) except as otherwise provided in (B) of this paragraph,  
4 include services performed

5 (i) in connection with presenting or receiving  
6 employment-related training or education in the state;

7 (ii) in connection with a site inspection, review,  
8 analysis, or management or any other supervision of a facility located  
9 in the state;

10 (iii) in connection with research and development at a  
11 facility located in the state or in connection with the installation of new  
12 or upgraded equipment or systems at that facility;

13 (iv) as part of a project team working on the attraction  
14 or implementation of new investment in a facility located or planned to  
15 be located in the state;

16 (v) in connection with fishing, farming, or agriculture in  
17 the state; or

18 (vi) for the federal government;

19 (B) do not include services that are casual, isolated,  
20 inconsequential, or ancillary to out-of-state services;

21 (8) income derived from a business, trade, profession, occupation, or  
22 employment carried on in the state, including income

23 (A) received under a covenant not to compete, a severance  
24 agreement, a termination agreement, or unemployment compensation  
25 insurance attributable to a business, trade, profession, occupation, or  
26 employment previously carried on in the state, regardless of when received;

27 (B) derived from a business, trade, profession, occupation, or  
28 employment carried on in the state by an individual who maintains or operates  
29 an office, shop, store, warehouse, boat, plane, factory, agency, or other place  
30 where the individual's affairs are systematically and regularly carried on,  
31 regardless of other transactions carried on outside the state; this subparagraph

1 does not include income from an activity of an individual whose presence in  
2 the state is casual, isolated, inconsequential, or ancillary to out-of-state  
3 activities, except that, if a business, trade, profession, occupation, or  
4 employment is carried on partly in and partly outside the state, other than for  
5 the rendering of purely personal services by the individual, the taxable income  
6 derived from or connected with a source in the state is determined under  
7 AS 43.19 (Multistate Tax Compact) and AS 43.22.030;

8 (9) income from the management or investment function or activities  
9 conducted in the state from intangible property;

10 (10) dividends, interest, payments received under an annuity, gains, or  
11 other intangible income received from, or attributable to, intangible personal property,  
12 including stock, bonds, notes, bank deposits, or annuities, if the intangible personal  
13 property is employed in a business, trade, profession, occupation, or employment  
14 carried on in the state;

15 (11) a gain derived from a statutory stock option, restricted stock,  
16 nonstatutory stock option, or stock appreciation right by a nonresident individual who,  
17 at the time the gain is received, performs services in the state for or is employed in the  
18 state by the corporation granting the option, stock, or right, as determined in  
19 regulations adopted by the department;

20 (12) income from nonqualified deferred compensation plans  
21 attributable to services performed in the state, including compensation included in  
22 federal gross income under 26 U.S.C. 457A (Internal Revenue Code);

23 (13) proceeds from a gambling activity conducted in the state or lottery  
24 tickets purchased in the state, including payments received from a third party for the  
25 transfer of the rights to future proceeds related to a gambling activity in the state or  
26 lottery tickets purchased in the state;

27 (14) for an S corporation that terminates its taxable status in the state  
28 during the tax year, income or a gain recognized on the receipt of payments from an  
29 installment sale contract entered into at the time the S corporation was subject to tax in  
30 the state, allocated in a manner consistent with the applicable methods and rules under  
31 this chapter;

1 (15) royalties or other compensation received for the use of a patent,  
2 copyright, secret process or formula, good will, mark, trade brand, franchise, or other  
3 property having a taxable or business situs in the state;

4 (16) royalties or other compensation received for the use of a patent if  
5 the patent is employed in production, fabrication, manufacturing, or other process in  
6 the state;

7 (17) income or a gain from the disposition of an asset if the  
8 acquisition, management, or disposition of the asset constitutes an integral part of the  
9 nonresident individual's regular trade or business operation;

10 (18) income from the transmission, broadcast, distribution, or  
11 dissemination of a service directly or indirectly attributable to the performance in the  
12 state of an athlete, entertainer, singer, musician, dancer, comedian, magician,  
13 performing artist, actor, actress, or similar person, including syndication fees.

14 (b) A deduction included in taxable income that results from a capital loss,  
15 passive activity loss, or net operating loss must be based solely on income or a gain,  
16 loss, or deduction derived from or connected with a source in the state. A nonresident  
17 individual shall treat a deduction under this subsection in the same manner as the  
18 corresponding federal deduction, unless the department requires otherwise in  
19 regulation.

20 **Sec. 43.22.050. Business conducted by a nonresident individual, trust, or**  
21 **estate; income derived from or connected with a source in the state.** (a) The  
22 department shall adopt regulations governing the amount of income or the amount of a  
23 gain, loss, or deduction from a business conducted by a nonresident individual, trust,  
24 or estate that is derived from or connected with a source in the state for purposes of  
25 determining taxable income. Regulations adopted under this subsection must be  
26 consistent with AS 43.19 (Multistate Tax Compact) and AS 43.22.045 and include  
27 adjustments under AS 43.22.030.

28 (b) The department shall adopt regulations governing the amount of income or  
29 the amount of a gain, loss, or deduction that is derived from or connected with a  
30 source in the state and is included in a nonresident

31 (1) partner's distributive share for purposes of taxation under this

1 chapter;

2 (2) shareholder's pro-rata share of an S corporation for purposes of  
3 taxation under this chapter.

4 (c) The department may by regulation require a taxpayer to allocate rather  
5 than apportion income or a gain, loss, or deduction under this section.

6 **Sec. 43.22.055. Nonresident trust, estate, or beneficiary; income derived**  
7 **from or connected with a source in the state.** (a) The department shall adopt  
8 regulations governing whether income or a gain, loss, or deduction of a nonresident  
9 estate or nonresident trust is included in taxable income derived from or connected  
10 with a source in the state. Regulations adopted under this subsection must be  
11 consistent with the remainder of this section and AS 43.22.045.

12 (b) A nonresident beneficiary shall include in taxable income derived from or  
13 connected with a source in the state a distribution from an estate or trust as if the  
14 nonresident beneficiary earned or incurred the income or a gain, loss, or deduction  
15 attributable to the distribution directly from the source. For purposes of this  
16 subsection, the department may establish one or more methods for a nonresident  
17 beneficiary to determine whether income or a gain, loss, or deduction is attributable to  
18 a distribution. The department shall consistently apply a method from year to year and  
19 apply the same method to other nonresident beneficiaries of the same trust or estate.  
20 Nothing in this subsection requires the department to give effect to a provision of an  
21 instrument creating an estate or trust if the department reasonably believes that the  
22 principal purpose of the provision is to evade the tax imposed under this chapter.

23 **Sec. 43.22.060. Part-year resident individual, trust, or estate; residency**  
24 **income; income derived from or connected with a source in the state.** (a) Except as  
25 otherwise provided in this section, the taxable income of a part-year resident  
26 individual, trust, or estate is the sum of

27 (1) the taxable income of the part-year resident individual, trust, or  
28 estate during the period of residency; and

29 (2) the taxable income derived from or connected with a source in the  
30 state for the period of nonresidency of the individual, trust, or estate.

31 (b) The department shall adopt regulations to determine the taxable income of

1 a part-year resident taxpayer who is granted a statutory stock option, restricted stock,  
 2 nonstatutory stock option, or a stock appreciation right and who, during the grant  
 3 period, performs services in the state for, or is employed in the state by, the  
 4 corporation granting the option, stock, or right.

5 **Sec. 43.22.065. Personal service corporations and S corporations formed**  
 6 **or used to evade tax.** (a) The department may allocate all income, deductions, credits,  
 7 exclusions, and other allowances between a personal service corporation or S  
 8 corporation and its employee-owners if the

9 (1) personal service corporation or S corporation performs  
 10 substantially all of its services for or on behalf of another corporation, partnership, or  
 11 other entity and the effect is the evasion of the tax under this chapter; and

12 (2) allocation is necessary to reflect the source and amount of the  
 13 income, regardless of whether the corporation is otherwise taxable.

14 (b) For purposes of this section, evasion of the tax under this chapter occurs  
 15 when a personal service corporation or S corporation is used to

16 (1) reduce the taxable income of a resident or the taxable income of a  
 17 nonresident derived from or connected with a source in the state; or

18 (2) secure the benefit of an expense, deduction, credit, exclusion, or  
 19 other allowance for any employee-owner that would not otherwise apply under this  
 20 chapter.

21 (c) The constructive ownership of stock rules under 26 U.S.C. 318 (Internal  
 22 Revenue Code) apply to this section, except that "5 percent" shall be substituted for  
 23 "50 percent" in 26 U.S.C. 318(a)(2)(C) (Internal Revenue Code).

24 (d) In this section, all persons specified in 26 U.S.C. 267(b) (Internal Revenue  
 25 Code) shall be treated as one entity.

26 (e) In this section,

27 (1) "employee-owner" means any employee who owns, on any day  
 28 during the taxable year, more than 10 percent of the outstanding stock of a personal  
 29 service corporation or S corporation;

30 (2) "personal service corporation" means a corporation whose principal  
 31 activity is the performance of personal services that are substantially performed by the

1 employee-owners of the corporation.

