

1 SB215
2 192305-2
3 By Senators Dial, Whatley, McClendon, Allen and Beasley
4 RFD: Finance and Taxation General Fund
5 First Read: 25-JAN-18

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4 ENGROSSED

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7 A BILL
8 TO BE ENTITLED
9 AN ACT

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11 To provide for a funded one-time lump-sum addition
12 to the retirement benefits of certain retirees of the
13 Employees' Retirement System.

14 BE IT ENACTED BY THE LEGISLATURE OF ALABAMA:

15 Section 1. (a) There is provided for fiscal year
16 2018-2019 a funded one-time lump-sum payment, hereinafter
17 referred to as lump-sum payment, to each person except those
18 whose employer participated in the Employees' Retirement
19 System pursuant to Sections 36-27-6, 36-27-7, and 36-27-7.1,
20 Code of Alabama 1975, whose effective date of retirement for
21 purposes of receiving benefits from the Employees' Retirement
22 System is prior to October 1, 2017, and who is receiving or is
23 entitled to receive a monthly allowance from the Employees'
24 Retirement System on September 30, 2018.

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

1 (c) Beneficiaries of deceased members or deceased
2 retirees, except where the deceased member or deceased retiree
3 retired from any employer participating in the Employee's
4 Retirement System pursuant to Sections 32-27-6, 36-27-7, and
5 36-27-7.1, Code of Alabama 1975, if the date of death for the
6 deceased member, or the effective date of retirement for the
7 deceased retiree for purposes of receiving benefits from the
8 Employees' Retirement System prior to October 1, 2017, and if
9 the beneficiary is receiving or is entitled to receive a
10 monthly allowance from the Employees' Retirement System on
11 September 30, 2018, shall receive a lump-sum payment.

12 (d) For purposes of this act, service includes the
13 service under Section 36-27-1 and Section 36-27-170 et seq.,
14 Code of Alabama 1975, as well as state police bonus credit or
15 hazardous duty (FLC bonus) credit.

16 Section 2. Any person who received benefits under
17 the Medicaid program and whose eligibility for Medicaid
18 benefits would be impaired by the lump-sum payment provided by
19 this act shall not be entitled to receive the aforementioned
20 increase. Any person who subsequently applies for benefits
21 under the Medicaid program and that person's eligibility to
22 receive benefits is impaired by the lump-sum payment provided
23 by this act shall not be entitled to receive the increase
24 subsequent to the date that the member files application for
25 benefits under the Medicaid program.

26 Section 3. The Board of Control of the Employees'
27 Retirement System shall determine the amount required to pay

1 the cost of the lump-sum payments provided under this act and
2 shall notify the chief fiscal officer of each employer of the
3 increases in the employer rate required to be paid to the
4 system. For the fiscal year beginning October 1, 2018 only,
5 each employer shall pay the increase in the employer rate in
6 the same manner and from the same source of funds as salaries
7 of active members are paid.

8 Section 4. The lump-sum payments provided under this
9 act shall be paid to all eligible recipients by the Employees'
10 Retirement System in October 2018.

11 Section 5. 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 General Fund ... 25-JAN-18

Read for the second time and placed on the calen-
dar..... 22-FEB-18

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

Yeas 28
Nays 1

Patrick Harris,
Secretary.