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3 HOUSE WAYS AND MEANS EDUCATION COMMITTEE SUBSTITUTE FOR HB330  
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8 SYNOPSIS: Under existing law, there is no provision  
9 for retirees and beneficiaries receiving monthly  
10 benefits from the Teachers' Retirement System (TRS)  
11 to receive a funded one-time lump-sum addition to  
12 their retirement allowances.

13 This bill would provide such a payment to  
14 certain retirees and beneficiaries under the TRS.  
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16 A BILL  
17 TO BE ENTITLED  
18 AN ACT  
19

20 Relating to retirement; to provide for a funded  
21 one-time lump-sum addition to the retirement benefits of  
22 certain retirees and beneficiaries of the Teachers' Retirement  
23 System.

24 BE IT ENACTED BY THE LEGISLATURE OF ALABAMA:

25 Section 1. (a) There is hereby provided for fiscal  
26 year 2018-2019 a funded one-time lump-sum payment, hereinafter  
27 referred to as "lump-sum payment," to each person whose

1 effective date of retirement for purposes of receiving  
2 benefits from the Teachers' Retirement System is prior to  
3 October 1, 2017, and who is receiving or is entitled to  
4 receive a monthly allowance from the Teachers' Retirement  
5 System on September 30, 2018.

6 (b) The formula for calculating the lump-sum payment  
7 shall be one dollar (\$1) per month for each year of service  
8 attained by the retiree.

9 (c) Beneficiaries of deceased members or deceased  
10 retirees, if the date of death for the deceased member, or the  
11 effective date of retirement for the deceased retiree for  
12 purposes of receiving benefits from the Teachers' Retirement  
13 System was prior to October 1, 2017, and if the beneficiary is  
14 receiving or is entitled to receive a monthly allowance from  
15 the Teachers' Retirement System on September 30, 2018, shall  
16 receive a lump-sum payment.

17 (d) There is hereby provided for fiscal year  
18 2018-2019 a funded one-time lump-sum payment to certain  
19 persons identified in subsection (e) herein, whose effective  
20 date of retirement for purposes of receiving benefits from the  
21 Teachers' Retirement System is prior to October 1, 2017, and  
22 who is receiving or is entitled to receive a monthly allowance  
23 from the Teachers' Retirement System on September 30, 2018.

24 (e) For purposes of this section, service includes  
25 the service under Section 16-25-1 and Section 16-25-150 et  
26 seq., Code of Alabama 1975.

1           (f) Any person who received benefits under the  
2 Medicaid program and whose eligibility for Medicaid benefits  
3 would be impaired by the lump-sum payment provided by this  
4 section shall not be entitled to receive the aforementioned  
5 increase. Any person who subsequently applies for benefits  
6 under the Medicaid program and that person's eligibility to  
7 receive benefits is impaired by the lump-sum payment provided  
8 by this section shall not be entitled to receive the increase  
9 subsequent to the date that the member files application for  
10 benefits under the Medicaid program.

11           (g) The lump-sum payments provided under this  
12 section shall be paid to all eligible recipients by the  
13 Teachers' Retirement System in October 2018.

14           Section 2. It is not the intent of this act to make  
15 appropriations, but the amount required to pay the cost of the  
16 lump-sum payments provided under this act shall be made in the  
17 annual Education Trust Fund budget act for the 2019 fiscal  
18 year.

19           Section 3. This act shall become effective  
20 immediately following its passage and approval by the  
21 Governor, or its otherwise becoming law.