2 **Sec. 43.22.070. Determination of taxable year and method of accounting.**

3 (a) For purposes of the tax imposed under this chapter, a taxpayer's

4 (1) taxable year is the same as the taxpayer's taxable year for federal  
5 income tax purposes; and

6 (2) method of accounting is the same as the taxpayer's method of  
7 accounting for federal income tax purposes.

8 (b) The department shall adopt regulations to determine the taxable income of  
9 a taxpayer whose method of accounting changes during a taxable year or between  
10 taxable years.

11 **Sec. 43.22.075. Returns and payment of taxes.** (a) A taxpayer shall file with  
12 the department a return setting out

13 (1) the amount of tax due under this chapter; and

14 (2) other information necessary to carry out this chapter, as required by  
15 the department in regulation.

16 (b) A person required to file a return under this chapter shall file the return on  
17 a form or in a format prescribed by the department. The return is due to the department  
18 at the same time and in the same manner, including extensions, as the taxpayer's  
19 federal income tax return to the United States Internal Revenue Service. A return filed  
20 under this chapter must be made under oath and on penalty of perjury.

21 (c) The total amount of tax imposed by this chapter is due and payable to the  
22 department at the same time and in the same manner as the federal individual income  
23 tax payable to the United States Internal Revenue Service.

24 (d) A taxpayer, upon request by the department, shall furnish to the  
25 department a true and correct copy of a return that the taxpayer has filed with the  
26 United States Internal Revenue Service.

27 (e) A taxpayer shall notify the department in writing of an alteration in, or  
28 modification of, the taxpayer's federal income tax return and of a recomputation of tax  
29 or determination of deficiency, whether with or without assessment. A full statement  
30 of the facts must accompany the notice. A taxpayer shall file the notice not later than  
31 60 days after the final determination of the alteration, modification, recomputation, or

1 deficiency and shall pay any additional tax due under this chapter at that time. In this  
 2 subsection, "final determination" means the time that an amended federal return is  
 3 filed, a notice of deficiency or an assessment is mailed to the taxpayer by the Internal  
 4 Revenue Service, and the taxpayer has exhausted rights of appeal under federal law.

5 (f) The department may credit or refund overpayments of taxes, taxes  
 6 erroneously or illegally assessed or collected, penalties collected without authority,  
 7 and taxes that are found unjustly assessed or excessive in amount, or otherwise  
 8 wrongfully collected. The department shall, in regulation, set limitations, specify the  
 9 manner in which claims for credits or refunds are made, and give notice of allowance  
 10 or disallowance. When a refund is allowed to a taxpayer, the refund may be paid out  
 11 of the general fund on a warrant issued under a voucher approved by the department.

12 (g) A partnership, S corporation, estate, or trust shall provide to its partners,  
 13 beneficiaries, or shareholders, and to the department, all information necessary for its  
 14 partners, beneficiaries, and shareholders to comply with this chapter.

15 (h) An individual is not required to file a return under this section  
 16 electronically, but a person employed to prepare and file a tax return under this section  
 17 for an individual shall file the return for that individual electronically.

18 (i) The department shall adopt regulations that set out requirements for a  
 19 spouse, upon request, to be partially or fully relieved from joint and several liability  
 20 resulting from the joint filing of a tax return.

21 **Sec. 43.22.080. Tax withholding on wages of individuals.** (a) Every  
 22 employer making payment of wages or salaries

23 (1) shall, except as provided in (c) of this section, deduct and withhold  
 24 an amount of tax computed in a manner to approximate the amount of tax due on those  
 25 wages and salaries under this chapter for that taxable year;

26 (2) shall remit the tax withheld to the department accompanied by a  
 27 return on a form prescribed by the department at the times required by the department  
 28 by regulation;

29 (3) is liable for the payment of the tax required to be deducted and  
 30 withheld under this section but is not liable to any individual for the amount of the  
 31 payment; and

1 (4) shall furnish to an employee on or before January 31 of the  
 2 succeeding year, or within 30 days after a request by the employee after an employee's  
 3 or individual's termination if the 30-day period ends before January 31, a written  
 4 statement on a form prescribed by the department showing

5 (A) the name and taxpayer identification number of the  
 6 employer;

7 (B) the name and social security number of the employee;

8 (C) the total amount of wages and salary for the taxable year;  
 9 and

10 (D) the total amount deducted and withheld as tax under this  
 11 chapter for the taxable year.

12 (b) The department shall publish the rate of withholding required by this  
 13 section.

14 (c) An employer shall deduct and withhold the tax due under AS 43.22.010(d)  
 15 from an employee's wages subject to withholding from the first regular payroll of the  
 16 calendar year. If the employee's first payroll is insufficient to cover the estimated tax  
 17 due, the employer shall continue to deduct and withhold from subsequent payrolls  
 18 until the tax due under this subsection is fully withheld. A self-employed individual  
 19 shall remit to the department the tax due under this subsection in accordance with  
 20 regulations adopted by the department.

21 **Sec. 43.22.085. Withholding on nonresident partners; composite returns.**

22 (a) Unless otherwise provided by this section, a partnership that is required to file an  
 23 annual information return under subchapter K of the Internal Revenue Code (26  
 24 U.S.C. 701 - 761) shall file a partnership return as prescribed by the department and  
 25 shall report any income, gains, losses, or deductions that are derived from or  
 26 connected with a source in the state, as determined under this chapter.

27 (b) A partnership that is required to file a return under (a) of this section shall  
 28 withhold tax from a nonresident partner's distributive share of the partnership's income  
 29 or a gain, loss, or deduction derived from or connected with a source in the state at the  
 30 highest marginal tax rate applicable under this chapter to individuals for the taxable  
 31 year.

1 (c) Withholding under this section is not required by a partnership that  
2 (1) is a publicly traded partnership, as defined in 26 U.S.C. 7704(b)  
3 (Internal Revenue Code); and

4 (2) files with the department an annual information return reporting the  
5 name, address, taxpayer identification number, and other information requested by the  
6 department concerning each unitholder whose distributive share of partnership  
7 income, regardless of source, is more than \$1,000.

8 (d) The department shall adopt regulations that allow a partnership subject to  
9 withholding under this section to file a composite return.

10 **Sec. 43.22.090. Permanent fund tax payment.** The department shall adopt  
11 regulations establishing procedures for an individual eligible for a dividend under  
12 AS 43.23.005 to direct the department to hold all or a part of the amount of the  
13 dividend to pay the tax due under this chapter. The amount held under this section  
14 may not exceed the dividend amount after contributions, garnishments, levies, fees,  
15 attachments, assignments, or other reductions or donations allowed under AS 43.23.  
16 The department shall apply the amount held under this section to tax owed in the  
17 taxable year in which the taxpayer applies for the dividend. The department shall  
18 refund the amount of the dividend not applied against taxes under this section to the  
19 individual who appears on the application for the dividend.

20 **Sec. 43.22.095. Administration.** (a) The department shall adopt necessary  
21 regulations and forms to implement and interpret this chapter, including regulations  
22 and forms for the electronic filing and payment of tax due under this chapter. Federal  
23 regulations issued under the Internal Revenue Code shall be considered persuasive  
24 authority in interpreting any provision of the Internal Revenue Code on which the tax  
25 imposed by this chapter relies, whether or not a federal regulation has been  
26 specifically incorporated into a department regulation, unless the federal regulation

27 (1) conflicts with a provision of this chapter;

28 (2) conflicts with a regulation adopted by the department; or

29 (3) is inconsistent with the purposes of this chapter.

30 (b) A transaction or payment between related persons must have economic  
31 substance, must serve a bona fide business purpose, and must not have occurred for

1 the primary purpose of lowering the tax due under this chapter. The department, after  
2 review or audit of a taxpayer's return, may determine whether there is sufficient  
3 documentation or whether a transaction or payment meets the requirements of this  
4 subsection. If the department determines that the documentation, transaction, or  
5 payment fails to meet the requirements of this subsection, the department may adjust  
6 the amount of a payment or transaction, disregard the payment or transaction, or make  
7 another adjustment necessary for determining the tax under this chapter. If a payment  
8 in an amount greater than \$500,000 is made or required to be made from one person to  
9 a related person, the related persons shall submit documentation substantiating that the  
10 amount of the payment is consistent with 26 U.S.C. 482 (Internal Revenue Code).  
11 Payments subject to this subsection include payments for interest, royalties,  
12 management fees, services, inventory, tangible personal property, intangible property,  
13 and real property.

14 (c) A tax deficiency assessed by the department under this section is assumed  
15 to be correct. A taxpayer has the burden of proving that the tax deficiency is  
16 erroneous.

17 (d) The department shall adjust the amount of the exemption under  
18 AS 43.22.030(b) annually for inflation. Adjustments must be consistent with inflation  
19 adjustments made by the Internal Revenue Service to the federal individual income tax  
20 standard deduction. The department shall round amounts under this subsection to the  
21 nearest \$100 and publish the adjusted amounts.

22 (e) The tax collected by the department under this chapter shall be deposited  
23 into the general fund and accounted for separately.

