

1 HB308
2 216794-3
3 By Representative Ingram
4 RFD: Ways and Means General Fund
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ENROLLED, An Act,

To amend Section 36-27-16, Code of Alabama 1975, as amended by Act 2021-270, 2021 Regular Session, relating to retirement benefits for employees who are members of the Employees' Retirement System; to modify the retirement benefits for Tier II plan members of the system by providing 30-year service retirement.

BE IT ENACTED BY THE LEGISLATURE OF ALABAMA:

Section 1. ~~Sections 36-26-36.1, 36-27-16, as amended by Act 2021-270, 2021 Regular Session, 36-27-24, and 36-27-59 of the Code of Alabama 1975, are amended to read as follows:~~
Section 36-27-16, Code of Alabama 1975, as amended by Act 2021-270, 2021 Regular Session, is amended to read as follows:

"§36-26-36.1.

~~"(a) Any Tier I or Tier II plan member of the Teachers' or Employees' Retirement System of Alabama not otherwise covered by a provision to convert unused sick leave into membership service for purposes of service retirement may, at their option and in lieu of receiving payment for 50 percent of their accrued and unused sick leave at the time of their retirement as provided in Section 36-26-36, or any other payment that may be provided for such unused sick leave, use their accrued sick leave, up to a maximum number of 180 accrued sick leave days or as otherwise allowed by law,~~

1 ~~whichever is greater, to be included as membership service in~~
2 ~~determining the total years of creditable service in the~~
3 ~~Employees' Retirement System of Alabama or the Teachers'~~
4 ~~Retirement System of Alabama; provided that no employee of an~~
5 ~~employer participating in the Employees' Retirement System~~
6 ~~pursuant to Section 36-27-6 shall be entitled to the benefits~~
7 ~~provided herein unless such employer shall elect to come under~~
8 ~~the provisions of this section and further elects to fund the~~
9 ~~benefits provided herein. Unused sick leave may be converted~~
10 ~~to membership service only for the purpose of applying for~~
11 ~~service retirement and may be considered in the determination~~
12 ~~of eligibility for retirement. The conversion shall not apply~~
13 ~~to eligibility for deferred retirement. It is further provided~~
14 ~~that if a Tier I or Tier II plan member eligible for service~~
15 ~~retirement is also eligible for disability retirement the~~
16 ~~member may elect disability retirement and also receive credit~~
17 ~~for accumulated sick leave pursuant to this section. No Tier I~~
18 ~~or Tier II plan member shall receive both service credit~~
19 ~~provided for by this section and payment or partial payment~~
20 ~~for accrued sick leave pursuant to any other provision of law.~~

21 ~~"(b) The conversion of accrued sick leave into~~
22 ~~creditable service provided in this section shall not apply to~~
23 ~~any Tier II plan member.~~

24 ~~"§36-27-16.~~

1 "(a) (1) RETIREMENT, ETC., OF EMPLOYEES GENERALLY;
2 ELIGIBILITY FOR SERVICE RETIREMENT BENEFITS.

3 "a. Any Tier I plan member who withdraws from
4 service upon or after attainment of age 60 and any Tier II
5 plan member who withdraws from service upon or after
6 attainment of age 62 may retire upon written application to
7 the Board of Control setting forth at what time, not less than
8 30 days nor more than 90 days subsequent to the execution and
9 filing thereof, he or she desires to be retired; provided,
10 that any such member who became a member on or after October
11 1, 1963, shall have completed 10 or more years of creditable
12 service; provided further, that a Tier I plan member employed
13 as a state policeman shall be eligible to file application for
14 service retirement upon attaining age 52 and a Tier II plan
15 member employed as a state policeman or employed as a
16 correctional officer, firefighter, or law enforcement officer
17 as defined in Section 36-27-59 with at least ~~ten~~ 10 years of
18 creditable service as a correctional officer, firefighter, or
19 law enforcement officer shall be eligible to file application
20 for service retirement upon attaining age 56.

21 "b. Any Tier I plan member who has attained age 60,
22 or age 52 in the case of a state policeman and any Tier II
23 plan member who has attained age 62, or age 56 in the case of
24 a state policeman or in the case of a correctional officer,
25 firefighter, or law enforcement officer as defined in Section

1 36-27-59 who has at least ~~ten~~ 10 years of creditable service
2 as a correctional officer, firefighter, or law enforcement
3 officer, and has previously withdrawn from service may retire
4 upon written application to the Board of Control setting forth
5 at what time, not less than 30 days nor more than 90 days
6 subsequent to the execution and filing thereof, he or she
7 desires to be retired; provided, the member shall have at the
8 time of his or her withdrawal from service completed the age
9 and service requirements established by the Board of Control
10 for eligibility for deferred benefits; provided, that such
11 minimum number of years of creditable service shall not be
12 less than 10 years nor more than 25 years.

13 "c. In addition to any law or part of law relating
14 to service retirement under the Employees' Retirement System
15 of Alabama, any Tier I plan member of the Employees'
16 Retirement System who withdraws from service after completion
17 of not less than 25 years of creditable service, or any Tier
18 II plan member who withdraws from service after completion of
19 not less than 30 years of creditable service, may retire
20 without a reduction in retirement allowance upon written
21 application to the Board of Control of the Employees'
22 Retirement System setting forth the first day of which month,
23 not less than 30 days or more than 90 days subsequent to the
24 execution and filing thereof, he or she desires to be retired,
25 provided that no person whose employer participates in the

1 Employees' Retirement System under Section 36-27-6 shall be
2 entitled to the benefits provided in this paragraph for Tier I
3 members unless such employer elects to come under the
4 provisions of the paragraph. Any employer making such election
5 must bear the cost of such benefit.

