

2  
3 SENATE FINANCE AND TAXATION EDUCATION COMMITTEE SUBSTITUTE FOR  
4 SB283

5  
6  
7  
8  
9 SYNOPSIS: This bill would prohibit officers and  
10 employees of the Alabama Education Association,  
11 Alabama High School Athletic Association, Alabama  
12 Association of School Boards, Alabama Council for  
13 School Administration and Supervision, Alabama  
14 Vocational Association, Alabama Congress of Parents  
15 and Teachers, Alabama Opportunities  
16 Industrialization Center, Developing Alabama Youth  
17 Foundation, Tennessee Valley Rehabilitation Center,  
18 Inc., American Federation of Teachers, School  
19 Superintendents of Alabama, Alabama Higher  
20 Education Partnership, Inc., Alabama State  
21 Employees' Association, Alabama Retired State  
22 Employees' Association, State Employees' Credit  
23 Union, and certain community action agencies, hired  
24 on or after January 1, 2017, and any elected local  
25 superintendent of education elected to office on or  
26 after January 1, 2017, from participating in the

1 Teachers' Retirement System and the Public  
2 Education Employees' Health Insurance Plan.

3 This bill would also prohibit any person  
4 hired on or after January 1, 2017, who is not  
5 employed in a permanent full-time capacity with the  
6 state, from participating in the Teachers'  
7 Retirement System of Alabama, the Public Education  
8 Employees' Health Insurance Plan, or any health  
9 insurance program governed and administered by the  
10 State Employees' Insurance Board.

11  
12 A BILL

13 TO BE ENTITLED

14 AN ACT

15  
16 To amend Sections 16-25-1, 16-25-10.1, 16-25-10.2,  
17 16-25-10.3, 16-25-10.4, 16-25-10.5, 16-25-10.6, 16-25-10.7,  
18 16-25-10.8, 16-25-10.9, 16-25-10.10, 16-25-10.11, 16-25-10.12,  
19 16-25-32, 16-25A-11, and 36-29-14, Code of Alabama 1975,  
20 relating to the Teachers' Retirement System and the Public  
21 Education Employees' Health Insurance Plan, to prohibit any  
22 officer or employee of the Alabama Education Association,  
23 Alabama High School Athletic Association, Alabama Association  
24 of School Boards, Alabama Council for School Administration  
25 and Supervision, Alabama Vocational Association, Alabama  
26 Congress of Parents and Teachers, Alabama Opportunities  
27 Industrialization Center, Developing Alabama Youth Foundation,

1 Tennessee Valley Rehabilitation Center, Inc., American  
2 Federation of Teachers, School Superintendents of Alabama,  
3 Alabama Higher Education Partnership, Inc., Alabama State  
4 Employees' Association, Alabama Retired State Employees'  
5 Association, State Employees' Credit Union, and certain  
6 community action agencies, hired on or after January 1, 2017,  
7 and any elected local superintendent of education elected to  
8 office on or after January 1, 2017, from participating in the  
9 system and the plan; and to prohibit any person hired on or  
10 after January 1, 2017, who is not employed in a permanent  
11 full-time capacity with the state, from participating in the  
12 Teachers' Retirement System of Alabama, the Public Education  
13 Employees' Health Insurance Plan, or any health insurance  
14 program governed and administered by the State Employees'  
15 Insurance Board.

16 BE IT ENACTED BY THE LEGISLATURE OF ALABAMA:

17 Section 1. Sections 16-25-1, 16-25-10.1, 16-25-10.2,  
18 16-25-10.3, 16-25-10.4, 16-25-10.5, 16-25-10.6, 16-25-10.7,  
19 16-25-10.8, 16-25-10.9, 16-25-10.10, 16-25-10.11, 16-25-10.12,  
20 16-25-32, 16-25A-11, and 36-29-14 of the Code of Alabama 1975,  
21 are amended to read as follows:

22 "§16-25-1.

23 "For the purposes of this chapter the following  
24 terms, unless a different meaning is plainly required by the  
25 context, shall have the following respective meanings:

26 "(1) RETIREMENT SYSTEM. The Teachers' Retirement  
27 System of Alabama as defined in Section 16-25-2.

1           "(2) PUBLIC SCHOOL. Any day school conducted within  
2 the state under the authority and supervision of a duly  
3 elected or appointed county or city board of education and any  
4 educational institution supported by and under the control of  
5 the state or any private nondenominational school operated  
6 nonprofit for the education of children of school age residing  
7 within a district where no public school is available for the  
8 children.

9           "(3) TEACHER. Any teacher, principal,  
10 superintendent, supervisor, college professor, administrative  
11 officer, or clerk employed in any public school or public  
12 college within the state or employed in any private  
13 nondenominational school operated nonprofit for the education  
14 of children of school age residing within a district where no  
15 public school is available for the children or any similar  
16 employee or officer of the Department of Education ~~or of the~~  
17 ~~Alabama Education Association,~~ or any attendance worker 50  
18 percent or more of whose salary is paid from public school  
19 funds or any employee receiving a regular stated compensation  
20 from the retirement system. In all cases of doubt, the Board  
21 of Control shall determine whether any person is a teacher as  
22 defined in this chapter. An employee or officer of the Alabama  
23 Education Association who is serving in that position before  
24 January 1, 2017, is considered a teacher for purposes of this  
25 chapter. An employee or officer of the Alabama Education  
26 Association who begins serving in that position on or after

1 January 1, 2017, is not a teacher for purposes of this  
2 chapter.

3 "(4) SUPPORT PERSONNEL or EMPLOYEE. Any maid,  
4 custodian, adult bus driver, lunchroom or cafeteria worker,  
5 secretary, clerk, clerical assistant, maintenance worker, or  
6 other non-certificated employee who works an average of 20  
7 hours weekly.

8 "(5) EMPLOYER. The State of Alabama, the county  
9 school board, the city school board, the State Board of  
10 Education, or any governing body of any private  
11 nondenominational school operated nonprofit for education of  
12 children of school age residing within a district where no  
13 public school is available for the children or any other  
14 agency of and within the state by which a teacher is paid.

15 "(6) MEMBER. Any teacher included in the membership  
16 of the system as provided in Section 16-25-3.

17 "(7) BOARD OF CONTROL. The board provided for in  
18 Section 16-25-19 to administer the retirement system.

19 "(8) MEDICAL BOARD. The board of physicians provided  
20 for in Section 16-25-19.

21 "(9) TRUSTEES. The members of the Board of Control  
22 to administer the trust funds.

23 "(10) SERVICE. Service as a teacher.

