

1 SB215
2 189862-2
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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8 SYNOPSIS: Under existing law, there is no provision
9 for retirees receiving monthly benefits from the
10 Employees' Retirement System to receive a funded
11 one-time lump-sum addition to their retirement
12 allowances.

13 This bill would provide such a payment to
14 certain retirees under the Employees' Retirement
15 System.

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17 A BILL
18 TO BE ENTITLED
19 AN ACT

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21 To provide for a funded one-time lump-sum addition
22 to the retirement benefits of certain retirees of the
23 Employees' Retirement System.

24 BE IT ENACTED BY THE LEGISLATURE OF ALABAMA:

25 Section 1. (a) There is provided for fiscal year
26 2017-2018 a funded one-time lump-sum payment, hereinafter
27 referred to as lump-sum payment, to each person except those

1 whose employer participated in the Employees' Retirement
2 System pursuant to Sections 36-27-6, 36-27-7, and 36-27-7.1,
3 Code of Alabama 1975, whose effective date of retirement for
4 purposes of receiving benefits from the Employees' Retirement
5 System is prior to May 1, 2018, and who is receiving or is
6 entitled to receive a monthly allowance from the Employees'
7 Retirement System on April 30, 2018.

8 (b) The lump-sum payment shall be four hundred
9 dollars (\$400).

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

20 Section 3. The Board of Control of the Employees'
21 Retirement System shall determine the amount required to pay
22 the cost of the lump-sum payments provided under this act and
23 shall notify the chief fiscal officer of each employer of the
24 increases in the employer rate required to be paid to the
25 system. For the fiscal year beginning October 1, 2019, only,
26 each employer shall pay the increase in the employer rate in

1 the same manner and from the same source of funds as salaries
2 of active members are paid.

3 Section 4. The lump-sum payments provided under this
4 act shall be paid to all eligible recipients by the Employees'
5 Retirement System in June 2018.

6 Section 5. This act shall become effective
7 immediately following its passage and approval by the
8 Governor, or its otherwise becoming law.