

1 SB21  
2 192299-3  
3 By Senators Dial, Holley, Smitherman, Reed, Waggoner, Ward,  
4 Scofield, Whatley, McClendon, Williams, Livingston, Chambliss,  
5 Marsh, Stutts, Bussman, Beasley, Allen, Albritton and  
6 Brewbaker  
7 RFD: Finance and Taxation Education  
8 First Read: 09-JAN-18  
9 PFD: 11/07/2017

1 SB21

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4 ENGROSSED

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7 A BILL  
8 TO BE ENTITLED  
9 AN ACT

10  
11 Relating to retirement; to provide for a funded  
12 one-time lump-sum addition to the retirement benefits of  
13 certain retirees and beneficiaries of the Teachers' Retirement  
14 System.

15 BE IT ENACTED BY THE LEGISLATURE OF ALABAMA:

16 Section 1. (a) There is hereby provided for fiscal  
17 year 2017-2018 a funded one-time lump-sum payment, hereinafter  
18 referred to as "lump-sum payment," to each person whose  
19 effective date of retirement for purposes of receiving  
20 benefits from the Teachers' Retirement System is prior to May  
21 1, 2018, and who is receiving or is entitled to receive a  
22 monthly allowance from the Teachers' Retirement System on  
23 April 30, 2018.

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

1 (c) Beneficiaries of deceased members or deceased  
2 retirees, if the date of death for the deceased member, or the  
3 effective date of retirement for the deceased retiree for  
4 purposes of receiving benefits from the Teachers' Retirement  
5 System was prior to May 1, 2018, and if the beneficiary is  
6 receiving or is entitled to receive a monthly allowance from  
7 the Teachers' Retirement System on April 30, 2018, shall  
8 receive a lump-sum payment.

9 (d) There is hereby provided for fiscal year  
10 2017-2018 a funded one-time lump-sum payment to certain  
11 persons identified in subsection (e) herein, whose effective  
12 date of retirement for purposes of receiving benefits from the  
13 Teachers' Retirement System is prior to May 1, 2018, and who  
14 is receiving or is entitled to receive a monthly allowance  
15 from the Teachers' Retirement System on April 30, 2018.

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

19 (f) Any person who received benefits under the  
20 Medicaid program and whose eligibility for Medicaid benefits  
21 would be impaired by the lump-sum payment provided by this  
22 section shall not be entitled to receive the aforementioned  
23 increase. Any person who subsequently applies for benefits  
24 under the Medicaid program and that person's eligibility to  
25 receive benefits is impaired by the lump-sum payment provided  
26 by this section shall not be entitled to receive the increase

1 subsequent to the date that the member files application for  
2 benefits under the Medicaid program.

3 (g) The lump-sum payments provided under this  
4 section shall be paid to all eligible recipients by the  
5 Teachers' Retirement System in June 2018.

6 Section 2. It is not the intent of this act to make  
7 appropriations, but the amount required to pay the cost of the  
8 lump-sum payments provided under this act shall be made in the  
9 annual Education Trust Fund budget act for the 2019 fiscal  
10 year.

11 Section 3. This act shall become effective  
12 immediately following its passage and approval by the  
13 Governor, or its otherwise becoming law.

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Senate

Read for the first time and referred to the Senate  
committee on Finance and Taxation Education ..... 09-JAN-18

Read for the second time and placed on the calen-  
dar..... 08-FEB-18

Read for the third time and passed as amended .... 27-FEB-18

Yeas 27  
Nays 1  
Abstaining 1

Patrick Harris,  
Secretary.