

1 SB21
2 187343-1
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

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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. This bill would
13 provide such a payment to certain retirees and
14 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 2017-2018 a funded one-time lump-sum payment, hereinafter
27 referred to as "lump-sum payment," in the amount of \$400.00 to

1 each person whose effective date of retirement for purposes of
2 receiving benefits from the Teachers' Retirement System is
3 prior to October 1, 2016, and who is receiving or is entitled
4 to receive a monthly allowance from the Teachers' Retirement
5 System on September 30, 2017.

6 (b) Beneficiaries of deceased members or deceased
7 retirees, if the date of death for the deceased member, or the
8 effective date of retirement for the deceased retiree for
9 purposes of receiving benefits from the Teachers' Retirement
10 System was prior to October 1, 2016, and if the beneficiary is
11 receiving or is entitled to receive a monthly allowance from
12 the Teachers' Retirement System on September 30, 2017, shall
13 receive a lump-sum payment of \$400.00.

14 (c) There is hereby provided for fiscal year
15 2017-2018 a funded one-time lump-sum payment to certain
16 persons identified in subsection (e) herein, whose effective
17 date of retirement for purposes of receiving benefits from the
18 Employees' Retirement System is prior to October 1, 2016, and
19 who is receiving or is entitled to receive a monthly allowance
20 from the Employees' Retirement System on September 30, 2017.

21 (d) For purposes of this section, service includes
22 the service under Section 16-25-1 and Section 16-25-150 et
23 seq., Code of Alabama 1975.

24 (e) Any person who received benefits under the
25 Medicaid program and whose eligibility for Medicaid benefits
26 would be impaired by the lump-sum payment provided by this
27 section shall not be entitled to receive the aforementioned

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

7 (f) Notwithstanding the provisions of Section
8 29-9-5, Code of Alabama 1975, there is hereby appropriated
9 from the Education Trust Fund Budget Stabilization Fund to the
10 Teachers' Retirement System of Alabama \$_____ for the fiscal
11 year beginning October 1, 2017, or such amounts as are
12 necessary to carry out the provisions of this section as it
13 relates to the Teachers' Retirement System. Such appropriation
14 shall be paid in full to the Teachers' Retirement System by
15 October 31, 2017.

16 (g) The lump-sum payments provided under this
17 section shall be paid to all eligible recipients by the
18 Teachers' Retirement System in December 2017.

19 Section 2. This act shall become effective
20 immediately following its passage and approval by the
21 Governor, or its otherwise becoming law.