24 "(11) PRIOR SERVICE. Service rendered prior to the  
25 date of establishment of the retirement system for which  
26 credit is allowable under Section 16-25-11.

1           "(12) MEMBERSHIP SERVICE. Service as a teacher  
2 rendered while a member of the retirement system and on  
3 account of which contributions are made.

4           "(13) CREDITABLE SERVICE. "Prior service" plus  
5 "membership service" rendered since last becoming a member.

6           "(14) BENEFICIARY. Any person in receipt of a  
7 pension, an annuity, a retirement allowance, or other benefit  
8 as provided by this chapter.

9           "(15) REGULAR INTEREST. Interest compounded annually  
10 at the rate determined by the Board of Control in accordance  
11 with subsection (b) of Section 16-25-20.

12           "(16) ACCUMULATED CONTRIBUTIONS. The sum of all the  
13 amounts deducted from the compensation of a member and  
14 credited to his or her individual account in the annuity  
15 savings fund together with regular interest thereon as  
16 provided in Section 16-25-21.

17           "(17) EARNABLE COMPENSATION. The full rate of the  
18 compensation that would be payable to a teacher if he or she  
19 worked the full normal working time. In cases where  
20 compensation includes maintenance, the Board of Control shall  
21 fix the value of that part of the compensation not paid in  
22 money. Earnable compensation shall not exceed the limitations  
23 imposed by Section 401(a)(17) of the Internal Revenue Code for  
24 public pension funds except that any employee who was a member  
25 of the Teachers' Retirement System before the first plan year  
26 beginning after December 31, 1995, shall not be subject to the  
27 earning limitations set forth in Section 401(a)(17). For Tier

1 I plan members, the term earnable compensation for retirement  
2 purposes shall include overtime payments that are made to a  
3 member; however, earnable compensation shall not exceed 120  
4 percent of any member's annual base compensation as certified  
5 by the employer. For Tier II plan members, earnable  
6 compensation shall include overtime payments that are made to  
7 the member but shall not include subsistence payments that are  
8 made to the member and shall not exceed one hundred  
9 twenty-five percent (125%) of the member's annual base  
10 compensation, as certified by the employer.

11 "(18) AVERAGE FINAL COMPENSATION. For any Tier I  
12 Plan member, the average annual compensation of a teacher,  
13 with respect to which he or she has made contributions  
14 pursuant to paragraph b. of subdivision (1) of Section  
15 16-25-21 during the three years in his or her last 10 years of  
16 creditable service for which the average is highest or during  
17 his or her entire period of creditable service if less than  
18 three years; except, that for any period prior to October 1,  
19 1959, the compensation used in computing the average shall  
20 include compensation in excess of the maximum amount with  
21 respect to which members were required to contribute. For any  
22 Tier II Plan member, the average annual compensation of the  
23 member, with respect to which he or she has made contributions  
24 pursuant to paragraph b. of subdivision (1) of Section  
25 16-25-21 during the five years in his or her last ten years of  
26 creditable service for which the average is highest or during

1 his or her entire period of creditable service if less than  
2 five years.

3 "(19) ANNUITY. Payments for life derived from the  
4 "accumulated contributions" of a member. All annuities shall  
5 be payable in equal monthly installments.

6 "(20) PENSION. Payments for life derived from money  
7 provided by the employer. All pensions shall be payable in  
8 equal monthly installments.

9 "(21) RETIREMENT ALLOWANCE. The sum of the "annuity"  
10 and the "pension."

11 "(22) RETIREMENT. Withdrawal from active service  
12 with a retirement allowance or optional benefit in lieu  
13 thereof granted under this chapter.

14 "(23) ANNUITY RESERVE. The present value of all  
15 payments to be made on account of any annuity or benefit in  
16 lieu of any annuity, computed upon the basis of the mortality  
17 tables as shall be adopted by the Board of Control, and  
18 regular interest.

19 "(24) PENSION RESERVE. The present value of all  
20 payments to be made on account of any pension or benefit in  
21 lieu of any pension, computed upon the basis of the mortality  
22 tables as shall be adopted by the Board of Control, and  
23 regular interest.

24 "(25) ACTUARIAL EQUIVALENT. A benefit of equal  
25 value, when computed upon the basis of the mortality tables as  
26 shall be adopted by the Board of Control, and regular  
27 interest.



1           "(26) NORMAL CONTRIBUTION. The contributions of the  
2 state necessary to provide a pension equal to the annuity  
3 which the member's contribution made prior to age 65 with  
4 interest will provide at age of retirement not to exceed 65.

5           "(27) TIER I PLAN. The defined benefit pension plan  
6 provided by the Retirement System to Tier I plan members.

7           "(28) TIER II PLAN. The defined benefit pension plan  
8 provided by the Retirement System to Tier II plan members.

9           "(29) TIER I PLAN MEMBER. Any member of the  
10 Retirement System who had service for which he or she received  
11 credit in the Teachers' Retirement System or in the Employees'  
12 Retirement System prior to January 1, 2013.

13           "(30) TIER II PLAN MEMBER. Any member of the  
14 Retirement System who first began eligible employment with a  
15 Teachers' Retirement System or an Employees' Retirement System  
16 participating employer on or after January 1, 2013, and who  
17 had no eligible service in the Teachers' Retirement System or  
18 the Employees' Retirement System prior to January 1, 2013.

19           "§16-25-7.

20           ~~"(a) All persons now employed on a full-time basis  
21 in an administrative or clerical capacity by the Alabama High  
22 School Athletic Association, may become members of the  
23 Teachers' Retirement System of Alabama within 90 days after  
24 October 1, 1967, subject to such rules and regulations as may  
25 be promulgated by the Board of Control of the Teachers'  
26 Retirement System of Alabama. Any person hereafter employed in  
27 an administrative or clerical capacity by the Alabama High~~

1 ~~School Athletic Association shall be deemed to be a "teacher"~~  
2 ~~as defined in Section 16-25-1 and shall be entitled to the~~  
3 ~~benefits thereof. Notwithstanding the provisions of this~~  
4 ~~section and other sections of the Teachers' Retirement System~~  
5 ~~law, it is provided that the~~ The Alabama High School Athletic  
6 Association shall pay to the retirement system the employer  
7 cost for coverage of its employees who began participating in  
8 the Teachers' Retirement System before January 1, 2017, such  
9 cost to be determined by an actuary employed by the Board of  
10 Control and under rules and regulations established by ~~said~~  
11 the board.