24 **Sec. 43.22.100. References to Internal Revenue Code.** (a) Sections 26 U.S.C.  
25 6654, 6662, 6664, 6694, 6695, 6700 - 6702, 6707, 6713, 7201, 7202, 7206, 7207,  
26 7216, 7407, and 7408 (Internal Revenue Code), as those sections read on January 1,  
27 2023, are incorporated by reference as a part of this chapter and, if conflicting,  
28 supersede provisions in AS 43.05 and AS 43.10.

29 (b) When provisions of the Internal Revenue Code incorporated by reference  
30 under (a) of this section refer to rules and regulations adopted by the United States  
31 Commissioner of Internal Revenue, they are regarded as regulations adopted by the

1 department under this chapter, unless the department adopts specific regulations in  
2 their place.

3 **Sec. 43.22.105. Information released to a banking institution.**

4 Notwithstanding AS 43.05.230, information on an individual tax return filed under  
5 this chapter may be released to a banking institution to verify the direct deposit of a  
6 tax refund or correct an error in that deposit.

7 **Sec. 43.22.110. Early education fund.** (a) The early education fund is  
8 established in the state treasury. The department shall separately account for the tax  
9 collected under this chapter and deposit it into the early education fund.

10 (b) The legislature may use the annual estimated balance in the fund to make  
11 appropriations for kindergarten through grade 12 education and early learning  
12 programs, including the parents as teachers program established under AS 14.03.420.

13 (c) Nothing in this section creates a dedicated fund.

14 **Sec. 43.22.150. Definitions.** In this chapter,

15 (1) "domicile" means an individual's true, fixed, principal, and  
16 permanent home, to which the individual intends to return even if currently living  
17 elsewhere; if an individual has two or more homes, "domicile" means the home that  
18 the individual regards and uses as the individual's more permanent home; once  
19 established, a domicile remains the individual's domicile until the individual  
20 demonstrates a real change of intent and moves to a new domicile; indications of  
21 domicile include the

22 (A) location of the place of employment of the individual;

23 (B) location of real property owned by the individual;

24 (C) registration and physical location of motor vehicles, planes,  
25 boats, and snow machines owned by the individual;

26 (D) location of a bank account or active checking account of  
27 the individual;

28 (E) address where the individual receives mail;

29 (F) location of a school where the individual or a member of  
30 the individual's immediate family

31 (i) attends; or

- 1 (ii) receives resident tuition;
- 2 (G) location of an organization of which the individual is a  
3 member;
- 4 (H) location of a parent, child, grandchild, or great-grandchild;
- 5 (I) location of dental and medical personnel that provide  
6 services to the individual on a regular or consistent basis;
- 7 (J) filing of a prior year tax return by the individual as a  
8 resident or nonresident;
- 9 (K) location where an individual is registered to vote;
- 10 (L) location where an individual holds a resident fishing,  
11 hunting, or trapping license;
- 12 (2) "employee" has the meaning given in 26 U.S.C. 3401;
- 13 (3) "employer" has the meaning given in 26 U.S.C. 3401;
- 14 (4) "federal adjusted gross income" has the meaning given to "adjusted  
15 gross income" in 26 U.S.C. 62;
- 16 (5) "fiduciary" means a guardian, trustee, executor, administrator,  
17 receiver, or conservator or a person, whether individual or corporate, acting in a  
18 similar position of special confidence toward another;
- 19 (6) "head of household" means a single taxpayer, or married taxpayer  
20 where both spouses file separate returns, with a qualified dependent living in the same  
21 home for more than half the taxable year;
- 22 (7) "Internal Revenue Code" means the Internal Revenue Code (26  
23 U.S.C. 1 et seq.), as amended;
- 24 (8) "irrevocable trust" means a trust or portion of a trust that is not  
25 subject to a power to revest title in a person whose property constitutes the trust or a  
26 portion of the trust;
- 27 (9) "nonresident estate" means an estate other than a resident estate or  
28 part-year resident estate;
- 29 (10) "nonresident individual" means an individual who is not a resident  
30 of the state for any portion of the taxable year;
- 31 (11) "nonresident trust" means a trust other than a resident trust or

1 part-year resident trust;

2 (12) "partner" means a partner as defined in 26 U.S.C. 7701(a)  
3 (Internal Revenue Code) and includes a member of a limited liability company or  
4 similar entity that is treated as a partnership for federal income tax purposes;

5 (13) "partnership" means an entity as defined in 26 U.S.C. 7701(a)  
6 (Internal Revenue Code) and includes a limited liability company and a similar entity  
7 treated as a partnership for federal income tax purposes;

8 (14) "part-year resident estate" means an estate that is a resident of the  
9 state for a portion of but not the entire taxable year;

10 (15) "part-year resident individual" means an individual who is a  
11 resident of the state for a portion of but not the entire taxable year;

12 (16) "part-year resident trust" means a trust that is a resident of the  
13 state for a portion of but not the entire taxable year;

14 (17) "related person" means a person that satisfies the definition of  
15 "related persons" in 26 U.S.C. 144 or 147 or a person in a relationship as described in  
16 26 U.S.C. 267(b) (Internal Revenue Code);

17 (18) "resident estate" means the estate of a

18 (A) decedent who at the time of death was a resident of the  
19 state, regardless of the residence of the fiduciary or beneficiary, if the  
20 disposition or administration of the estate is subject to state law; or

21 (B) person who, at the time of commencement of a bankruptcy  
22 proceeding under Title 11 of the United States Code, was a resident of the  
23 state;

24 (19) "resident individual" means an individual who

25 (A) receives a permanent fund dividend under AS 43.23.005;

26 (B) receives a tax benefit available only to an individual  
27 domiciled in the state; or

28 (C) is domiciled in the state for the entire taxable year unless  
29 the individual maintains a permanent place of abode outside the state and  
30 spends, in the aggregate, not more than 30 days during the taxable year in the  
31 state;

1 (20) "resident trust" means a trust or a portion of a trust consisting of  
2 property

3 (A) transferred by will of a decedent who at the time of death  
4 was a resident of the state if the disposition or administration of the property is  
5 subject to state law; or

6 (B) of a person who was a resident at the time the property was  
7 transferred to the trust if, at the time of the transfer, the trust was

8 (i) an irrevocable trust;

9 (ii) a revocable trust and the trust has not become  
10 irrevocable; or

11 (iii) a revocable trust and the trust later became  
12 irrevocable at a time the person transferring property to the trust was a  
13 resident;

14 (21) "revocable trust" means a trust or portion of a trust that is subject  
15 to a power, exercisable immediately or at a future time, to revest title in a person  
16 whose property constitutes the trust or portion of the trust;

17 (22) "S corporation" means a corporation that has elected to file a  
18 federal income tax return under 26 U.S.C. 1361 - 1379 (Internal Revenue Code);

19 (23) "taxable income" means income taxable under this chapter;

20 (24) "taxable year" means the calendar year or a fiscal year ending  
21 during the calendar year;

22 (25) "taxpayer" means a person subject to a tax imposed by this  
23 chapter;

24 (26) "wages" has the meaning given in 26 U.S.C. 3401.

25 \* **Sec. 3.** AS 43.23 is amended by adding a new section to read:

26 **Sec. 43.23.092. Permanent fund dividend individual tax payment.** In  
27 accordance with AS 43.22.090, the department shall prepare the Alaska permanent  
28 fund dividend application to allow an applicant to direct the department to hold all or  
29 part of the amount of the individual's permanent fund dividend for application against  
30 the tax imposed under AS 43.22.

31 \* **Sec. 4.** AS 43.05.085; AS 43.20.012(b), and 43.20.013 are repealed January 1, 2026.

1     \* **Sec. 5.** The uncodified law of the State of Alaska is amended by adding a new section to  
2 read:

3             **APPLICABILITY.** AS 43.22, added by sec. 2 of this Act, applies to income received  
4 on or after the effective date of sec. 2 of this Act.

5     \* **Sec. 6.** This Act takes effect January 1, 2026.



# REPRESENTATIVE ALYSE GALVIN

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## HB 152: Education Tax Establishment

### Sectional Analysis – Version A

#### 34-LS0674\A

**Section 1** Creates an exception to AS 43.05.045 for individual income taxpayers, exempting them from the general requirement to file with the electronically with the Department of Revenue. The exception does not apply to paid tax preparers.

**Sec. 2** Adds a new Chapter to Title 43, as follows:

**Subsection: Sec. 43.22.010 (page 2, line 3)** – Imposes a flat rate 4% tax on the income of residents and the income of non-residents derived from a source in the state above \$150,000. Two individuals who file their federal income tax jointly may choose to either file individually or jointly; if filing jointly, the flat rate 4% tax is applied on taxable income over \$300,000. Also imposes a flat \$150 per person tax on any individual who has wages or net earnings from self-employment in Alaska.

**Subsection: Sec. 43.22.015 (page 2, line 24)** – Determines how the tax is calculated for nonresident individuals. Broadly, it is the tax calculation, less any eligible credits, if they were a resident, multiplied by the percentage of their total income that comes from a source in the state.

**Subsection: Sec. 43.22.020 (page 3, line 9)** – Establishes that trusts and estates also pay the 4% income tax over \$150,000. Nonresident trusts pay the tax on income derived from a source in the state. Trusts exempt from federal income tax, and special needs trusts established to provide for a disabled beneficiary, are also exempt from the state tax.