6 "(2) AMOUNT OF SERVICE RETIREMENT ALLOWANCE.

7 "a. Upon retirement from service, a Tier I plan
8 member shall receive a service retirement allowance which
9 shall consist of:

10 "1. An annuity which shall be the actuarial
11 equivalent of his or her accumulated contributions at the time
12 of his or her retirement; except, that in the case of a state
13 policeman who has completed 20 years of creditable service as
14 a state policeman who retires after age 56 but prior to age
15 60, the annuity shall be equal to the annuity that would have
16 been payable upon service retirement at age 60 had the member
17 continued in service to age 60 without change in compensation;

18 "2. A pension which shall be equal to the annuity
19 allowance at age of retirement, but not to exceed an annuity
20 allowable at age 65, computed on the basis of contributions
21 made prior to attainment of age 65; except, that in the case
22 of a state policeman who has completed 20 years of creditable
23 service as a state policeman who retires after age 56 but
24 prior to age 60, the pension shall be equal to the annuity

1 that he or she would have received had he or she contributed
2 to age 60 without change in compensation; and

3 "3. An additional pension, if he or she has a prior
4 service certificate in full force and effect, which shall be
5 equal to the annuity which would have been provided at the age
6 of retirement, but which shall not exceed an annuity allowable
7 at age 65 by twice the contributions which he or she would
8 have made during the period of prior service with which he or
9 she is credited had the system been in operation and had he or
10 she contributed thereunder; except, that in case of a state
11 policeman who has completed 20 years of creditable service as
12 a state policeman who retired after age 56 but prior to age
13 60, an additional pension, if he or she has a prior service
14 certificate in full force and effect, which shall be equal to
15 the annuity which would have been provided at age 60, but
16 which shall not exceed an annuity allowable at age 60 by twice
17 the contributions which he or she would have made during the
18 period of prior service with which he or she is credited had
19 the system been in operation and had he or she contributed
20 thereunder.

21 "b. Notwithstanding the provisions of subparagraphs
22 1., 2., and 3. of paragraph a. of this subdivision, a state
23 policeman who is a Tier I plan member and who has completed 20
24 years of service as a state policeman who retires after age 52
25 but prior to age 56 shall receive:

1 "1. An annuity which shall be equal to the annuity
2 that would have been payable had the member continued in
3 service for four years without change in compensation;

4 "2. A pension which shall be equal to the annuity
5 that he or she would have received had he or she contributed
6 for four years without change in compensation; and

7 "3. An additional pension, if he or she has a prior
8 service certificate in full force and effect, which shall be
9 equal to the annuity which would have been provided at the age
10 of retirement, but which shall not exceed an annuity allowable
11 at the age of retirement plus four years by twice the
12 contributions which he or she would have made during the
13 period of prior service with which he or she is credited had
14 the system been in operation and had he or she contributed
15 thereunder. In lieu of a determination of the actual
16 compensation of a member that was received during such prior
17 service, the Board of Control may use for the purpose of this
18 article the compensation rate which, if it had progressed with
19 the rates of salary increase shown in the tables as prescribed
20 in subsection (n) of Section 36-27-23, would have resulted in
21 the same average salary of the member for the five years
22 immediately preceding the date of establishment as the records
23 show the member actually received.

24 "c. The annual service retirement pension payable to
25 a Tier I plan member not employed as a state policeman

1 retiring on or after October 1, 1975, shall not be less than
2 an amount which, when added to his or her annuity, is equal to
3 the greater of the following two amounts:

4 "1. Two and one-eightieth percent of the member's
5 average final compensation multiplied by the number of years
6 of his or her creditable service; or

7 "2. If he or she became a member before October 1,
8 1965, ~~\$72.00~~ seventy-two dollars (\$72) multiplied by the
9 number of years of his or her creditable service not in excess
10 of 25 years.

11 "d. The annual service retirement pension payable to
12 a Tier I plan member employed as a state policeman retiring on
13 or after October 1, 1975, shall not be less than an amount
14 which, when added to his or her annuity is equal to the
15 greater of the following two amounts:

16 "1. Two and seven-eighths percent of the member's
17 average final compensation multiplied by the number of years
18 of his or her creditable service. Creditable service for any
19 state policeman under the age of 56 years who has completed 20
20 years of creditable service as a state policeman shall include
21 a bonus equal to four additional years. Creditable service for
22 a state policeman 56 years or older shall include a bonus
23 equal to the years or portion thereof remaining until the
24 member reaches age 60; or

1 "2. If he or she became a member before October 1,
2 1965, ~~\$86.40~~ eighty-six dollars forty cents (\$86.40)
3 multiplied by the number of years of his or her creditable
4 service not in excess of 25 years; provided, however, that if
5 such member has completed 20 years of creditable service as a
6 state policeman and has not attained age 60 at the time of
7 retirement, the pension shall be determined as provided in
8 this subparagraph on the basis of the number of years of
9 creditable service which he or she would have had if he or she
10 had remained in service for four years, except that, in the
11 case of those state policemen retiring at age 56 or after, the
12 number of years in determining the pension shall not exceed
13 the number of years of creditable service which he or she
14 would have had if he or she had remained in service to age 60.

