

1 SB111
2 219335-2
3 By Senator Albritton
4 RFD: Finance and Taxation General Fund
5 First Read: 18-JAN-22

1 SB111

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4 ENROLLED, An Act,

5 Relating to state retirement; to provide for a
6 funded longevity bonus addition to the retirement benefits of
7 certain retirees and beneficiaries of the Employees'
8 Retirement System.

9 BE IT ENACTED BY THE LEGISLATURE OF ALABAMA:

10 Section 1. (a) There is provided a funded one-time
11 lump-sum payment, hereinafter referred to as longevity bonus,
12 to each person except those whose employer participated in the
13 Employees' Retirement System pursuant to Sections 36-27-6,
14 36-27-7, and 36-27-7.1, Code of Alabama 1975, whose effective
15 date of retirement for purposes of receiving benefits from the
16 Employees' Retirement System is prior to March 1, 2022, and
17 who is receiving or is entitled to receive a monthly allowance
18 from the Employees' Retirement System on March 30, 2022.

19 (b) The formula for calculating the longevity bonus
20 shall be two dollars (\$2) per month for each year of service
21 attained by the retiree.

22 (c) Beneficiaries of deceased members or deceased
23 retirees, except where the deceased member or deceased retiree
24 retired from an employer participating in the Employees'
25 Retirement System pursuant to Sections 36-27-6, 36-27-7, and

1 36-27-7.1, Code of Alabama 1975, if the beneficiary is
2 receiving or is entitled to receive a monthly allowance from
3 the Employees' Retirement System on March 30, 2022, shall
4 receive a bonus payment.

5 (d) For purposes of this act, service includes the
6 service under Section 36-27-1 and Article 9, commencing with
7 Section 36-27-170, of Chapter 27, Title 36, Code of Alabama
8 1975, as well as state police bonus credit or hazardous duty
9 (FLC bonus) credit.

10 Section 2. (a) Each person whose employer
11 participated in the Employees' Retirement System pursuant to
12 Sections 36-27-6, 36-27-7, and 36-27-7.1, Code of Alabama
13 1975, whose effective date of retirement for purposes of
14 receiving benefits from the Employees' Retirement System is
15 prior to March 1, 2022, and who is receiving or is entitled to
16 receive a monthly allowance from the Employees' Retirement
17 System on September 30, 2022, shall receive the longevity
18 bonus specified in subsections (a) and (b) of Section 1, if
19 the employer elects to come under this act by official
20 resolution on or before August 31, 2022. Any employer making
21 the election to come under this act shall bear the cost of the
22 longevity bonus paid to its retirees pursuant to this section.

23 (b) If the employer elects to come under this act,
24 beneficiaries of deceased members or deceased retirees retired
25 from an employer participating in the Employees' Retirement

1 System pursuant to Sections 36-27-6, 36-27-7, and 36-27-7.1,
2 Code of Alabama 1975, if the beneficiary is receiving or is
3 eligible to receive a monthly allowance from the Employees'
4 Retirement System on September 30, 2022, shall receive a bonus
5 payment.

6 Section 3. (a) Any retired pensioner or annuitant
7 who retired from a city, town, county, or public or
8 quasi-public organization of the state before the city, town,
9 county, or public or quasi-public organization of the state
10 became a member of the Employees' Retirement System, and who
11 is receiving or is entitled to receive a monthly allowance
12 from the Employees' Retirement System on September 30, 2022,
13 shall receive the longevity bonus stipulated in subsections
14 (a) and (b) of Section 1, provided the employer elects to come
15 under this act. Any employer making the election to come under
16 this act shall bear the cost of the longevity bonus paid to
17 its retirees pursuant to this section and provide the
18 Employees' Retirement System with the number of years of
19 creditable service earned by each of its eligible annuitants
20 and pensioners.

21 (b) Beneficiaries of Employees' Retirement System
22 pensioners or annuitants described in subsection (a) shall
23 receive a longevity bonus, provided the date of death for the
24 deceased pensioner or annuitant, or the effective date of
25 retirement for the deceased pensioner or annuitant, was prior

1 to March 1, 2022, and the beneficiary is receiving or is
2 entitled to receive a monthly allowance from the Employees'
3 Retirement System on September 30, 2022, and the local unit
4 elects to fund the longevity bonus and provides the Employees'
5 Retirement System with the number of years of creditable
6 service earned by each of its eligible annuitants and
7 pensioners.

8 Section 4. Any person who received benefits under
9 the Medicaid program and whose eligibility for Medicaid
10 benefits would be impaired by the longevity bonus provided by
11 this act shall not be entitled to receive the aforementioned
12 increase. Any person who subsequently applies for benefits
13 under the Medicaid program, and that person's eligibility to
14 receive benefits is impaired by the longevity bonus provided
15 by this act, shall not be entitled to receive the increase
16 subsequent to the date that the member files application for
17 benefits under the Medicaid program.

18 Section 5. The Board of Control of the Employees'
19 Retirement System shall determine the amount required to pay
20 the cost of the longevity bonus provided under this act and
21 shall notify the chief fiscal officer of each employer of that
22 cost. The employer shall either pay the full cost in a lump
23 sum or, for the fiscal year beginning October 1, 2023, only,
24 pay the increase in the employer rate in the same manner and

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

3 Section 6. (a) Unless otherwise provided in
4 subsection (b), the longevity bonuses provided under this act
5 shall be paid to all eligible recipients by the Employees'
6 Retirement System in April 2022.

7 (b) For all eligible recipients whose employer
8 participated in the Employees' Retirement System pursuant to
9 Sections 36-27-6, 36-27-7, and 36-27-7.1, Code of Alabama
10 1975, the longevity bonuses provided under this act shall be
11 paid by the Employees' Retirement System in October 2022.

12 Section 7. This act shall become effective
13 immediately following its passage and approval by the
14 Governor, or its otherwise becoming law.

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President and Presiding Officer of the Senate

Speaker of the House of Representatives

SB111
Senate 22-FEB-22
I hereby certify that the within Act originated in and passed the Senate, as amended.

Senate 30-MAR-22
I hereby certify that the within Act originated in and passed the Senate, as amended by Conference Committee Report.

Patrick Harris,
Secretary.

House of Representatives
Passed: 15-MAR-22, as amended
House of Representatives
Passed: 30-MAR-2022, as amended by Conference Committee Report.

By: Senator Albritton