**Subsection: Sec. 43.22.025 (page 4, line 6)** – Provides a credit to residents for taxes paid to another state based on income earned in that other state (so someone is not taxed twice on the same income). The credit may not reduce tax liability below what it would be if the out of state income was simply excluded from total income.

**Subsection: Sec. 43.22.030 (page 5, line 18)** – Defines “taxable income” as the taxpayers federal adjusted gross income (AGI) for the tax year. This can be adjusted by adding or subtracting certain income that may not be included within AGI. The permanent fund dividend is not considered taxable income. Additionally, this section provides for a “standard deduction” of non-taxable income, which is adjusted for inflation. The standard deduction is pro-rated for nonresidents based on the portion of their income derived in-state.

**Subsection: Sec. 43.22.035 (page 9, line 2)** – Establishes that income from an individual’s share of partnerships and S corporations is taxable income.

**Subsection: Sec. 43.22.040 (page 9, line 26)** – Establishes that income of estates and trusts is taxable as if the estate or trust were an individual. The department of Revenue may establish regulations regarding the allocation of tax liability between the trust itself and the beneficiaries.

**Subsection: Sec. 43.22.045 (page 10, line 9)** – Establishes a process to determine how nonresident income is derived from a source in the state. Broadly, taxable nonresident income includes income earned from a business or property



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located in the state, wages and other compensation for services performed in the state, earnings on stock and other securities carried on in the state, and gambling proceeds and performance fees earned in the state.

**Subsection: Sec. 43.22.050 (page 14, line 20)** – Provides that the Department of Revenue shall adopt regulations to provide more complete guidance regarding business income from a source in the state as described in AS 43.22.045. These regulations must be consistent with the Multistate Tax Compact.

**Subsection: Sec. 43.22.055 (page 15, line 6)** – Provides that the Department of Revenue shall adopt regulations to provide more complete guidance regarding trust income from a source in the state.

**Subsection: Sec. 43.22.060 (page 15, line 23)** – Provides a process for the Department of Revenue to determine the taxable income of a part-year resident.

**Subsection: Sec. 43.22.065 (page 16, line 5)** – Allows the Department of Revenue to reallocate transactions between a personal service corporations or S corporations and its employee owners, if it is determined that the purpose of the transaction is primarily to evade income taxes.

**Subsection: Sec. 43.22.070 (page 17, line 2)** – The taxable year and method of accounting is the same as what a taxpayer uses for federal income tax purposes.

**Subsection: Sec. 43.22.075 (page 17, line 11)** – Provides for the filing of annual tax returns in a form and format prescribed by the Department of Revenue. The return, and all taxes owed, on the same date as the taxpayer's federal return. A taxpayer must provide, upon request, a copy of their federal tax return, and must notify the department of any alternation or modification of their federal return. Provides for refunds to be paid for overpaid taxes. Partnerships must provide necessary information to their partners so that the partners can file their taxes.

**Subsection: Sec. 43.22.080 (page 18, line 21)** – Provides for employers to withholding wages and salaries to approximate a taxpayer's liability for the year. Employers shall remit withheld taxes to the Department and shall provide employees with an annual report of their wages and withholding.

**Subsection: Sec. 43.22.085 (page 19, line 21)** – Partnerships must also file returns. If a partnership distributes income to a nonresident, they must withhold taxes from that partner.

**Subsection: Sec. 43.22.090 (page 20, line 10)** – Alaskans can opt to have some, or all of their PFD withheld to pay the tax due. The Department of Revenue shall establish the process for this.

**Subsection: Sec. 43.22.095 (page 20, line 20)** – DOR shall adopt regulations as needed to implement this chapter. Federal IRS regulations shall be considered persuasive unless federal law conflicts with our laws and regulations. The department may make adjustments to account for transactions between related persons that are for the primary purpose of reducing tax liability.

**Subsection: Sec. 43.22.100 (page 21, line 24)** – Adopts the IRS code by reference.

**Subsection: Sec. 43.22.105 (page 22, line 3)** – Allows the state to share taxpayer information with a banking institution related to direct deposits of tax refunds.

**Subsection: Sec. 43.22.150 (page 22, line 14)** – Adds multiple new definitions related to terms used in this chapter.



## REPRESENTATIVE ALYSE GALVIN

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**Sec. 3 (page 25, line 25)** - Directs the Department of Revenue to modify the PFD application, to allow applicants to direct some or all of their dividend towards their tax obligation.

**Sec. 4 (page 25, line 31)** - Repeals a former tax credit for political contributions that existed under Alaska's prior individual income tax which was repealed in 1980.

**Sec. 5 (page 26, line 1)** Applicability section conforming that the tax applies to income received on or after the effective date of the new tax.

**Sec. 6 (page 26, line 5)** Establishes an effective date of this Act.

**HOUSE BILL NO. 231**

IN THE LEGISLATURE OF THE STATE OF ALASKA  
THIRTY-FOURTH LEGISLATURE - FIRST SESSION

**BY REPRESENTATIVES BURKE, Hall**

**Introduced: 5/19/25**

**Referred: Education, Finance**

**A BILL**

**FOR AN ACT ENTITLED**

1 **"An Act relating to education; relating to education reports; relating to the duties of the**  
2 **Department of Education and Early Development; relating to teacher exit interviews**  
3 **conducted by school districts; relating to the teachers' retirement system; relating to the**  
4 **public employee retirement system; and providing for an effective date."**

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

6 **\* Section 1.** AS 14.03.078(a) is amended to read:

7 (a) The department shall provide to the legislature and school districts by  
8 February 15 of each year by electronic means an annual report regarding the progress  
9 of each school and school district toward high academic performance by all students.  
10 The report required under this section must include

11 (1) information described under AS 14.03.120;

12 (2) progress of the department

13 (A) toward implementing the school accountability provisions  
14 of AS 14.03.123; and

- 1 (B) in assisting high schools to become accredited;
- 2 (3) a description of the resources provided to each school and school  
3 district for coordinated school improvement activities and staff training in each school  
4 and school district;
- 5 (4) each school district's and each school's progress in aligning  
6 curriculum with state education performance standards;
- 7 (5) a description of the efforts by the department to assist a public  
8 school or district that receives a low performance designation under AS 14.03.123;
- 9 (6) a description of intervention efforts by each school district and  
10 school for students who are not meeting state performance standards;
- 11 (7) the number and percentage of turnover in certificated personnel and  
12 superintendents, information regarding working conditions for teachers and  
13 paraprofessionals, the availability of local housing, aggregated information  
14 compiled through teacher exit interviews conducted under AS 14.20.183, and  
15 data-based recommendations to shape teacher retention strategies;
- 16 (8) a summary of the categories of certificated administrative  
17 employees employed by each school district that includes the ratio of
- 18 (A) the number of certificated administrative employees in  
19 each category employed by each school district compared to the number of  
20 students enrolled in the school district on October 1 of the previous year;
- 21 (B) the total number of certificated administrative employees  
22 employed by each school district compared to the total number of teachers  
23 employed by the school district on October 1 of the previous year; and
- 24 (C) the total number of teachers employed by each school  
25 district compared to the total number of students enrolled in the school district  
26 on October 1 of the previous year;
- 27 (9) the progress made to implement the reading intervention programs  
28 established under AS 14.30.760 - 14.30.780, including data on how school districts are  
29 using in-service days for culturally responsive professional development in reading  
30 instruction; and
- 31 (10) the effectiveness and participation rates of the parents as teachers

1 program established under AS 14.03.420, including measures of efficiency and  
 2 effectiveness that demonstrate the effects of the program on school readiness.

3 \* **Sec. 2.** AS 14.03.120(a) is amended to read:

4 (a) A district shall annually file with the department, and make available to the  
 5 public, a report that

6 (1) establishes district goals and priorities for improving education in  
 7 the district;

8 (2) includes a plan for achieving district goals and priorities; and

9 (3) includes a means of measuring the achievement of district goals  
 10 and priorities;

11 **(4) includes the information compiled through teacher exit**  
 12 **interviews conducted under AS 14.20.183.**

13 \* **Sec. 3.** AS 14.07.020(a) is amended to read:

14 (a) The department shall

15 (1) exercise general supervision over the public schools of the state  
 16 except the University of Alaska;

17 (2) study the conditions and needs of the public schools of the state,  
 18 adopt or recommend plans, administer and evaluate grants to improve school  
 19 performance awarded under AS 14.03.125, and adopt regulations for the improvement  
 20 of the public schools; the department may consult with the University of Alaska to  
 21 develop secondary education requirements to improve student achievement in college  
 22 preparatory courses;

23 (3) provide advisory and consultative services to all public school  
 24 governing bodies and personnel;

25 (4) prescribe by regulation a minimum course of study for the public  
 26 schools; the regulations must provide that, if a course in American Sign Language is  
 27 given, the course shall be given credit as a course in a foreign language;

28 (5) establish, in coordination with the Department of Family and  
 29 Community Services, a program for the continuing education of children who are held  
 30 in juvenile detention facilities or juvenile treatment facilities, as those terms are  
 31 defined in AS 47.12.990, in the state during the period of detention or treatment;