15 "e. Upon retirement from service, a Tier II plan
16 member who is not employed as a state policeman shall receive
17 a service retirement allowance which shall consist of an
18 annuity which shall be the actuarial equivalent of the
19 member's accumulated contributions at the time of retirement
20 and a pension which, when added to the member's annuity, shall
21 be equal to one and sixty-five hundredths percent (1.65%) of
22 the member's average final compensation multiplied by the
23 number of years of creditable service. The service retirement
24 allowance for a member that retires with 30 years of
25 creditable service before reaching the age of 62 shall be

1 reduced by two percent (2%) for each year of the difference
2 between age 62 and the age at retirement of the member.

3 Notwithstanding the foregoing, the service retirement
4 allowance shall not exceed eighty percent (80%) of the
5 member's average final compensation.

6 "f. Upon retirement from service, a Tier II plan
7 member who is employed as a state policeman shall receive a
8 service retirement allowance which shall consist of an annuity
9 which shall be the actuarial equivalent of the member's
10 accumulated contributions at the time of retirement and a
11 pension which, when added to the member's annuity, shall be
12 equal to two and three-eighths percent (2.375%) of the
13 member's average final compensation multiplied by the member's
14 number of years of creditable service. The service retirement
15 allowance for a member that retires with 30 years of
16 creditable service before reaching the age of 62 shall be
17 reduced by two percent (2%) for each year of the difference
18 between age 62 and the age at retirement of the member.

19 Notwithstanding the foregoing, the service retirement
20 allowance shall not exceed eighty percent (80%) of the
21 member's average final compensation.

22 "g. Anything in this article to the contrary
23 notwithstanding, in the application of the foregoing
24 provisions of this subdivision to a member whose creditable
25 service includes a period of service as a state policeman and

1 a period of service in another employment classification, the
2 benefit rates applicable to a member employed as a state
3 policeman shall apply to all creditable service as a state
4 policeman, and the benefit rates applicable to a member not
5 employed as a state policeman shall apply to all creditable
6 service, but in all other respects the pension under this
7 subdivision shall be determined on the basis of the member's
8 employment classification at the time of his or her withdrawal
9 from service.

10 "h. The annual service retirement pension payable to
11 any state employee who had attained age 60 on or before
12 October 1, 1945, who declined membership in the Employees'
13 Retirement System of Alabama in the manner prescribed in
14 Section 36-27-4 and who retires as a state employee after
15 completing a minimum of 15 years' service shall be ~~\$72.00~~
16 seventy-two dollars (\$72) multiplied by the number of years of
17 his or her service not in excess of 25 years.

18 "(b) (1) RETIREMENT OF DISABLED EMPLOYEES;
19 ELIGIBILITY FOR DISABILITY RETIREMENT BENEFITS.

20 "a. Upon application of a Tier I plan member in
21 service or of his or her employer, any member who has had 10
22 or more years of creditable service who becomes disabled may
23 be retired on a disability retirement allowance by the Board
24 of Control not less than 30 nor more than 90 days next
25 following the date of filing of such application; provided,

1 that the medical board, after a medical examination of such
2 member, shall certify that such member is mentally or
3 physically incapacitated for the further performance of duty,
4 that such incapacity is likely to be permanent and that such
5 member should be retired. Upon the application of a Tier II
6 plan member in service or his or her employer, any member who
7 has had 10 or more years of creditable service may be retired
8 by the Board of Control on a disability retirement allowance
9 not less than 30 nor more than 90 days next following the date
10 of filing such application; provided, that the medical board,
11 after a medical examination of such member, shall certify that
12 the member is totally and permanently mentally or physically
13 incapacitated from regular and substantial gainful employment,
14 and that member should be retired.

15 "b. Without regard to the number of years of
16 creditable service, a member employed as a state policeman, a
17 municipal police officer or a deputy sheriff, or a member
18 employed as a state, municipal, or county firefighter who is
19 not covered through his or her current employer under the
20 United States Social Security Act, who as a result of his or
21 her employment, in the line of duty and not as a result of his
22 or her own misconduct, shall become permanently and totally
23 disabled to the extent that he or she cannot perform his or
24 her duties or duties of a less strenuous nature, as an
25 employee of the State of Alabama or as an employee of an

1 employer participating under the provisions of Section
2 36-27-6, shall be retired on a disability retirement
3 allowance, not less than 30 nor more than 90 days next
4 following the date of filing of such application, provided
5 that the medical board, after a medical examination of such
6 member shall certify that such member is mentally or
7 physically incapacitated for the further performance of duty,
8 that such incapacity is likely to be permanent, and that such
9 member should be retired.

10 "(2) AMOUNT OF DISABILITY RETIREMENT ALLOWANCE.