12 " (b) Any person ~~now~~ employed by the Alabama High  
13 School Athletic Association and participating in the Teachers'  
14 Retirement System pursuant to ~~as set out in~~ subsection (a) ~~of~~  
15 ~~this section shall be entitled to~~ may receive credit for all  
16 service as a "teacher" or as an employee of the Alabama High  
17 School Athletic Association rendered by him or her prior to  
18 October 1, 1967; provided, that a sum equal to the total  
19 contributions which he or she would have made as a member  
20 during the period of such employment plus regular interest at  
21 four percent is paid within 90 days after October 1, 1967.

22 "(c) No employee of the Alabama High School Athletic  
23 Association hired on or after January 1, 2017, may participate  
24 in the Teachers' Retirement System based upon that employment.

25 "§16-25-10.1.

26 "(a) ~~The~~ Before January 1, 2017, the governing body  
27 of the Alabama Association of School Boards ~~may,~~ by resolution

1 legally adopted to conform to the rules prescribed by the  
2 Board of Control of the Teachers' Retirement System, may elect  
3 to have its executive officers and employees, from whatever  
4 source and in whatever manner paid, become eligible to  
5 participate in the Teachers' Retirement System of Alabama,  
6 subject to all rules, regulations, and conditions thereof.

7 "(b) The governing body of the Alabama Association  
8 of School Boards having made an election through a resolution  
9 as provided in subsection (a) ~~of this section~~, its employees  
10 and executive officers employed before January 1, 2017, may  
11 participate in and be entitled to all benefits of the  
12 Teachers' Retirement System of Alabama; provided, that where  
13 member contributions are made from salaries paid by the  
14 Alabama Association of School Boards, the Alabama Association  
15 of School Boards shall pay the employer costs calculated as a  
16 percentage of the salaries of those employees to be  
17 contributed as employer in accordance with subdivisions (3)  
18 and (5) of Section 16-25-21. ~~Such~~ The amounts shall be paid  
19 monthly and at the same time as the member contributions are  
20 made to the Teachers' Retirement System.

21 "(c) The governing body of the Alabama Association  
22 of School Boards may provide in its resolution to the  
23 Teachers' Retirement System's Board of Control that all  
24 service rendered by an eligible employee or executive officer  
25 to ~~said~~ the association previous to the effective date of ~~said~~  
26 the association's election to come under the Teachers'  
27 Retirement System shall be creditable service to ~~such~~ the

1 employee or executive officer; provided, that any such  
2 provision shall apply only to those employees and officers who  
3 were in the active service of the association on the effective  
4 date of ~~said~~ the association's election to be covered under  
5 the Teachers' Retirement System; provided further, that the  
6 ~~said~~ resolution shall also state that the Alabama Association  
7 of School Boards shall assume and pay, as required, all costs  
8 necessary to fund the crediting of ~~such~~ the previous service,  
9 ~~such~~ with costs to be determined by the actuary employed by  
10 the Teachers' Retirement System's Board of Control.

11 "(d) No executive officer or employee of the Alabama  
12 Association of School Boards hired on or after January 1,  
13 2017, may participate in the Teachers' Retirement System based  
14 upon that employment.

15 "§16-25-10.2.

16 "(a) ~~The~~ Before January 1, 2017, the governing body  
17 of the Alabama Council for School Administration and  
18 Supervision ~~may~~, by resolution legally adopted to conform to  
19 the rules prescribed by the Board of Control of the Teachers'  
20 Retirement System, may elect to have its executive officers  
21 and employees, from whatever source and in whatever manner  
22 paid, become eligible to participate in the Teachers'  
23 Retirement System of Alabama, subject to all rules,  
24 regulations, and conditions thereof.

25 "(b) The governing body of the Alabama Council for  
26 School Administration and Supervision having made an election  
27 through a resolution as provided in subsection (a) ~~of this~~

1 ~~section,~~ its employees and executive officers employed before  
2 January 1, 2017, may participate in and be entitled to all  
3 benefits of the Teachers' Retirement System of Alabama;  
4 provided, that where contributions are made from salaries paid  
5 by the Alabama Council for School Administration and  
6 Supervision, the Council for School Administration and  
7 Supervision shall pay the employer costs, calculated as a  
8 percentage of the salaries of those employees, to be  
9 contributed as employer in accordance with Section 16-25-21.  
10 ~~Such~~ The amounts shall be paid monthly and at the same time as  
11 the members' contributions are made to the Teachers'  
12 Retirement System.

13 "(c) (1) The governing body of the Alabama Council  
14 for School Administration and Supervision may provide in its  
15 resolution to the Teachers' Retirement System's Board of  
16 Control that all service rendered, by an eligible employee or  
17 executive officer, to ~~said~~ the council, previous to the  
18 effective date of ~~said~~ the council's election to come under  
19 the Teachers' Retirement System, shall be creditable service  
20 to ~~such~~ the employee or executive officer; provided, that any  
21 such provision shall apply only to those employees and  
22 officers who were in the active service of the council on the  
23 effective date of ~~said~~ the council's election to be covered  
24 under the Teachers' Retirement System; and provided further,  
25 that the ~~said~~ resolution also states that the Alabama Council  
26 for School Administration and Supervision shall assume and  
27 pay, as required, all costs necessary to fund the crediting of

1 such previous service, ~~such~~ the costs to be determined by the  
2 actuary employed by the Teachers' Retirement System's Board of  
3 Control.

4 "(2) All benefits that accrue and are payable to any  
5 beneficiary hereunder shall be limited to and shall not exceed  
6 the amount paid in by the beneficiary and the employer plus  
7 his or her portion of the interest earned and the enhancement  
8 of his or her moneys by investing them, less the cost of  
9 administration, at no cost to the State of Alabama.

10 "(d) No executive officer or employee of the Alabama  
11 Council for School Administration and Supervision hired on or  
12 after January 1, 2017, may participate in the Teachers'  
13 Retirement System based upon that employment.

14 "§16-25-10.3.

15 "(a) ~~The~~ Before January 1, 2017, the governing body  
16 of the Alabama Vocational Association ~~may~~, by resolution  
17 legally adopted to conform to the rules prescribed by the  
18 Board of Control of the Teachers' Retirement System, may elect  
19 to have its executive officers and employees, from whatever  
20 source and in whatever manner paid, become eligible to  
21 participate in the Teachers' Retirement System of Alabama,  
22 subject to all rules, regulations, and conditions thereof.