1           (6) accredit those public schools that meet accreditation standards  
2 prescribed by regulation by the department; these regulations shall be adopted by the  
3 department and presented to the legislature during the first 10 days of any regular  
4 session, and become effective 45 days after presentation or at the end of the session,  
5 whichever is earlier, unless disapproved by a resolution concurred in by a majority of  
6 the members of each house;

7           (7) prescribe by regulation, after consultation with the state fire  
8 marshal and the state sanitarian, standards that will ensure healthful and safe  
9 conditions in the public and private schools of the state, including a requirement of  
10 physical examinations and immunizations in pre-elementary schools; the standards for  
11 private schools may not be more stringent than those for public schools;

12           (8) exercise general supervision over early education programs that  
13 receive direct state or federal funding, including early education programs provided by  
14 a school district for students four and five years of age, approve an early education  
15 program provided by a school district that complies with the standards adopted by the  
16 board under AS 14.07.165(a)(5), and revoke approval of an early education program if  
17 the program does not comply with the standards adopted by the board under  
18 AS 14.07.165(a)(5);

19           (9) exercise general supervision over elementary and secondary  
20 correspondence study programs offered by municipal school districts or regional  
21 educational attendance areas; the department may also offer and make available to any  
22 Alaskan through a centralized office a correspondence study program;

23           (10) accredit private schools that request accreditation and that meet  
24 accreditation standards prescribed by regulation by the department; nothing in this  
25 paragraph authorizes the department to require religious or other private schools to be  
26 licensed;

27           (11) review plans for construction of new public elementary and  
28 secondary schools and for additions to and major rehabilitation of existing public  
29 elementary and secondary schools and, in accordance with regulations adopted by the  
30 department, determine and approve the extent of eligibility for state aid of a school  
31 construction or major maintenance project; for the purposes of this paragraph, "plans"

1 include educational specifications, schematic designs, projected energy consumption  
2 and costs, and final contract documents;

3 (12) provide educational opportunities in the areas of vocational  
4 education and training, and basic education to individuals over 16 years of age who  
5 are no longer attending school; the department may consult with businesses and labor  
6 unions to develop a program to prepare students for apprenticeships or internships that  
7 will lead to employment opportunities;

8 (13) administer the grants awarded under AS 14.11;

9 (14) establish, in coordination with the Department of Public Safety, a  
10 school bus driver training course;

11 (15) require the reporting of information relating to school disciplinary  
12 and safety programs under AS 14.33.120 and of incidents of disruptive or violent  
13 behavior;

14 (16) establish by regulation criteria, based on low student performance,  
15 under which the department may intervene in a school district to improve instructional  
16 practices, as described in AS 14.07.030(a)(14) or (15); the regulations must include

17 (A) a notice provision that alerts the district to the deficiencies  
18 and the instructional practice changes proposed by the department;

19 (B) an end date for departmental intervention, as described in  
20 AS 14.07.030(a)(14)(A) and (B) and (15), after the district demonstrates three  
21 consecutive years of improvement consisting of not less than two percent  
22 increases in student proficiency on standards-based assessments in language  
23 arts and mathematics, as provided in AS 14.03.123(f)(1)(A); and

24 (C) a process for districts to petition the department for  
25 continuing or discontinuing the department's intervention;

26 (17) notify the legislative committees having jurisdiction over  
27 education before intervening in a school district under AS 14.07.030(a)(14) or  
28 redirecting public school funding under AS 14.07.030(a)(15);

29 (18) establish a reading program to provide direct support for and  
30 intervention in the reading intervention programs of participating schools as described  
31 in AS 14.30.765 and 14.30.770;

1 (19) annually convene, either in person or electronically, a panel to  
 2 review and comment on the effectiveness of the programs created by the department  
 3 and the regulations adopted by the board to implement AS 14.03.410, 14.03.420,  
 4 AS 14.30.760 - 14.30.770, and 14.30.800; the panel

5 (A) shall provide recommendations and guidance to the board,  
 6 the department, and the legislature on how to integrate early education and  
 7 reading programs created under this title with tribal compacting or programs  
 8 focused on cultural education within the department;

9 (B) shall discuss support for reading in Alaska Native  
 10 languages and other non-English languages;

11 (C) must collectively represent the regions of the state and  
 12 include teachers of grades kindergarten through three, school administrators,  
 13 parents of students in grades kindergarten through three, stakeholders from  
 14 Indigenous language immersion programs, representatives from early  
 15 education stakeholder groups, and researchers of best practices for improving  
 16 literacy performance, including best practices for instruction of Indigenous  
 17 students and students whose first language is not English;

18 **(20) provide financial planning and retirement training to teachers**  
 19 **and paraprofessionals;**

20 **(21) support mentoring programs for school principals and district**  
 21 **superintendents.**

22 \* **Sec. 4.** AS 14.07.020(a), as amended by sec. 16, ch. 40, SLA 2022, is amended to read:

23 (a) The department shall

24 (1) exercise general supervision over the public schools of the state  
 25 except the University of Alaska;

26 (2) study the conditions and needs of the public schools of the state,  
 27 adopt or recommend plans, administer and evaluate grants to improve school  
 28 performance awarded under AS 14.03.125, and adopt regulations for the improvement  
 29 of the public schools; the department may consult with the University of Alaska to  
 30 develop secondary education requirements to improve student achievement in college  
 31 preparatory courses;

1                   (3) provide advisory and consultative services to all public school  
2 governing bodies and personnel;

3                   (4) prescribe by regulation a minimum course of study for the public  
4 schools; the regulations must provide that, if a course in American Sign Language is  
5 given, the course shall be given credit as a course in a foreign language;

6                   (5) establish, in coordination with the Department of Family and  
7 Community Services, a program for the continuing education of children who are held  
8 in juvenile detention facilities or juvenile treatment facilities, as those terms are  
9 defined in AS 47.12.990, in the state during the period of detention or treatment;

10                  (6) accredit those public schools that meet accreditation standards  
11 prescribed by regulation by the department; these regulations shall be adopted by the  
12 department and presented to the legislature during the first 10 days of any regular  
13 session, and become effective 45 days after presentation or at the end of the session,  
14 whichever is earlier, unless disapproved by a resolution concurred in by a majority of  
15 the members of each house;

16                  (7) prescribe by regulation, after consultation with the state fire  
17 marshal and the state sanitarian, standards that will ensure healthful and safe  
18 conditions in the public and private schools of the state, including a requirement of  
19 physical examinations and immunizations in pre-elementary schools; the standards for  
20 private schools may not be more stringent than those for public schools;

21                  (8) exercise general supervision over early education programs that  
22 receive direct state or federal funding, including early education programs provided by  
23 a school district for students four and five years of age;

24                  (9) exercise general supervision over elementary and secondary  
25 correspondence study programs offered by municipal school districts or regional  
26 educational attendance areas; the department may also offer and make available to any  
27 Alaskan through a centralized office a correspondence study program;

28                  (10) accredit private schools that request accreditation and that meet  
29 accreditation standards prescribed by regulation by the department; nothing in this  
30 paragraph authorizes the department to require religious or other private schools to be  
31 licensed;

1 (11) review plans for construction of new public elementary and  
2 secondary schools and for additions to and major rehabilitation of existing public  
3 elementary and secondary schools and, in accordance with regulations adopted by the  
4 department, determine and approve the extent of eligibility for state aid of a school  
5 construction or major maintenance project; for the purposes of this paragraph, "plans"  
6 include educational specifications, schematic designs, projected energy consumption  
7 and costs, and final contract documents;

8 (12) provide educational opportunities in the areas of vocational  
9 education and training, and basic education to individuals over 16 years of age who  
10 are no longer attending school; the department may consult with businesses and labor  
11 unions to develop a program to prepare students for apprenticeships or internships that  
12 will lead to employment opportunities;

13 (13) administer the grants awarded under AS 14.11;

14 (14) establish, in coordination with the Department of Public Safety, a  
15 school bus driver training course;

16 (15) require the reporting of information relating to school disciplinary  
17 and safety programs under AS 14.33.120 and of incidents of disruptive or violent  
18 behavior;

19 (16) establish by regulation criteria, based on low student performance,  
20 under which the department may intervene in a school district to improve instructional  
21 practices, as described in AS 14.07.030(a)(14) or (15); the regulations must include

22 (A) a notice provision that alerts the district to the deficiencies  
23 and the instructional practice changes proposed by the department;

24 (B) an end date for departmental intervention, as described in  
25 AS 14.07.030(a)(14)(A) and (B) and (15), after the district demonstrates three  
26 consecutive years of improvement consisting of not less than two percent  
27 increases in student proficiency on standards-based assessments in language  
28 arts and mathematics, as provided in AS 14.03.123(f)(1)(A); and

29 (C) a process for districts to petition the department for  
30 continuing or discontinuing the department's intervention;

31 (17) notify the legislative committees having jurisdiction over

1 education before intervening in a school district under AS 14.07.030(a)(14) or  
2 redirecting public school funding under AS 14.07.030(a)(15);

3 **(18) provide financial planning and retirement training to teachers**  
4 **and paraprofessionals;**

5 **(19) support mentoring programs for school principals and district**  
6 **superintendents.**

7 \* **Sec. 5.** AS 14.20.020(b) is amended to read:

8 (b) A person is not eligible for a teacher certificate unless that person has  
9 received at least a baccalaureate degree from an institution of higher education  
10 accredited by a recognized regional **or international** accrediting association or  
11 approved by the commissioner and, if applicable, has passed the examination or  
12 examinations required by (i) of this section. However, this subsection is not applicable  
13 to

14 (1) persons employed in the state public school system on  
15 September 1, 1962;

16 (2) persons issued an emergency certificate during a situation that, in  
17 the judgment of the commissioner, requires the temporary issuance of a certificate to a  
18 person not otherwise qualified.