11 "a. Upon retirement for disability, a member shall
12 receive a service retirement allowance if he or she is a Tier
13 I plan member and he or she has attained age 60 or if he or
14 she is a Tier II plan member and he or she has attained age
15 62, or if any law or part of any law pertaining to retirement
16 under the Employees' Retirement System of Alabama provides for
17 service retirement after the completion of 25 years of
18 creditable service or 30 years of creditable service without a
19 reduction in the retirement allowance and the member has
20 completed 25 years of creditable service or 30 years of
21 creditable service, whichever is applicable, or, in the case
22 of a state policeman, if he or she is a Tier I plan member and
23 he or she has attained age 52 or, in the case of a state
24 policeman or a correctional officer, firefighter, or law
25 enforcement officer as defined in Section 36-27-59 with at

1 least ~~ten~~ 10 years of creditable service as a correctional
2 officer, firefighter, or law enforcement officer, if he or she
3 is a Tier II plan member and he or she has attained age 56;
4 otherwise, he or she shall receive a disability retirement
5 allowance which shall consist of:

6 "1. An annuity which shall be the actuarial
7 equivalent of his or her accumulated contributions at the time
8 of his or her retirement;

9 "2. A pension which shall be equal to the pension
10 that would have been payable under subparagraphs 2 and 3 of
11 paragraph a. of subdivision (2) of subsection (a) of this
12 section upon service retirement at age 65 had the member
13 continued in service to that age without change in
14 compensation.

15 "b. The annual disability retirement pension payable
16 to a Tier I plan member not employed as a state policeman
17 retiring on or after October 1, 1975, shall not be less than
18 an amount which when added to his or her annuity is equal to
19 the greatest of the following two amounts:

20 "1. Two and one-eightieth percent of the member's
21 average final compensation multiplied by the number of years
22 of creditable service.

23 "2. If he or she became a member before October 1,
24 1965, ~~\$54.00~~ fifty-four dollars (\$54) multiplied by the number

1 of years of his or her creditable service not in excess of 25
2 years.

3 "c. The annual disability retirement pension payable
4 to a Tier I plan member employed as a state policeman retiring
5 on or after October 1, 1975, shall not be less than an amount
6 which when added to his or her annuity is equal to the greater
7 of the following two amounts:

8 "1. Two and seven-eighths percent of the member's
9 average final compensation multiplied by the number of years
10 of his or her creditable service. Creditable service for any
11 state policeman under the age of 56 years who has completed 20
12 years of creditable service as a state policeman shall include
13 a bonus equal to four additional years. Creditable service for
14 a state policeman 56 years or older shall include a bonus
15 equal to the years or portion thereof remaining until the
16 member reaches age 60; or

17 "2. If he or she became a member before October 1,
18 1965, ~~\$64.80~~ sixty-four dollars eighty cents (\$64.80)
19 multiplied by the number of years of his or her creditable
20 service not in excess of 25 years.

21 "d. The annual disability retirement allowance
22 payable to a Tier II plan member not employed as a state
23 policeman shall be equal to one and sixty-five hundredths
24 percent (1.65%) of the member's average final compensation
25 multiplied by the number of years of creditable service.

1 "e. The annual disability retirement allowance
2 payable to a Tier II plan member employed as a state policeman
3 shall be equal to two and three-eighths percent (2.375%) of
4 the member's average final compensation multiplied by the
5 number of years of creditable service.

6 "f. Anything in this chapter to the contrary
7 notwithstanding in the application of the provisions of this
8 subdivision to a member whose creditable service includes a
9 period of service as a state policeman and a period of service
10 in another employment classification the benefit rates
11 applicable to a member employed as a state policeman shall
12 apply to all creditable service as a state policeman, and the
13 benefit rates applicable to a member not employed as a state
14 policeman shall apply to all other creditable service, but in
15 all other respects the pension under this subdivision shall be
16 determined on the basis of the member's employment
17 classification at the time of his or her withdrawal from
18 service.

19 "(3) REEXAMINATION OF BENEFICIARIES RETIRED ON
20 ACCOUNT OF DISABILITY. Once each year during the first five
21 years following the retirement of a member on a disability
22 retirement allowance and once every three-year period
23 thereafter, the Board of Control may, and upon his or her
24 application shall, require any disability beneficiary who has
25 not yet attained age 60 if the beneficiary is a Tier I plan

1 member or age 62 if the beneficiary is a Tier II plan member
2 to undergo a medical examination, such examination to be made
3 at the place of residence of such beneficiary or other place
4 mutually agreed upon by a physician or physicians of or
5 designated by the medical board. Should any disability
6 beneficiary who has not yet attained age 60 if the
7 beneficiary is a Tier I plan member or age 62 if the
8 beneficiary is a Tier II plan member refuse to submit to such
9 medical examination, his or her allowance may be discontinued
10 until his or her withdrawal of such refusal, and, should his
11 or her refusal continue for one year, all his or her rights in
12 and to his or her pension may be revoked by the Board of
13 Control; provided, that these requirements relative to the
14 medical examination shall not apply in the case of a state
15 policeman retired for disability and who has attained age 52
16 if he or she is a Tier I plan member or in the case of a state
17 policeman or a correctional officer, firefighter, or law
18 enforcement officer as defined in Section 36-27-59 with at
19 least ~~ten~~ 10 years of creditable service as a correctional
20 officer, firefighter, or law enforcement officer retired for
21 disability who has attained age 56 if he or she is a Tier II
22 plan member. Should the medical board report and certify to
23 the Board of Control that a disability beneficiary who is a
24 Tier I plan member is engaged in or is able to engage in a
25 gainful occupation paying more than the difference between his

1 or her retirement allowance and his or her average final
2 compensation and should the Board of Control concur in such
3 report, then the amount of his or her pension shall be reduced
4 to an amount which, together with his or her annuity and the
5 amount earnable by him or her shall equal the amount of his or
6 her average final compensation. Should his or her earning
7 capacity be later changed, the amount of his or her pension
8 may be further modified; provided, that the new pension shall
9 not exceed the amount of the pension originally granted nor an
10 amount which, when added to the amount earnable by the
11 beneficiary, together with this annuity exceeds the amount of
12 his or her average final compensation.