23 "(b) The governing body of the Alabama Vocational  
24 Association having made an election through a resolution as  
25 provided in subsection (a) ~~of this section~~, its employees and  
26 executive officers employed before January 1, 2017, may  
27 participate in and be entitled to all benefits of the

1 Teachers' Retirement System of Alabama, provided that where  
2 contributions are made from salaries paid by the Alabama  
3 Vocational Association, the Alabama Vocational Association  
4 shall pay the employer costs, calculated as a percentage of  
5 the salaries of those employees, to be contributed as employer  
6 in accordance with Section 16-25-21. ~~Such~~ The amounts shall be  
7 paid monthly and at the same time as the members'  
8 contributions are made to the Teachers' Retirement System.

9 "(c) The governing body of the Alabama Vocational  
10 Association may provide in its resolution to the Teachers'  
11 Retirement System's Board of Control that all service  
12 rendered, by an eligible employee or executive officer, to  
13 ~~said the~~ the association, previous to the effective date of ~~said~~  
14 the association's election to come under the Teachers'  
15 Retirement System, shall be creditable service to ~~such the~~  
16 employee or executive officer; provided that any such  
17 provision shall apply only to those employees and officers who  
18 were in the active service of the association on the effective  
19 date of ~~said the~~ the association's election to be covered under  
20 the Teachers' Retirement System; and provided further that the  
21 ~~said~~ resolution also states that the Alabama Vocational  
22 Association shall assume and pay, as required, all costs  
23 necessary to fund the crediting of such previous service, ~~such~~  
24 the costs to be determined by the actuary employed by the  
25 Teachers' Retirement System's Board of Control.

26 "(d) No executive officer or employee of the Alabama  
27 Vocational Association hired on or after January 1, 2017, may

1 participate in the Teachers' Retirement System based upon that  
2 employment.

3 "§16-25-10.4.

4 "(a) ~~The~~ Before January 1, 2017, the governing board  
5 of the Alabama Congress of Parents and Teachers ~~may~~, by  
6 resolution legally adopted to conform to the rules prescribed  
7 by the Board of Control of the Teachers' Retirement System,  
8 may elect to have its executive officers and employees, from  
9 whatever source and in whatever manner paid, become eligible  
10 to participate in the Teachers' Retirement System of Alabama,  
11 subject to all rules, regulations, and conditions thereof.

12 "(b) The governing body of the Alabama Congress of  
13 Parents and Teachers, having made an election through a  
14 resolution as provided in subsection (a), its employees and  
15 executive officers employed before January 1, 2017, may  
16 participate in and be entitled to all benefits of the  
17 Teachers' Retirement System of Alabama, provided that where  
18 contributions are made from salaries paid by the Alabama  
19 Congress of Parents and Teachers, the association shall pay  
20 the employer costs calculated as a percentage of the salaries  
21 of those employees, to be contributed as employer costs in  
22 accordance with subdivisions (3) and (5) of Section 16-25-21.  
23 ~~Such~~ The amounts shall be paid monthly and at the same time as  
24 the members' contributions are made to the Teachers'  
25 Retirement System.

26 "(c) The governing body of the Alabama Congress of  
27 Parents and Teachers may provide in its resolution to the



1 Teachers' Retirement System's Board of Control that all  
2 service rendered, by an eligible employee or executive  
3 officer, to ~~said~~ the association, previous to the effective  
4 date of ~~said~~ the association's election to come under the  
5 Teachers' Retirement System, shall be creditable service to  
6 ~~such~~ the employee or executive officer; provided that any such  
7 provision shall apply only to those employees and officers who  
8 were in the active service of the association on the effective  
9 date of ~~said~~ the association's election to be covered under  
10 the Teachers' Retirement System; and provided further that the  
11 ~~said~~ resolution also states that the Alabama Congress of  
12 Parents and Teachers, shall assume and pay, as required, all  
13 costs necessary to fund the crediting of such previous  
14 service, ~~such~~ the costs to be determined by the actuary  
15 employed by the Teachers' Retirement System's Board of  
16 Control.

17 "(d) No executive officer or employee of the Alabama  
18 Congress of Parents and Teachers hired on or after January 1,  
19 2017, may participate in the Teachers' Retirement System based  
20 upon that employment.

21 "§16-25-10.5.

22 "(a) ~~The~~ Before January 1, 2017, the governing board  
23 of the Alabama Opportunities Industrialization Center ~~may~~, by  
24 resolution legally adopted to conform to the rules prescribed  
25 by the Board of Control of the Teachers' Retirement System,  
26 may elect to have its executive officers and employees, from  
27 whatever source and in whatever manner paid, become eligible

1 to participate in the Teachers' Retirement System of Alabama,  
2 subject to all rules, regulations, and conditions thereof.

3 "(b) The governing body of the Alabama Opportunities  
4 Industrialization Center, having made an election through a  
5 resolution as provided in subsection (a), its employees and  
6 executive officers employed before January 1, 2017, may  
7 participate in and be entitled to all benefits of the  
8 Teachers' Retirement System of Alabama, provided that where  
9 contributions are made from salaries paid by the Alabama  
10 Opportunities Industrialization Center, the center shall pay  
11 the employer costs calculated as a percentage of the salaries  
12 of those employees, to be contributed as employer costs in  
13 accordance with subdivisions (3) and (5) of Section 16-25-21.  
14 ~~Such~~ The amounts shall be paid monthly and at the same time as  
15 the members' contributions are made to the Teachers'  
16 Retirement System.

17 "(c) The governing body of the Alabama Opportunities  
18 Industrialization Center may provide in its resolution to the  
19 Teachers' Retirement System's Board of Control that all  
20 service rendered, by an eligible employee or executive  
21 officer, to ~~said~~ the center, previous to the effective date of  
22 ~~said~~ the center's election to come under the Teachers'  
23 Retirement System, shall be creditable service to ~~such~~ the  
24 employee or executive officer; provided that any such  
25 provision shall apply only to those employees and officers who  
26 were in the active service of the center on the effective date  
27 of ~~said~~ the association's election to be covered under the

1 Teachers' Retirement System; and provided further that the  
2 ~~said~~ resolution also states that the Alabama Opportunities  
3 Industrialization Center, shall assume and pay, as required,  
4 all costs necessary to fund the crediting of such previous  
5 service, ~~such~~ the costs to be determined by the actuary  
6 employed by the Teachers' Retirement System's Board of  
7 Control.

8 "(d) No executive officer or employee of the Alabama  
9 Opportunities Industrialization Center hired on or after  
10 January 1, 2017, may participate in the Teachers' Retirement  
11 System based upon that employment.

12 "§16-25-10.6.