19 \* **Sec. 6.** AS 14.20 is amended by adding a new section to read:

20 **Sec. 14.20.183. Exit interviews.** A school district shall contract with an  
21 independent third party to conduct an exit interview with a teacher when the teacher  
22 terminates employment with the school district.

23 \* **Sec. 7.** AS 14.25.009 is amended to read:

24 **Sec. 14.25.009. Applicability of AS 14.25.009 - 14.25.220.** The provisions of  
25 AS 14.25.009 - 14.25.220 apply only to members first hired before July 1, 2006, **and**  
26 **teachers who are also members of the public employees' defined benefit**  
27 **retirement plan under AS 39.35.095 - 39.35.680 who do not elect under**  
28 **AS 14.25.540 to participate in the defined contribution retirement plan under**  
29 **AS 14.25.310 - 14.25.590.**

30 \* **Sec. 8.** AS 14.25.310 is amended to read:

31 **Sec. 14.25.310. Applicability of AS 14.25.310 - 14.25.590.** The provisions of

1 AS 14.25.310 - 14.25.590 apply only to teachers who first become members on or  
 2 after July 1, 2006, to members who are employed by employers that do not participate  
 3 in the defined benefit retirement plan established under AS 14.25.009 - 14.25.220, **to**  
 4 **teachers who are also members of the defined benefit retirement plan under**  
 5 **AS 39.35.095 - 39.35.680 and elect to participate in this plan** [TO FORMER  
 6 MEMBERS UNDER AS 14.25.220], or to members who transfer into the defined  
 7 contribution retirement plan under AS 14.25.540.

8 \* **Sec. 9.** AS 14.25.330(a) is amended to read:

9 (a) A teacher who first becomes a member on or after July 1, 2006, **and who**  
 10 **is not also a member of the defined benefit retirement plan under AS 39.35.095 -**  
 11 **39.35.680** shall participate in the **system** [PLAN] as a member of the defined  
 12 contribution retirement plan.

13 \* **Sec. 10.** AS 14.43.700 is amended to read:

14 **Sec. 14.43.700. Definition.** In AS 14.43.600 - 14.43.700, "rural" means a  
 15 community [WITH A POPULATION OF 7,500 OR LESS] that is not connected by  
 16 road or rail to Anchorage or Fairbanks or a community with a population of 1,500 or  
 17 less that is connected by road or rail to Anchorage or Fairbanks.

18 \* **Sec. 11.** AS 39.35.120(b) is amended to read:

19 (b) Inclusion in the plan is a condition of employment for an employee except  
 20 as otherwise provided for

21 (1) an elected official;

22 (2) [REPEALED

23 (3)] an employee of the university who participates in a university  
 24 retirement program under AS 14.40.661 - 14.40.799;

25 **(3) an employee who is a member of a defined contribution**  
 26 **retirement plan under AS 14.25.310 - 14.25.590 or AS 39.35.700 - 39.35.990.**

27 \* **Sec. 12.** AS 39.35.680(22) is amended to read:

28 (22) "member" or "employee"

29 (A) means a person eligible to participate in the plan and who  
 30 is covered by the plan;

31 (B) includes

- 1 (i) an active member;  
 2 (ii) an inactive member;  
 3 (iii) a vested member;  
 4 (iv) a deferred vested member;  
 5 (v) a nonvested member;  
 6 (vi) a disabled member;  
 7 (vii) a retired member;  
 8 (viii) an elected public officer under AS 39.35.381;

9 (C) does not include

- 10 (i) former members;  
 11 (ii) persons compensated on a contractual or fee basis;  
 12 (iii) casual or emergency workers or nonpermanent  
 13 employees as defined in AS 39.25.200;  
 14 (iv) persons covered by the Alaska Teachers'  
 15 Retirement System except as provided under AS 14.25.009,  
 16 AS 39.35.131 and 39.35.381, or persons covered by a university  
 17 retirement program;  
 18 (v) employees of the division of marine transportation  
 19 engaged in operating the state ferry system who are covered by a union  
 20 or group retirement system to which the state makes contributions;  
 21 (vi) justices of the supreme court or judges of the court  
 22 of appeals or of the superior or district courts of Alaska;  
 23 (vii) the administrative director of the Alaska Court  
 24 System appointed under art. IV, sec. 16 of the state constitution unless  
 25 the director becomes a member under AS 39.35.158;  
 26 (viii) members of the elected public officers' retirement  
 27 system (former AS 39.37); and  
 28 (ix) contractual employees of the legislative branch of  
 29 state government under AS 24.10.060(f);

30 (D) may include employees of the division of marine  
 31 transportation excluded under (C)(v) of this paragraph if [PROVIDED THAT]

1 (i) the State of Alaska formally agrees to their inclusion  
2 through the process of collective bargaining; and

3 (ii) no collective bargaining agreement has the effect of  
4 obligating contributions made by the state under AS 39.30.150 in the  
5 event the state resumes participation in the federal social security  
6 system;

7 \* **Sec. 13.** The uncodified law of the State of Alaska is amended by adding a new section to  
8 read:

9 LUMP SUM PAYMENT FOR CERTAIN TEACHERS AND  
10 PARAPROFESSIONALS. (a) Subject to appropriation for the fiscal years ending June 30,  
11 2026, June 30, 2027, and June 30, 2028, a certificated full-time teacher occupying a position  
12 requiring teaching on a regular basis during the normal work period for each day or week at a  
13 classroom teaching assignment in a public elementary or secondary school, excluding a  
14 person teaching as an assistant or graduate assistant or teaching on a substitute, temporary, or  
15 per diem basis, or a full-time paraprofessional working in a public school is entitled to receive  
16 a lump sum payment as a retention and recruitment incentive on or within a reasonable period  
17 after July 1, 2026, July 1, 2027, and July 1, 2028, if the teacher was employed in a full-time  
18 classroom teaching position or the paraprofessional was employed in a full-time  
19 paraprofessional position for the entirety of the school term for the school year immediately  
20 preceding the date of payment. The Department of Education and Early Development shall  
21 reduce the retention and recruitment incentive by the amount necessary to pay mandatory  
22 employee and employer deductions, including a deduction required under AS 14.25.

23 (b) Subject to the application and certification requirements in (c) of this section, the  
24 Department of Education and Early Development shall pay the retention and recruitment  
25 incentive identified in (a) of this section as grants to school districts as follows:

26 (1) \$5,000 for each eligible certificated full-time teacher teaching or full-time  
27 paraprofessional working in the following districts:

- 28 (A) Anchorage School District;  
29 (B) Fairbanks North Star Borough School District;  
30 (C) Juneau Borough School District;  
31 (D) Kenai Peninsula Borough School District;

1 (E) Matanuska-Susitna Borough School District;  
 2 (2) \$10,000 for each eligible certificated full-time teacher teaching or full-time  
 3 paraprofessional working in the following districts:

- 4 (A) Alaska Gateway School District;  
 5 (B) Aleutian Region School District;  
 6 (C) Aleutians East Borough School District;  
 7 (D) Annette Island School District;  
 8 (E) Chugach School District;  
 9 (F) Copper River School District;  
 10 (G) Cordova City School District;  
 11 (H) Delta/Greely School District;  
 12 (I) Denali Borough School District;  
 13 (J) Galena City School District;  
 14 (K) Haines Borough School District;  
 15 (L) Ketchikan Gateway Borough School District;  
 16 (M) Kodiak Island Borough School District;  
 17 (N) Mount Edgecumbe;  
 18 (O) Nenana City School District;  
 19 (P) Nome Public Schools;  
 20 (Q) Petersburg Borough School District;  
 21 (R) Saint Mary's School District;  
 22 (S) Sitka School District;  
 23 (T) Skagway School District;  
 24 (U) Unalaska City School District;  
 25 (V) Valdez City School District;  
 26 (W) Wrangell Public School District;  
 27 (X) Yakutat School District;

28 (3) \$15,000 for each eligible certificated full-time teacher teaching or full-time  
 29 paraprofessional working in the following districts:

- 30 (A) Bering Strait School District;  
 31 (B) Bristol Bay Borough School District;

- 1 (C) Chatham School District;  
 2 (D) Craig City School District;  
 3 (E) Dillingham City School District;  
 4 (F) Hoonah City School District;  
 5 (G) Hydaburg City School District;  
 6 (H) Iditarod Area School District;  
 7 (I) Kake City School District;  
 8 (J) Kashunamiut School District;  
 9 (K) Klawock City School District;  
 10 (L) Kuspuk School District;  
 11 (M) Lake and Peninsula Borough School District;  
 12 (N) Lower Kuskokwim School District;  
 13 (O) Lower Yukon School District;  
 14 (P) North Slope Borough School District;  
 15 (Q) Northwest Arctic Borough School District;  
 16 (R) Pelican City School District;  
 17 (S) Pribilof School District;  
 18 (T) Southeast Island School District;  
 19 (U) Southwest Region School District;  
 20 (V) Tanana City School District;  
 21 (W) Yukon Flats School District;  
 22 (X) Yukon-Koyukuk School District;  
 23 (Y) Yupiit School District.