13 "Should the medical board report and certify to the
14 Board of Control that a disability beneficiary who is a Tier
15 II plan member has the capacity to engage in regular and
16 substantial gainful employment, the Board of Control shall
17 discontinue the beneficiary's retirement allowance until the
18 beneficiary is otherwise eligible for service retirement.

19 "(c) Disposition of contributions and allowances
20 upon death, etc., of member.

21 "(1) Should a member cease to be an employee except
22 by death or by retirement under the provisions of this
23 article, the contributions standing to the credit of his or
24 her individual account in the Annuity Savings Fund shall be
25 paid to him or her upon demand and, in addition to such

1 payment, there shall be paid five-tenths of the interest
2 accumulations standing to the credit of his or her individual
3 account if he or she shall have not less than three but less
4 than 16 years of membership service, six-tenths of such
5 interest accumulations if he or she shall have not less than
6 16 but less than 21 years of membership service, seven-tenths
7 of such interest accumulations if he or she shall have not
8 less than 21 but less than 26 years of membership service and
9 eight-tenths of such interest accumulations if he or she shall
10 have not less than 26 years of membership service.

11 "(2) In case of the death of a member eligible for
12 service retirement pursuant to subsection (a) of this section,
13 an allowance shall be paid to the surviving spouse, or to such
14 other person who the member shall have designated, in an
15 amount that would have been payable if the member had retired
16 immediately prior to his or her death and had elected Option
17 3, as set forth in subsection (d) of this section or,
18 alternatively, if the surviving spouse or other designee
19 desires, he or she may choose to receive, in lieu of the
20 allowance provided under Option 3, the accumulated
21 contributions of the member plus an amount equal to the
22 accumulated contributions of the member not to exceed
23 ~~\$5,000.00~~ five thousand dollars (\$5,000) or the accumulated
24 contributions of the member plus the benefit provided by
25 Section 36-27B-3 if a benefit is payable under such section;

1 "(3) In case of the death of a Tier I plan member
2 not eligible for service retirement, after completion of 25
3 years of creditable service, an allowance shall be paid to the
4 surviving spouse, or to such other person who the member shall
5 have designated, in an amount that would have been payable if
6 the member had retired for disability immediately prior to his
7 or her death and had elected Option 3 as set forth in
8 subsection (d) of this section or, alternatively, if the
9 surviving spouse or other designee desires, he or she may
10 choose to receive, in lieu of the allowance provided under
11 Option 3, the accumulated contributions of the member plus an
12 amount equal to the accumulated contributions of the member
13 not to exceed ~~\$5,000.00~~ five thousand dollars (\$5,000) or the
14 accumulated contributions of the member plus the benefit
15 provided by Section 36-27B-3 if a benefit is payable under
16 such section. For purposes of this subsection only, hazardous
17 duty time, as set forth in subdivision (b)(1) of Section
18 36-27-59, may be used in calculating the requisite years of
19 service for firefighters, law enforcement officers, and
20 correctional officers even if the member has not otherwise
21 attained 25 years of creditable service;

22 "(4) Upon the death of a member on account of whom
23 no survivor allowance is payable under subdivisions (2) or (3)
24 of this subsection, the accumulated contributions of the
25 member plus an amount equal to the accumulated contributions

1 not to exceed ~~\$5,000~~ five thousand dollars (\$5,000) or the
2 accumulated contributions of the member plus the benefit
3 provided by Section 36-27B-3 if a benefit is payable under
4 such section shall be paid to his or her estate or to such
5 person as he or she shall have nominated by written
6 designation duly executed and filed with the Board of Control.

7 "(d) Optional allowances. With the provision that
8 the election of an option shall be effective on the effective
9 date of retirement, any member may elect prior to retirement
10 to receive, in lieu of his or her retirement allowance payable
11 throughout life, the actuarial equivalent, at that time, of
12 his or her retirement allowance in a reduced retirement
13 allowance payable throughout life with the provisions that:

14 "(1) OPTION 1. If he or she dies before he or she
15 has received in annuity payments the present value of his or
16 her annuity as it was at the time of his or her retirement,
17 the balance shall be paid to his or her legal representatives
18 or to the person as he or she shall nominate by written
19 designation duly acknowledged and filed with the Board of
20 Control;

21 "(2) OPTION 2. Upon his or her death, his or her
22 reduced retirement allowance shall be continued throughout the
23 life of and paid to the person as he or she shall nominate by
24 written designation duly acknowledged and filed with the Board
25 of Control at the time of his or her retirement;

1 "(3) OPTION 3. Upon his or her death, one half of
2 his or her reduced allowance shall be continued throughout the
3 life of and paid to the person as he or she shall nominate by
4 written designation duly acknowledged and filed with the Board
5 of Control at the time of his or her retirement; or

6 "(4) OPTION 4. Some other benefit or benefits shall
7 be paid either to the member or to the person or persons as he
8 or she shall nominate; provided, that such other benefits,
9 together with the reduced retirement allowance, shall be
10 certified by the actuary to be of equivalent actuarial value
11 to his or her retirement allowance and shall be approved by
12 the Board of Control.