13 "(a) Any person now serving as an elected  
14 superintendent of education in this state before January 1,  
15 2017, may become a member of the Teachers' Retirement System  
16 of Alabama within 90 days after the ratification of an  
17 amendment to the Constitution of Alabama 1901 allowing elected  
18 superintendents of education to participate in the Teachers'  
19 Retirement System, subject to ~~such~~ rules and regulations as  
20 may be promulgated by the Board of Control of ~~said~~ the system.  
21 Any person ~~hereafter~~ elected to serve as superintendent of  
22 education before January 1, 2017, shall be deemed to be a  
23 "teacher" as defined in Section 16-25-1 and shall be entitled  
24 to the benefits thereof. The employer cost for coverage of  
25 ~~such~~ elected superintendents shall be paid as for other school  
26 employees. Provided further, that ~~such~~ elected superintendents  
27 shall be entitled to purchase prior service credit as a

1 teacher or superintendent in ~~such~~ the system under such rules,  
2 regulations, and provisions of law that govern the purchase of  
3 ~~such~~ prior service credit, from time to time, by teachers.

4 "(b) No person elected to serve as a local  
5 superintendent of education in this state on or after January  
6 1, 2017, may participate in the Teachers' Retirement System  
7 based upon that elected position.

8 "§16-25-10.7.

9 "(a) Any Before January 1, 2017, any governing body  
10 of any community action agency organized pursuant to Sections  
11 11-80-4.1, 11-96-3, or 11-96-6, may by resolution legally  
12 adopted to conform to the rules prescribed by the Board of  
13 Control of the Teachers' Retirement System, may elect to have  
14 its executive officers and employees from whatever source and  
15 in whatever manner paid become eligible to participate in the  
16 Teachers' Retirement System of Alabama subject to all rules,  
17 regulations, and conditions thereof.

18 "(b) The governing body of any community action  
19 agency eligible under subsection (a) ~~of this section~~ and  
20 having made an election by resolution as provided therein, its  
21 employees and executive officers employed before January 1,  
22 2017, may participate in and be entitled to all benefits of  
23 the Teachers' Retirement System of Alabama, provided that  
24 where contributions are made from salaries paid by a community  
25 action agency the agency shall pay the employer cost  
26 calculated as a percentage of the salaries of those employees  
27 to be contributed as employer cost in accordance with

1 subdivisions (3) and (5) of Section 16-25-21. ~~Such~~ The amounts  
2 shall be paid monthly and at the same time as the member's  
3 contributions are made to the Teachers' Retirement System.

4 "(c) The governing body of a community action agency  
5 eligible under subsection (a) ~~of this section~~ may provide in  
6 its resolution to the Teachers' Retirement System's Board of  
7 Control that all service rendered by an eligible employee or  
8 executive officer to ~~said~~ the agency previous to the effective  
9 date of ~~said~~ the agency's election to come under the Teachers'  
10 Retirement System shall be creditable service to ~~such~~ the  
11 employee or executive officer, provided that any such  
12 provision shall apply only to those employees and officers who  
13 were in the active service of the agency on the effective date  
14 of ~~said~~ the agency's election to be covered under the  
15 Teachers' Retirement System, and provided further that the  
16 ~~said~~ resolution also states that the agency shall assume and  
17 pay as required all costs necessary to fund the crediting of  
18 such previous service, ~~such~~ the costs to be determined by the  
19 actuary employed by the Teachers' Retirement System's Board of  
20 Control.

21 "(d) No executive officer or employee of a community  
22 action agency hired on or after January 1, 2017, may  
23 participate in the Teachers' Retirement System based upon that  
24 employment.

25 "§16-25-10.8.

26 "(a) ~~The~~ Before January 1, 2017, the governing body  
27 of the Developing Alabama Youth Foundation ~~may~~, by resolution

1 legally adopted to conform to the rules prescribed by the  
2 Board of Control of the Teachers' Retirement System, may elect  
3 to have its executive officers and full-time employees, from  
4 whatever source and in whatever manner paid, become eligible  
5 to participate in the Teachers' Retirement System of Alabama,  
6 subject to all rules, regulations, and conditions thereof.

7 "(b) The governing body of the Developing Alabama  
8 Youth Foundation, having made an election through a resolution  
9 as provided in subsection (a), its employees and executive  
10 officers employed before January 1, 2017, may participate in  
11 and be entitled to all benefits of the Teachers' Retirement  
12 System of Alabama; provided, that where contributions are made  
13 from salaries paid by the Developing Alabama Youth Foundation,  
14 the Developing Alabama Youth Foundation shall pay the employer  
15 cost, calculated as a percentage of the salaries of those  
16 employees, to be contributed as employer contributions in  
17 accordance with Section 16-25-21. ~~Such~~ The amount shall be  
18 paid monthly and at the same time as the members'  
19 contributions are made to the Teachers' Retirement System.

20 "(c) The governing body of the Developing Alabama  
21 Youth Foundation may provide in its resolution to the  
22 Teachers' Retirement System's Board of Control that all  
23 service rendered by an eligible employee or executive officer  
24 to ~~said~~ the foundation, previous to the effective date of ~~said~~  
25 the foundation's election to come under the Teachers'  
26 Retirement System, shall be creditable service to ~~such~~ the  
27 employee or executive officer; provided, that any such

1 provision shall apply only to those employees and officers who  
2 were in the active service of the foundation on the effective  
3 date of ~~said~~ the foundation's election to be covered under the  
4 Teachers' Retirement System; and provided further, that the  
5 ~~said~~ resolution also states that the Developing Alabama Youth  
6 Foundation shall assume and pay, as required, all costs  
7 necessary to fund the crediting of such previous service, ~~such~~  
8 the costs to be determined by the actuary employed by the  
9 Teachers' Retirement System Board of Control. All benefits  
10 that accrue and are payable to any beneficiary hereunder shall  
11 be limited to, and shall not exceed, the amount paid in by the  
12 beneficiary and the employer plus his or her portion of the  
13 interest earned and the enhancement of his or her moneys by  
14 investing them, less cost of administration, at no cost to the  
15 State of Alabama.

16 "(d) No executive officer or employee of the  
17 Developing Alabama Youth Foundation hired on or after January  
18 1, 2017, may participate in the Teachers' Retirement System  
19 based upon that employment.

20 "§16-25-10.9.

21 "(a) This section shall apply only to the employees  
22 and executive staff members of the Tennessee Valley  
23 Rehabilitation Center, Inc., who were active and contributing  
24 members of the Teachers' Retirement System on August 1, 1994,  
25 through John C. Calhoun Community College.