24 (c) To be eligible for the retention and recruitment incentive identified in (a) of this  
 25 section, a certificated full-time teacher or a full-time paraprofessional must apply during each  
 26 eligible calendar year to the Department of Education and Early Development on a date not  
 27 later than the final day the teacher's school is in session for the school term established by the  
 28 governing body of that teacher's school district or regional educational attendance area. The  
 29 teacher or paraprofessional shall apply for the payment under this section on a form  
 30 designated by the commissioner of education and early development. For each teacher or  
 31 paraprofessional who applies, the school district or regional educational attendance area shall

1 certify the teacher's or paraprofessional's eligibility for payment under (a) of this section to the  
2 Department of Education and Early Development.

3 (d) A payment made under this section is considered compensation for the purposes  
4 of AS 14.25.

5 (e) The Department of Education and Early Development may adopt regulations  
6 necessary to carry out the purposes of this section.

7 \* **Sec. 14.** The uncodified law of the State of Alaska is amended by adding a new section to  
8 read:

9 TRANSITION: RETIREMENT PLAN ELECTION. A teacher who became a member  
10 of the defined contribution retirement plan under AS 14.25.310 - 14.25.590 after June 30,  
11 2006, and before the effective date of secs. 7 - 9, 11, and 12 of this Act, and who, on the  
12 effective date of secs. 7 - 9, 11, and 12 of this Act, is a member employed by an employer in  
13 that defined contribution retirement plan and is also a member of the defined benefit  
14 retirement plan under AS 39.35.095 - 39.35.680 may, within 180 days after the effective date  
15 of secs. 7 - 9, 11, and 12 of this Act, make a one-time election to participate in the defined  
16 benefit retirement plan under AS 14.25.009 - 14.25.220 and to transfer all contributions that  
17 have been made or should be made to the defined contribution retirement plan for service the  
18 member completes before the effective date of the member's participation in the defined  
19 benefit retirement plan. The transferred contributions shall be used to purchase credited  
20 service in the defined benefit retirement plan under AS 14.25.009 - 14.25.220 on an actuarial  
21 equivalent basis determined by the Alaska Retirement Management Board established under  
22 AS 37.10.210. The provisions of AS 14.25.044 apply to an election made under this section.

23 \* **Sec. 15.** Section 4 of this Act takes effect on the effective date of sec. 16, ch. 40, SLA  
24 2022.

25 \* **Sec. 16.** Section 13 of this Act takes effect July 1, 2025.

26 \* **Sec. 17.** Sections 7 - 12 and 14 of this Act take effect immediately under AS 01.10.070(c).

**SENATE BILL NO. 41**

IN THE LEGISLATURE OF THE STATE OF ALASKA

THIRTY-FOURTH LEGISLATURE - FIRST SESSION

BY SENATORS GRAY-JACKSON, Claman, Giessel, Dunbar

Introduced: 1/22/25

Referred: Education, Finance

**A BILL**

**FOR AN ACT ENTITLED**

1 **"An Act relating to mental health education."**

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

3 \* **Section 1.** The uncodified law of the State of Alaska is amended by adding a new section  
4 to read:

5 LEGISLATIVE INTENT. It is the intent of the legislature that the Board of Education  
6 and Early Development develop guidelines for instruction in mental health in consultation  
7 with the Department of Health, the Department of Family and Community Services, regional  
8 tribal health organizations, and representatives of national and state mental health  
9 organizations.

10 \* **Sec. 2.** AS 14.03.016(a) is amended to read:

11 (a) A local school board shall, in consultation with parents, teachers, and  
12 school administrators, adopt policies to promote the involvement of parents in the  
13 school district's education program. The policies must include procedures

14 (1) recognizing the authority of a parent and allowing a parent to  
15 object to and withdraw the child from a standards-based assessment or test required by

1 the state;

2 (2) recognizing the authority of a parent and allowing a parent to  
3 object to and withdraw the child from an activity, class, or program;

4 (3) providing for parent notification not less than two weeks before  
5 any activity, class, or program that includes content involving human reproduction or  
6 sexual matters is provided to a child;

7 (4) recognizing the authority of a parent and allowing a parent to  
8 withdraw the child from an activity, class, program, or standards-based assessment or  
9 test required by the state for a religious holiday, as defined by the parent;

10 (5) providing a parent with an opportunity to review the content of an  
11 activity, class, performance standard, or program;

12 (6) ensuring that, when a child is absent from an activity, class,  
13 program, or standards-based assessment or test required by the state under this section,  
14 the absence is not considered an unlawful absence under AS 14.30.020 if the child's  
15 parent withdrew the child from the activity, class, program, or standards-based  
16 assessment or test or gave permission for the child's absence;

17 **(7) providing for parent notification not less than two weeks before**  
18 **any class or program that provides instruction in mental health is provided to a**  
19 **child.**

20 \* **Sec. 3.** AS 14.30.360(a) is amended to read:

21 (a) Each district in the state public school system shall be encouraged to  
22 initiate and conduct a program in health education for kindergarten through grade 12.  
23 The program should include instruction in [PHYSICAL] health and personal safety  
24 including alcohol and drug abuse education, cardiopulmonary resuscitation (CPR),  
25 early cancer prevention and detection, dental health, family health including infant  
26 care, environmental health, **mental health, physical health,** the identification and  
27 prevention of child abuse, child abduction, neglect, sexual abuse, and domestic  
28 violence, and appropriate use of health services.

29 \* **Sec. 4.** AS 14.30.360(b) is amended to read:

30 (b) The state board shall establish guidelines for a health and personal safety  
31 education program, **including guidelines for developmentally appropriate**

1 instruction in mental health. In developing guidelines for developmentally  
 2 appropriate instruction in mental health, the state board shall consult with the  
 3 Department of Health, the Department of Family and Community Services,  
 4 regional tribal health organizations, and representatives of national and state  
 5 mental health organizations. Personal safety guidelines shall be developed in  
 6 consultation with the Council on Domestic Violence and Sexual Assault. Upon  
 7 request, the Department of Education and Early Development, the Department of  
 8 Health, the Department of Family and Community Services, and the Council on  
 9 Domestic Violence and Sexual Assault shall provide technical assistance to school  
 10 districts in the development of personal safety curricula. A school health education  
 11 specialist position shall be established and funded in the department to coordinate the  
 12 program statewide. Adequate funds to enable curriculum and resource development,  
 13 adequate consultation to school districts, and a program of teacher training in health  
 14 and personal safety education shall be provided.

15 \* **Sec. 5.** The uncodified law of the State of Alaska is amended by adding a new section to  
 16 read:

17 REPORT TO THE LEGISLATURE. Two years after the effective date of this Act, the  
 18 state Board of Education and Early Development shall submit a report to the senate secretary  
 19 and chief clerk of the house of representatives and notify the legislature that the report is  
 20 available. The report must

21 (1) include a copy of the guidelines for developmentally appropriate  
 22 instruction in mental health developed by the state Board of Education and Early  
 23 Development as required under AS 14.30.360(b), as amended by sec. 4 of this Act; and

24 (2) describe the process the state Board of Education and Early Development  
 25 used to develop the guidelines.

26 \* **Sec. 6.** The uncodified law of the State of Alaska is amended by adding a new section to  
 27 read:

28 TRANSITION. The state Board of Education and Early Development shall develop  
 29 the mental health guidelines required by AS 14.30.360(b), as amended by sec. 4 of this Act,  
 30 within two years after the effective date of this Act.

**SENATE BILL NO. 90**

IN THE LEGISLATURE OF THE STATE OF ALASKA  
THIRTY-FOURTH LEGISLATURE - FIRST SESSION

BY SENATORS GIESSEL, Tobin, Claman

Introduced: 2/10/25

Referred: Health & Social Services, Finance

**A BILL**

**FOR AN ACT ENTITLED**

1 "An Act relating to the examination and treatment of minors; relating to consent for  
2 behavioral and mental health treatment for minors 16 years of age or older; and  
3 providing for an effective date."