13 "(5) OPTION 5. At the time of retirement, he or she
14 shall receive a partial lump sum distribution as a single
15 payment not to exceed the sum of 24 months of the maximum
16 monthly retirement allowance the member could receive. This
17 option may be elected in addition to the election of another
18 option under this subsection and the further reduced monthly
19 retirement allowance shall be calculated in accordance with
20 the selected option. This option shall not be available to a
21 member who is receiving a disability retirement.

22 "(e) Effect of return to active service. Should any
23 beneficiary be restored to active service, his or her
24 retirement allowance shall be suspended until he or she again
25 withdraws from service and he or she shall not again become a

1 member of the retirement system nor shall he or she make
2 contributions; except, that should such beneficiary who has
3 been restored to active service continue in service for a
4 period of two or more years from the date of his or her
5 reentry into active service, he or she may request the Board
6 of Control to allow him or her to again become a member of the
7 retirement system. The Board of Control may grant the request
8 for restoration to membership; provided, that such beneficiary
9 whose retirement allowance has been suspended shall repay to
10 the system all ~~moneys~~ monies received by him or her as
11 benefits during any periods subsequent to the date of his or
12 her reentry into active service and shall make a contribution
13 equal to the amount he or she would have contributed had he or
14 she been a member during the period of his or her restoration
15 to active service on a suspended allowance basis together with
16 the interest which would have been credited to the
17 contributions on account of such period of restoration up to
18 the date such contribution is made.

19 "(f) (1) REDETERMINATION, ETC., OF CERTAIN
20 ALLOWANCES. All retirement allowance payments due on or after
21 October 1, 1975, to members who retired prior to that date
22 shall be redetermined as if the provisions of this section in
23 effect on October 1, 1975, were in effect at the time the
24 member retired. Anything in this article to the contrary
25 notwithstanding, the annual retirement allowance of any member

1 not employed as a state policeman who retired on or before
2 January 1, 1956, shall not be less than ~~\$79.20~~ seventy-nine
3 dollars twenty cents (\$79.20) multiplied by the number of
4 years of his or her creditable service not in excess of 30
5 years in the case of service retirement of ~~\$59.40~~ fifty-nine
6 dollars forty cents (\$59.40) multiplied by the number of years
7 of his or her creditable service not in excess of 30 years in
8 the case of disability retirement. Any increase provided in
9 the retirement allowance payment under this subdivision for a
10 member who retired under the provisions of any optional
11 benefit elected pursuant to subsection (d) of this section
12 shall accrue only to the retired member, and no person
13 designated to receive any payments after the death of a
14 retired member under the provisions of any such optional
15 benefit shall receive any increase in such payments under this
16 subdivision. Notwithstanding, any member who retired prior to
17 October 1, 1975, and who chose either Option 2 or Option 3 may
18 elect to receive a reduced allowance and to stipulate that the
19 actuarial equivalent of the increase in his or her retirement
20 allowance, which became effective on that date, be ascribed to
21 his or her designated beneficiary; provided, that such member
22 shall clearly express this intention by filing a written
23 application to the effect with the Secretary-Treasurer of the
24 Employees' Retirement System of Alabama prior to October 1,
25 1976.

1 "(2) Any person who, prior to October 1, 1963, was
2 in receipt of a benefit pursuant to Act No. 376, approved
3 November 6, 1959, but was not a member of the system at the
4 time of retirement, shall not be entitled to receive an annual
5 retirement allowance from the system, effective October 1,
6 1971, as follows:

7 "a. If such person was retired on or before January
8 1, 1956, an amount equal to ~~\$79.20~~ seventy-nine dollars twenty
9 cents (\$79.20) multiplied by the number of years of his or her
10 creditable service not in excess of 30 years.

11 "b. If such person was retired after January 1,
12 1956, an amount equal to ~~\$72.00~~ seventy-two dollars (\$72)
13 multiplied by the number of years of his or her creditable
14 service not in excess of 25 years.

15 "(3) Prior to October 31, 1975, any beneficiary may
16 elect to leave on deposit with the system all or a specified
17 part of any increase in his or her monthly retirement
18 allowance payments arising in accordance with subdivisions (1)
19 or (2) of this subsection over the monthly allowance which he
20 or she was receiving prior to October 1, 1975. The portion of
21 each monthly payment left in the system in accordance with
22 such election shall be credited, together with regular
23 interest thereon, to the individual account of such
24 beneficiary. Upon the death of such beneficiary the total
25 amount standing to his or her credit, including regular

1 interest to the date of death, shall be paid in a lump sum to
2 his or her legal representatives or to such person as he or
3 she shall have nominated by written designation duly
4 acknowledged and filed with the Board of Control.

5 "(g) Notwithstanding any other provisions of this
6 section to the contrary, when a designated beneficiary for a
7 member predeceases the member who is receiving a monthly
8 benefit allowance provided under Option 2, 3, or 4, the member
9 may designate a replacement beneficiary for the deceased
10 beneficiary to become effective two years after the date of
11 designation of the replacement beneficiary and an actuarial
12 adjustment in the monthly benefit allowance of the member to
13 cover any cost associated with designating a replacement
14 beneficiary shall be reflected thereafter in the monthly
15 benefit allowance received by the member, commencing with the
16 first benefit allowance check received by the member following
17 the date of designation of the replacement beneficiary.