26 "(b) ~~The~~ Before January 1, 2017, the Board of  
27 Directors of the Tennessee Valley Rehabilitation Center, Inc.,

1 ~~may~~, by resolution legally adopted to conform to the rules  
2 prescribed by the Board of Control of the Teachers' Retirement  
3 System, may elect to have the full-time employees and  
4 executive staff members as defined in subsection (a), from  
5 whatever source and in whatever manner paid, become eligible  
6 to participate in the Teachers' Retirement System, subject to  
7 all rules, regulations, and conditions of the system.

8 "(c) When an election is made to join the Teachers'  
9 Retirement System pursuant to subsection (b), the full-time  
10 employees and executive staff members of the Tennessee Valley  
11 Rehabilitation Center, Inc., as defined in subsection (a) and  
12 employed before January 1, 2017, may participate in and be  
13 entitled to all benefits of the Teachers' Retirement System,  
14 provided that where contributions are made from salaries paid  
15 to the employees and staff members by the Tennessee Valley  
16 Rehabilitation Center, Inc., the employer costs as a  
17 percentage of the aforementioned salaries are contributed by  
18 the center as the employer to the Teachers' Retirement System  
19 in accordance with Section 16-25-21. The employer  
20 contributions shall be paid monthly to the system at the same  
21 time as the contributions of the members are made to the  
22 system.

23 "(d) The resolution for membership in the Teachers'  
24 Retirement System adopted pursuant to subsection (b) may also  
25 include a provision for all service rendered by an eligible  
26 employee or executive staff member from September 1, 1994, to  
27 the effective date of the election of the Tennessee Valley



1 Rehabilitation Center, Inc., to participate in the system to  
2 be creditable service for the full-time employee or executive  
3 staff member in the system. Such a provision shall apply only  
4 to the full-time employees and executive staff members of the  
5 center who are in the active service of the center on the  
6 effective date of the election of the group to be covered  
7 under the system, and the resolution shall also state that the  
8 center, as the employer, shall assume and pay all costs  
9 required to fund the credit for the prior service in the  
10 amount for the costs as determined by the actuary employed by  
11 the board of control of the system.

12 "(e) No employee or executive staff member of the  
13 Tennessee Valley Rehabilitation Center, Inc., hired on or  
14 after January 1, 2017, may participate in the Teachers'  
15 Retirement System based upon that employment.

16 "§16-25-10.10.

17 "(a) ~~The~~ Before January 1, 2017, the governing body  
18 of any local union or state organization of the American  
19 Federation of Teachers ~~may~~, by resolution legally adopted to  
20 conform to the rules prescribed by the Board of Control of the  
21 Teachers' Retirement System, may elect to have its officers  
22 and employees, from whatever source and in whatever manner  
23 paid, become eligible to participate in the Teachers'  
24 Retirement System subject to all rules, regulations, and  
25 conditions thereof.

26 "(b) The governing body of any local union or state  
27 organization of the American Federation of Teachers eligible

1 under subsection (a) to participate in the system, and having  
2 made an election by resolution to participate, may have its  
3 employees and officers employed before January 1, 2017,  
4 participate in, and be entitled to, all benefits of the  
5 Teachers' Retirement System, provided that where contributions  
6 are made from salaries paid by a local union or state  
7 organization of the American Federation of Teachers, the local  
8 union or state organization shall pay the employer cost in  
9 accordance with Section 16-25-21, at the same time as the  
10 member's contributions are paid to the Teachers' Retirement  
11 System.

12 "(c) The governing body of any local union or state  
13 organization of the American Federation of Teachers eligible  
14 under subsection (a) to participate in the system, may provide  
15 in its resolution to the Board of Control of the Teachers'  
16 Retirement System that all service rendered by an eligible  
17 employee or officer to the local union or state organization  
18 of the American Federation of Teachers prior to the effective  
19 date of the election of the local union or state organization  
20 to come under the Teachers' Retirement System shall be  
21 creditable service to the employee or officer, provided that  
22 such a provision in the resolution shall apply only to the  
23 local union or state organization of the American Federation  
24 of Teachers on the effective date of the election of the local  
25 union or state organization to be covered under the Teachers'  
26 Retirement System. The resolution also shall state that the  
27 local union or state organization of the American Federation

1 of Teachers shall assume, and pay as required, all costs  
2 necessary to fund the crediting of the prior service, with the  
3 costs to be determined by the actuary employed by the Board of  
4 Control of the Teachers' Retirement System.

5 "(d) The provisions of this section may not apply to  
6 any person who is not a teacher.

7 "(e) No officer or employee of a local union or  
8 state organization of the American Federation of Teachers  
9 hired on or after January 1, 2017, may participate in the  
10 Teachers' Retirement System based upon that employment.

11 "§16-25-10.11.

12 "(a) ~~The~~ Before January 1, 2017, the governing body  
13 of the School Superintendents of Alabama, by resolution  
14 legally adopted to conform to the rules prescribed by the  
15 Board of Control of the Teachers' Retirement System, may elect  
16 to have its executive officers and employees, from whatever  
17 source and in whatever manner paid, continue eligibility to  
18 participate in the Teachers' Retirement System of Alabama,  
19 subject to all rules, regulations, and conditions thereof.

20 "(b) The governing body of the School  
21 Superintendents of Alabama having made an election through a  
22 resolution as provided in subsection (a), its employees and  
23 executive officers employed before January 1, 2017, may  
24 continue to participate in and be entitled to all benefits of  
25 the Teachers' Retirement System of Alabama. Where  
26 contributions are made from salaries paid by the School  
27 Superintendents of Alabama, the School Superintendents of

1 Alabama shall pay the employer costs, calculated as a  
2 percentage of the salaries of those employees, to be  
3 contributed as employer in accordance with Section 16-25-21.  
4 ~~Such~~ The amounts shall be paid monthly and at the same time as  
5 the members' contributions are made to the Teachers'  
6 Retirement System.

7 "(c) All benefits that accrue and are payable to any  
8 beneficiary under this section shall be limited to and shall  
9 not exceed the amount paid in by the beneficiary and the  
10 employer plus his or her portion of the interest earned and  
11 the enhancement of his or her moneys by investing them, less  
12 the cost of administration, at no cost to the State of  
13 Alabama.

14 "(d) All executive officers and employees of the  
15 School Superintendents of Alabama now covered in the Teachers'  
16 Retirement System of Alabama under Section 16-25-10.2,  
17 pursuant to affiliation with the Alabama Council for School  
18 Administration or its successor organization, the Council for  
19 Leaders in Alabama Schools, may continue to be enrolled in the  
20 Teachers' Retirement System of Alabama by their employer, the  
21 School Superintendents of Alabama, with all credits as have  
22 been established in the Teachers' Retirement System of  
23 Alabama.