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

5 \* **Section 1.** AS 25.20.025(a) is amended to read:

6 (a) Except as prohibited under AS 18.16.010(a)(3),

7 (1) **a minor who provides documentation required under (d) of this**  
8 **section demonstrating that the minor is an unaccompanied homeless minor or a**  
9 minor who is living apart from the minor's parents or legal guardian and who is  
10 managing the minor's own financial affairs, regardless of the source or extent of  
11 income, may give consent for medical, **behavioral, mental health,** and dental services  
12 for the minor;

13 (2) a minor may give consent for medical and dental services if the  
14 parent or legal guardian of the minor cannot be contacted or, if contacted, is unwilling

1 either to grant or withhold consent; however, where the parent or legal guardian  
 2 cannot be contacted or, if contacted, is unwilling either to grant or to withhold consent,  
 3 the provider of medical or dental services shall counsel the minor keeping in mind not  
 4 only the valid interests of the minor but also the valid interests of the parent or  
 5 guardian and the family unit as best the provider presumes them;

6 (3) a minor who is the parent of a child may give consent to medical,  
 7 **behavioral, mental health,** and dental services for the minor or the child;

8 (4) a minor may give consent for diagnosis, prevention or treatment of  
 9 pregnancy, and for diagnosis and treatment of venereal disease;

10 (5) the parent or guardian of the minor is relieved of all financial  
 11 obligation to the provider of the service under this section.

12 \* **Sec. 2.** AS 25.20.025 is amended by adding a new subsection to read:

13 (d) To establish that a minor is a homeless unaccompanied minor for purposes  
 14 of giving consent under (a)(1) of this section, the minor must possess documentation  
 15 stating that the minor is 16 years of age or older, does not have a fixed, regular,  
 16 adequate nighttime residence, and is not in the care and physical custody of a parent or  
 17 guardian. The document must be signed by

18 (1) a director or the designee of a director of a governmental or  
 19 nonprofit entity that receives public or private funding to provide services to  
 20 individuals who are homeless;

21 (2) a local educational agency liaison for homeless children and youth  
 22 designated under 42 U.S.C. 11432(g)(1)(J)(ii), a local educational agency foster care  
 23 point of contact designated under 20 U.S.C. 6312(c)(5)(A), or a licensed clinical social  
 24 worker employed by a school in the state;

25 (3) an attorney who represents the minor in any legal matter; or

26 (4) the minor and two adults with actual knowledge of the minor's  
 27 circumstances.

28 \* **Sec. 3.** AS 25.20 is amended by adding a new section to read:

29 **Sec. 25.20.028. Behavioral and mental health treatment of minors.** (a) A  
 30 minor who is 16 years of age or older may give consent to receive outpatient  
 31 behavioral or mental health services from a mental health provider for up to five

1 outpatient appointments of up to 90 minutes each. A mental health provider may not  
2 prescribe medication to a minor receiving behavioral or mental health services without  
3 obtaining the consent of the minor's parent or guardian. After the fifth appointment, a  
4 mental health provider may continue to provide behavioral or mental health services to  
5 the minor only as provided in (b) or (c) of this section.

6 (b) Not later than the fifth appointment and upon consultation with the minor,  
7 the mental health provider, in conjunction with the provider's supervisor if the mental  
8 health provider has a supervisor, shall determine whether attempting to obtain the  
9 consent of the minor's parent or guardian to provide behavioral or mental health  
10 services would be detrimental to the minor's well-being. Attempting to obtain the  
11 consent of the minor's parent or guardian would be detrimental to the minor's well-  
12 being if

13 (1) the behavioral or mental health services are related to allegations of  
14 neglect, sexual abuse, or mental or physical abuse by the minor's parent or guardian;  
15 or

16 (2) the mental health provider finds that

17 (A) requiring the consent of the minor's parent or guardian  
18 would cause the minor to reject behavioral or mental health services;

19 (B) failing to provide behavioral or mental health services to  
20 the minor would be detrimental to the minor's well-being;

21 (C) the minor sought behavioral or mental health services  
22 knowingly and voluntarily; and

23 (D) the minor has the maturity to productively participate in  
24 behavioral or mental health services.

25 (c) If the mental health provider determines that attempting to obtain the  
26 consent of the minor's parent or guardian would not be detrimental to the minor's well-  
27 being, the mental health provider shall inform the minor that the consent of the minor's  
28 parent or guardian is required to continue providing behavioral or mental health  
29 services to the minor. The mental health provider shall discontinue behavioral or  
30 mental health services to a minor who does not permit the mental health provider to  
31 obtain the consent of the minor's parent or guardian and notify the minor's parent or

1 guardian that the services were provided. If the minor permits the mental health  
2 provider to obtain the consent of the minor's parent or guardian, the mental health  
3 provider shall make reasonable attempts to obtain that consent. The mental health  
4 provider shall document each attempt to obtain consent in the minor's clinical record.  
5 The mental health provider may continue to provide behavioral or mental health  
6 services to the minor without the consent of the minor's parent or guardian if

7 (1) the mental health provider has made at least two unsuccessful  
8 attempts to contact the minor's parent or guardian to obtain consent by mail, electronic  
9 mail, or telephone; and

10 (2) the mental health provider has the written consent of the minor.

11 (d) If the mental health provider determines that attempting to obtain the  
12 consent of the minor's parent or guardian would be detrimental to the minor's well-  
13 being, the mental health provider shall document the basis for the determination in the  
14 minor's clinical record. The mental health provider may continue to provide behavioral  
15 or mental health services to the minor upon the minor's written consent. The mental  
16 health provider and the mental health provider's supervisor, if the mental health  
17 provider has a supervisor, shall evaluate the determination made under (b) of this  
18 section every 60 days until either the mental health provider discontinues providing  
19 services to the minor or the minor turns 18 years of age.

20 (e) A mental health provider may not inform the parent or guardian of a minor  
21 receiving behavioral or mental health services under (d) of this section of those  
22 services without the written consent of the minor. A mental health provider shall  
23 inform a minor before disclosing to the minor's parent or guardian information  
24 regarding any behavioral or mental health services provided to the minor. The mental  
25 health provider may not disclose the information to the parent or guardian if the minor  
26 discontinues the behavioral or mental health services upon being informed of the  
27 mental health provider's intent. A mental health provider may deny a minor's parent or  
28 guardian access to any part of the minor's clinical record if the mental health provider  
29 has compelling reasons for the denial.

30 (f) The parent or guardian of a minor is relieved of all financial obligation to  
31 the provider of a service under this section.

1 (g) Nothing in this section may be construed to remove liability of the person  
2 performing the examination or treatment for failure to meet the standards of care  
3 common throughout the health professions in the state or for intentional misconduct.

4 (f) In this section, "mental health provider" means a behavioral health  
5 professional as defined in AS 14.30.174(b) and a mental health professional as defined  
6 in AS 47.30.915.

7 \* **Sec. 4.** AS 47.10.084(c) is amended to read:

8 (c) When there has been transfer of legal custody or appointment of a guardian  
9 and parental rights have not been terminated by court decree, the parents shall have  
10 residual rights and responsibilities. These residual rights and responsibilities of the  
11 parent include, but are not limited to, the right and responsibility of reasonable  
12 visitation, consent to adoption, consent to marriage, consent to military enlistment,  
13 consent to major medical treatment except in cases of emergency or cases falling  
14 under AS 25.20.025 **or 25.20.028**, and the responsibility for support, except if by court  
15 order any residual right and responsibility has been delegated to a guardian under (b)  
16 of this section. In this subsection, "major medical treatment" includes the  
17 administration of medication used to treat a mental health disorder.

18 \* **Sec. 5.** AS 47.12.150(c) is amended to read:

19 (c) When there has been transfer of legal custody or appointment of a guardian  
20 and parental rights have not been terminated by court decree, the parents shall have  
21 residual rights and responsibilities. These residual rights and responsibilities of the  
22 parent include the right and responsibility of reasonable visitation, consent to  
23 adoption, consent to marriage, consent to military enlistment, consent to major  
24 medical treatment except in cases of emergency or cases falling under AS 25.20.025  
25 **or 25.20.028**, and the responsibility for support, except if by court order any residual  
26 right and responsibility has been delegated to a guardian under (b) of this section.

27 \* **Sec. 6.** This Act takes effect January 1, 2026.



# NORTHWEST ARCTIC BOROUGH SCHOOL DISTRICT

Ambler · Buckland · Deering · Kiana · Kivalina · Kobuk · Kotzebue · Noatak · Noorvik · Selawik · Shungnak  
PO Box 51 · Kotzebue, Alaska 99752 · Phone (907) 442-1800

January 16, 2026

## 2025-2026 Legislative Priorities Alignment

### NWABSD Legislative Priorities

- Prepare, Attract, and Retain Teachers, Administrators, and District Staff
  - Teacher Housing
  - Defined Benefits
  - Grow-Our-Own
  - Visas for J1/H1B
- Language & Culture
  - Targeted funding for language revitalization: speakers, curriculum, Sivuniigvik
- Wellness
  - CTE: attendance and enrollment impacted
  - Healthy Relationships/Healthy Families: emphasis on values and cultural activities
  - Harm-to-self
  - Vaping
- Funding for Alaska's Public Schools
  - Increase BSA allocation and account for inflation annually
  - School Construction and Major Maintenance needs: age of buildings/cost, Deering new school construction, match for projects
  - Support for CTE and counselors
  - Food Service: Divert's bill, USDA survey with geographical differential survey update

**MISSION:** To provide a learning environment that inspires and challenges students and employees to excel  
**VISION:** To graduate all students with the knowledge, skills, and attitudes necessary for a successful future