18 "(h) Notwithstanding any provision of this section
19 to the contrary, if a retired member who is receiving a
20 monthly benefit allowance provided under Option 2, 3, or 4
21 divorces his or her designated beneficiary, the member may
22 designate a replacement beneficiary for the beneficiary to
23 become effective two years after the date of designation of
24 the replacement beneficiary and an actuarial adjustment in the
25 monthly benefit allowance of the member to cover any cost

1 associated with designating a replacement beneficiary shall be
2 reflected thereafter in the monthly benefit allowance received
3 by the member, commencing with the first benefit allowance
4 check received by the member following the date of designation
5 of the replacement beneficiary.

6 "(i) Any future act to increase the retirement age
7 for Tier II plan members above the age of 62 shall require a
8 two-thirds vote of the elected membership of each house of the
9 Legislature."

10 "§36-27-24.

11 ~~"(a) Effective October 1, 1997, all the assets of~~
12 ~~the retirement system shall be credited according to the~~
13 ~~purpose for which they are held among three funds, namely, the~~
14 ~~Annuity Savings Fund, the Pension Accumulation Fund, and the~~
15 ~~Expense Fund. The operation of the former Pension Reserve Fund~~
16 ~~and the Annuity Reserve Fund shall be discontinued as of such~~
17 ~~date and the balance of the former Pension Reserve Fund shall~~
18 ~~be transferred to the Pension Accumulation Fund, and the~~
19 ~~balance of the former Annuity Reserve Fund shall be~~
20 ~~transferred to the Pension Accumulation Fund.~~

21 ~~"(b) Annuity Savings Fund. The Annuity Savings Fund~~
22 ~~shall be a fund in which shall be accumulated contributions~~
23 ~~from the compensation of members to provide for their~~
24 ~~annuities.~~

1 ~~"Contributions to and payments from the Annuity~~
2 ~~Savings Fund shall be made as follows: Effective October 1,~~
3 ~~1971, each employer shall cause to be deducted from the salary~~
4 ~~of each member on each and every payroll of such employer for~~
5 ~~each and every payroll period five percent of his or her~~
6 ~~earnable compensation; except, that in the case of a state~~
7 ~~policeman, the rate of 10 percent of earnable compensation~~
8 ~~shall apply, and in computing all retirement benefits it shall~~
9 ~~be assumed that a seven percent rate of contribution had~~
10 ~~applied with respect to service as a state policeman prior to~~
11 ~~July 1, 1957. For all pay dates beginning on or after October~~
12 ~~1, 2011, each employer, except those employers participating~~
13 ~~pursuant to Section 36-27-6, shall cause to be deducted from~~
14 ~~the salary of each member on each and every payroll of such~~
15 ~~employer for each and every payroll period seven and~~
16 ~~one-quarter percent (7.25%) of his or her earnable~~
17 ~~compensation; except, that in the case of a state policeman,~~
18 ~~the rate of ten percent (10%) of earnable compensation shall~~
19 ~~apply. For all pay dates beginning on or after October 1,~~
20 ~~2012, each employer, except those employers participating~~
21 ~~pursuant to Section 36-27-6, shall cause to be deducted from~~
22 ~~the salary of each Tier I plan member on each and every~~
23 ~~payroll of such employer for each and every payroll period~~
24 ~~seven and one-half percent (7.5%) of his or her earnable~~
25 ~~compensation; except, that in the case of a state policeman,~~

1 ~~the rate of ten percent (10%) of earnable compensation shall~~
2 ~~apply. For all pay dates beginning on or after January 1,~~
3 ~~2013, each employer shall cause to be deducted from the salary~~
4 ~~of each Tier II plan member on each and every payroll period~~
5 ~~six percent (6%) of his or her earnable compensation; except~~
6 ~~that in the case of a state policeman, the rate of ten percent~~
7 ~~(10%) shall apply and in the case of a correctional officer,~~
8 ~~firefighter, or law enforcement officer as defined in Section~~
9 ~~36-27-59, the rate of seven percent (7%) shall apply. For all~~
10 ~~pay dates beginning on or after October 1, 2022, for all~~
11 ~~employers, each employer shall cause to be deducted from the~~
12 ~~salary of each Tier II plan member on each and every payroll~~
13 ~~period six and one-half percent (6.5%) of his or her earnable~~
14 ~~compensation. Any employer participating under Section~~
15 ~~36-27-6, by adoption of a resolution, may elect for the~~
16 ~~increases in employee contributions provided by Act 2011-676~~
17 ~~to be withheld from the earnable compensation of employees of~~
18 ~~the employer. In determining the amount earnable by a member~~
19 ~~in a payroll period, the Board of Control may consider the~~
20 ~~rate of annual compensation payable to such member on the~~
21 ~~first day of the payroll period as continuing through such~~
22 ~~payroll period, and it may omit deductions from compensation~~
23 ~~for any period less than a full payroll period if an employee~~
24 ~~was not a member on the first day of the payroll period, and,~~
25 ~~to facilitate the making of deductions, it may modify the~~

1 ~~deductions required of any member by such an amount as shall~~
2 ~~not exceed one tenth of one percent of the annual compensation~~
3 ~~upon the basis of which such deductions are made.~~