24 "(e) No executive officer or employee of the School  
25 Superintendents of Alabama hired on or after January 1, 2017,  
26 may participate in the Teachers' Retirement System based upon  
27 that employment.

1                   "§16-25-10.12.

2                   "(a) ~~The~~ Before January 1, 2017, the governing body  
3 of the Alabama Higher Education Partnership, Inc., by  
4 resolution legally adopted to conform to the rules prescribed  
5 by the Board of Control of the Teachers' Retirement System,  
6 may elect to have its officers and employees, from whatever  
7 source and in whatever manner paid, become eligible to  
8 participate in the Teachers' Retirement System subject to all  
9 rules, regulations, and conditions thereof.

10                   "(b) The governing body of the Alabama Higher  
11 Education Partnership, Inc., having made an election by  
12 resolution pursuant to subsection (a), may have its employees  
13 and officers employed before January 1, 2017, participate in,  
14 and be entitled to, all benefits of the Teachers' Retirement  
15 System. Where contributions are made from salaries paid by the  
16 Alabama Higher Education Partnership, Inc., the Alabama Higher  
17 Education Partnership, Inc., shall pay the employer cost,  
18 calculated as a percentage of the salaries of those employees,  
19 to be contributed as employer contributions in accordance with  
20 Section 16-25-21. ~~Such~~ The amount shall be paid monthly and at  
21 the same time as the member's contributions are paid to the  
22 Teachers' Retirement System.

23                   "(c) The governing body of the Alabama Higher  
24 Education Partnership, Inc., eligible under subsection (a) to  
25 participate in the system, may provide in its resolution to  
26 the Board of Control of the Teachers' Retirement System that  
27 all service rendered by an eligible employee or officer to the

1 organization before the effective date of the election of the  
2 organization to come under the Teachers' Retirement System  
3 shall be creditable service to the employee or officer. Such a  
4 provision in the resolution shall apply only to those  
5 employees and officers who were in the active service of the  
6 organization on the effective date of the election of the  
7 organization to be covered under the Teachers' Retirement  
8 System. The resolution shall also state that the organization  
9 shall assume and pay, as required, all costs necessary to fund  
10 the crediting of ~~such~~ the prior service, with the costs to be  
11 determined by the actuary employed by the Board of Control of  
12 the Teachers' Retirement System.

13 "(d) No officer or employee of the Alabama Higher  
14 Education Partnership, Inc., hired on or after January 1,  
15 2017, may participate in the Teachers' Retirement System based  
16 upon that employment.

17 "§16-25-32.

18 "(a) ~~The~~ Before January 1, 2017, the governing body  
19 of the Alabama State Employees' Association, the Alabama  
20 Retired State Employees' Association, and the State Employees'  
21 Credit Union may, by resolution legally adopted to conform to  
22 the rules prescribed by the Board of Control of the Teachers'  
23 Retirement System, may elect to have its executive officers  
24 and full-time employees, from whatever source and in whatever  
25 manner paid, become eligible to participate in the Teachers'  
26 Retirement System of Alabama, subject to all rules,  
27 regulations, and conditions thereof.

1           "(b) The governing body of the Alabama State  
2 Employees' Association, the Alabama Retired State Employees'  
3 Association, and the State Employees' Credit Union having made  
4 an election through a resolution as provided in subsection (a)  
5 ~~hereof~~, their employees and executive officers employed before  
6 January 1, 2017, may participate in and be entitled to all  
7 benefits of the Teachers' Retirement System of Alabama,  
8 provided that where contributions are made from salaries paid  
9 by the Alabama State Employees' Association, the Alabama  
10 Retired State Employees' Association, and the State Employees'  
11 Credit Union the entities shall pay the employer costs as a  
12 percentage of the salaries of those employees, to be  
13 contributed as employer in accordance with Section 16-25-21.  
14 ~~Such~~ The amounts shall be paid monthly and at the same time as  
15 the members' contributions are made to the Teachers'  
16 Retirement System.

17           "(c) The governing body of the Alabama State  
18 Employees' Association, the Alabama Retired State Employees'  
19 Association, or the State Employees' Credit Union may provide  
20 in its resolution to the Teachers' Retirement System Board of  
21 Control that all service rendered by an eligible employee or  
22 executive officer previous to the effective date of ~~said~~ the  
23 group's election to come under the Teachers' Retirement  
24 System, shall be creditable service to ~~such~~ the employee or  
25 executive officer; provided, that any such provision shall  
26 apply only to those employees and officers who were in the  
27 active service of the group on the effective date of ~~said~~ the

1 group's election to be covered under the Teachers' Retirement  
2 System; and provided further, that the ~~said~~ resolution also  
3 states that the Alabama State Employees' Association, the  
4 Alabama Retired State Employees' Association, and the State  
5 Employees' Credit Union shall assume and pay, as required, all  
6 costs necessary to fund the crediting of such previous  
7 service, ~~such~~ the costs to be determined by the actuary  
8 employed by the Teachers' Retirement System Board of Control.

9 "(d) No executive officer or employee of the Alabama  
10 State Employees' Association, the Alabama Retired State  
11 Employees' Association, or the State Employees' Credit Union  
12 hired on or after January 1, 2017, may participate in the  
13 Teachers' Retirement System based upon that employment.

14 "§16-25A-11.

15 "(a) Any board, agency, organization, or association  
16 which participates in the Teachers' Retirement System of  
17 Alabama, but whose employees are not included in the  
18 definition of employee in Section 16-25A-1 ~~may~~, by resolution  
19 legally adopted to conform to rules prescribed by the board  
20 and upon a majority vote of its employees, may elect to have  
21 its employees and under certain conditions its retired  
22 employees covered by ~~the provisions of~~ this article, provided  
23 such board, agency, organization, or association shall  
24 contract to pay the full cost of coverage for each such  
25 employee in the amounts set forth by the board and as defined  
26 in Section 16-25A-1 for a full-time employee; participation,  
27 once elected, is irrevocable. Each retired employee shall be



1 given the option to participate under ~~the provisions of~~  
2 subsection (c) of Section 16-25A-8(c) provided any employer  
3 electing to have its employees covered by this section, shall  
4 contribute on account of each of its retired employees an  
5 amount equal to any amount appropriated by the state to fund  
6 benefits for retired employees. The board shall develop rules  
7 and regulations governing the operation of this section which  
8 shall contain but not be limited to entry and withdrawal from  
9 the plan.

10 "(b) Subsection (a) to the contrary notwithstanding,  
11 the members of the following entities may not elect to have  
12 employees hired on or after January 1, 2017, or retired  
13 employees who were not employed before January 1, 2017,  
14 participate in the Public Employees Health Insurance Plan  
15 pursuant to this chapter:

16 "(1) The Alabama Education Association.

