

1 SB368
2 115777-2
3 By Senator Orr
4 RFD: Finance and Taxation General Fund
5 First Read: 04-FEB-10

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8 SYNOPSIS: This bill would allow certain individuals
9 who have or had been contributing members of the
10 Employees' Retirement System for 24 years to
11 purchase credit in the system for one year of
12 service.

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14 A BILL
15 TO BE ENTITLED
16 AN ACT

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18 To allow certain individuals who have or had been a
19 contributing member of the Employees' Retirement System for 24
20 years to purchase credit in the system for one year of
21 service.

22 BE IT ENACTED BY THE LEGISLATURE OF ALABAMA:

23 Section 1. (a) An individual who has or had been a
24 contributing member of the Employees' Retirement System for 24
25 years and whose employment was dependent on the tenure of an
26 elected or appointed official may purchase service credit in
27 the system for one year of service. Such individuals shall

1 receive credit, not to exceed one year, when they remit to the
2 system the contributions required by subsection (b). No member
3 shall receive credit for any service that the member is
4 already credited with in the system or any other public
5 retirement plan, with the exception of the federal Social
6 Security program.

7 (b) Any individual who is eligible to purchase
8 service credit pursuant to subsection (a) shall pay to the
9 Secretary-Treasurer of the system for the service credit, the
10 full actuarially determined cost for the year of claimed
11 service as determined by the system's actuary.

12 Section 2. Any year of service purchased under the
13 provisions of this act shall not be considered in determining
14 the out-of-pocket premium amount charged to retirees under the
15 provisions of Section 16-25A-8.1 or Section 36-29-19.7, Code
16 of Alabama 1975. Also, any service purchased under this act
17 shall not entitle a member to be eligible for benefits under
18 either the Public Education Employees' Health Insurance Plan
19 or the State Employees' Health Insurance Plan any earlier than
20 the member could have reached eligibility under the plan
21 without the service purchased under the provisions of this
22 act.

23 Section 3. This act shall become effective
24 immediately following its passage and approval by the
25 Governor, or its otherwise becoming law.