17 "(2) The Alabama High School Athletic Association.

18 "(3) The Alabama Association of School Boards.

19 "(4) The Alabama Council for School Administration  
20 and Supervision.

21 "(5) The Alabama Vocational Association.

22 "(6) The Alabama Congress of Parents and Teachers.

23 "(7) The Alabama Opportunities Industrialization  
24 Center.

25 "(8) The Developing Alabama Youth Foundation.

26 "(9) The Tennessee Valley Rehabilitation Center,  
27 Inc.

- 1           "(10) The American Federation of Teachers.
- 2           "(11) The School Superintendents of Alabama.
- 3           "(12) The Alabama Higher Education Partnership, Inc.
- 4           "(13) The Alabama State Employees' Association.
- 5           "(14) Any community action agency organized pursuant  
6 to Section 11-80-4.1, 11-96-3, or 11-96-6.

7           "§36-29-14.

8           "(a) Any Before January 1, 2017, any agency of the  
9 state, or any governmental entity, body, or subdivision  
10 thereto, any county, any municipality, any municipal  
11 foundation, any fire or water district, authority, or  
12 cooperative, any regional planning and development commission  
13 established pursuant to Sections 11-85-50 ~~through~~ to 11-85-73,  
14 inclusive, that is not and was not for the 12 months  
15 immediately preceding the date of application to participate  
16 in any plan created pursuant to ~~the provisions of~~ this article  
17 a member of an existing government sponsored health insurance  
18 program, formed under ~~the provisions of~~ Section 11-26-2, the  
19 Association of County Commissions of Alabama or the Alabama  
20 League of Municipalities, the Alabama Retired State Employees'  
21 Association, the Alabama State Employees Credit Union, Easter  
22 Seals Alabama, Alabama State University, the Alabama Rural  
23 Water Association, Rainbow Omega, Incorporated, The Arc of  
24 Alabama, Incorporated, and any of the affiliated local  
25 chapters of The Arc of Alabama, Incorporated, United Ways of  
26 Alabama and its member United Ways, the Alabama Network of  
27 Children's Advocacy Centers and its member Children's Advocacy

1 Centers, any railroad authority organized pursuant to Chapter  
2 13, Title 37, or any solid waste disposal authority organized  
3 pursuant to Chapter 89A, Title 11, by resolution legally  
4 adopted to conform to rules prescribed by the State Employees'  
5 Insurance Board, may elect to have its officers, members,  
6 employees, and retired employees become eligible for health  
7 insurance coverage under the State Employees' Insurance Board  
8 without any liability to the state or the State Employees'  
9 Health Insurance Plan.

10 "(b) Acceptance of the employees identified in  
11 subsection (a) shall be optional with the State Employees'  
12 Insurance Board.

13 "(c) Employees, officers, members, and retirees who  
14 are eligible for health insurance pursuant to this section  
15 shall be entitled to coverage and benefits as designated by  
16 the State Employees' Insurance Board.

17 "(d) Any portion of the cost of the insurance  
18 coverage as determined by the State Employees' Insurance Board  
19 for the employees, officers, members, and retirees and their  
20 dependents pursuant to this section may be paid by the  
21 employer.

22 "(e) The chief fiscal officer of each employer shall  
23 remit to the State Employees' Insurance Board the amount of  
24 premiums required for employee and dependent coverage under  
25 this section. The employer shall furnish the necessary  
26 information to the State Employees' Insurance Board.

1           "(f) The agreement of any employer to have its  
2 employees, officers, members, and retirees to be covered under  
3 the health insurance plan provided by the State Employees'  
4 Insurance Board may be revoked only by complying with the  
5 following provisions:

6           "The employer, by resolution of the governing body,  
7 shall signify its intention and desire to withdraw from such  
8 plan in writing and by delivering a copy of such resolution by  
9 certified mail to the State Employees' Insurance Board no  
10 later than six months prior to the effective date of  
11 withdrawal. Any employer that withdraws from participation in  
12 such plan shall be responsible for paying its claims incurred  
13 prior to the date of withdrawal, but not reported and paid  
14 prior to the date of withdrawal. The withdrawing employer  
15 shall also be liable for interest which will accrue at a rate  
16 of one and one-half percent per month on any monies due to the  
17 State Employees' Insurance Board which are over 30 days past  
18 due. Any organization which provides or administers health  
19 insurance benefits through the Local Government Health  
20 Insurance Program shall not provide or administer health  
21 insurance benefits to any entity which withdraws from the  
22 Local Government Health Insurance Program for a period of two  
23 years from the effective date of withdrawal.

24           "(g) The State Employees' Insurance Board shall  
25 promulgate such rules and regulations as may be necessary for  
26 the effective administration of the provisions of this  
27 section.

1           "(h) In addition, the State Employees' Insurance  
2 Board shall engage such actuarial and other special services  
3 as shall be required to transact the business of the board.  
4 The compensation of all persons engaged by the board, with the  
5 exception of clerical employees who shall be employed under  
6 the Merit System Act, and all other expenses of the board  
7 necessary for the operation of the board shall be paid at such  
8 rates and in such amounts as the board shall approve.

9           "(i) Subsection (a) to the contrary notwithstanding,  
10 the officers, members, and employees of the Alabama Retired  
11 State Employees' Association, the Association of County  
12 Commissions of Alabama, the Alabama League of Municipalities,  
13 Easter Seals Alabama, the Alabama Rural Water Association,  
14 Rainbow Omega, Incorporated, The Arc of Alabama, Incorporated,  
15 and any of the affiliated local chapters of The Arc of  
16 Alabama, Incorporated, United Ways of Alabama and its member  
17 United Ways, and the Alabama Network of Children's Advocacy  
18 Centers and its member Children's Advocacy Centers, and the  
19 Alabama State Employees' Credit Union may not elect to have  
20 employees hired on or after January 1, 2017, or retired  
21 employees who were not employed before January 1, 2017,  
22 participate in the Public Employees Health Insurance Plan  
23 pursuant to this article."

24           Section 2. No person hired on or after January 1,  
25 2017, may participate in the Teachers' Retirement System of  
26 Alabama, the Public Education Employees' Health Insurance  
27 Plan, or any health insurance program governed and

1 administered by the State Employees' Insurance Board unless he  
2 or she is employed in a permanent full-time capacity with the  
3 state.

4 Section 3. This act shall become effective on the  
5 first day of the third month following its passage and  
6 approval by the Governor, or its otherwise becoming law.