4 ~~"The deductions provided for in this subsection~~
5 ~~shall be made notwithstanding that the minimum compensation~~
6 ~~provided for by law for any member shall be reduced thereby.~~
7 ~~Every member shall be deemed to consent and agree to the~~
8 ~~deduction made and provided for in this subsection and shall~~
9 ~~receipt for his or her full salary or compensation and payment~~
10 ~~of salary or compensation less such deductions shall be a full~~
11 ~~and complete discharge and acquittance of all claims and~~
12 ~~demands whatsoever for the services rendered by such person~~
13 ~~during the period covered by such payment, except as to the~~
14 ~~benefits provided under this article. The employer shall~~
15 ~~certify to the Board of Control in each and every payroll or~~
16 ~~in such other manner as the board may prescribe the amounts to~~
17 ~~be deducted, and each of the amounts shall be deducted and,~~
18 ~~when deducted, shall be paid into the Annuity Savings Fund and~~
19 ~~shall be credited, together with regular interest thereon, to~~
20 ~~the individual account of the member from whose compensation~~
21 ~~the deduction was made.~~

22 ~~"In addition to the contributions deducted from~~
23 ~~compensation as provided in this subsection, subject to the~~
24 ~~approval of the Board of Control, any member may deposit in~~
25 ~~the Annuity Savings Fund by a single payment or by an~~

1 ~~increased rate of contribution an amount computed to be~~
2 ~~sufficient to purchase an additional annuity which, together~~
3 ~~with his or her prospective retirement allowance, will provide~~
4 ~~for him or her a total retirement allowance not to exceed one~~
5 ~~half of his or her average final compensation at age 60. Such~~
6 ~~additional amounts so deposited shall become a part of his or~~
7 ~~her accumulated contributions, except in the case of~~
8 ~~retirement, when they shall be treated as excess contributions~~
9 ~~returnable to the member in cash or as an annuity of~~
10 ~~equivalent actuarial value and shall not be considered in~~
11 ~~computing his or her pension.~~

12 ~~"The contributions and interest credits of a member~~
13 ~~withdrawn by him or her or paid to his or her estate or to his~~
14 ~~or her designated beneficiary in event of his or her death~~
15 ~~shall be paid from the Annuity Savings Fund. Should a member~~
16 ~~cease to be a member other than by retirement under the~~
17 ~~provisions of this article, an amount equivalent to the~~
18 ~~difference, if any, between his or her accumulated~~
19 ~~contributions and the amount then paid shall be transferred to~~
20 ~~the Expense Fund. Upon the retirement of a member or the death~~
21 ~~of an eligible member where an allowance to a surviving spouse~~
22 ~~or other designated beneficiary is payable, his or her~~
23 ~~accumulated contributions shall be transferred from the~~
24 ~~Annuity Savings Fund to the Pension Accumulation Fund.~~

1 ~~"Notwithstanding the preceding provisions, no~~
2 ~~deductions shall be made from any member's salary on account~~
3 ~~of which the employer's contributions are in default.~~

4 ~~"The State Personnel Board, with the approval of the~~
5 ~~Governor, may provide that the state shall pick up member~~
6 ~~contributions to the Employees' Retirement System of Alabama~~
7 ~~as required by this subsection on behalf of all state~~
8 ~~employees who participate in the Employees' Retirement System~~
9 ~~by a corresponding reduction in the salary of the member, such~~
10 ~~pick-up to be mandatory for all such employees, and the~~
11 ~~contributions so picked up shall be treated as employer~~
12 ~~contributions in determining tax treatment under the Internal~~
13 ~~Revenue Code. These contributions shall be paid from the same~~
14 ~~source of funds which is used in paying earnings to the~~
15 ~~employee. If employee contributions are so picked up they~~
16 ~~shall be treated for all other purposes of state law in the~~
17 ~~same manner and to the same extent as employee contributions~~
18 ~~made prior to the date picked up.~~

19 ~~"(c) Pension Accumulation Fund. The Pension~~
20 ~~Accumulation Fund shall be the fund in which shall be~~
21 ~~accumulated all reserves other than the amounts held in the~~
22 ~~Annuity Savings Fund for the payment of all pensions, all~~
23 ~~allowances granted to surviving spouses or other designated~~
24 ~~beneficiaries and other benefits payable from contributions~~
25 ~~made by the employer and from which shall be paid all~~

1 ~~pensions, all allowances granted to surviving spouses or other~~
2 ~~designated beneficiaries and other benefits on account of~~
3 ~~members with prior service credit.~~

4 ~~"Contributions to and payments from the Pension~~
5 ~~Accumulation Fund shall be made as follows: On account of each~~
6 ~~member there shall be paid monthly by the employer an amount~~
7 ~~equal to a certain percentage of the earnable compensation of~~
8 ~~each member to be known as the "normal contribution" and an~~
9 ~~additional amount equal to a percentage of his or her earnable~~
10 ~~compensation to be known as the "accrued liability~~
11 ~~contribution," and these two amounts shall be paid monthly~~
12 ~~into the Pension Accumulation Fund; provided, that in the case~~
13 ~~of a state policeman, such percentage rates of contributions~~
14 ~~shall be calculated separately. The percentage rate of such~~
15 ~~contributions shall be fixed for each fiscal year on the basis~~
16 ~~of the liabilities of the retirement system as shown by the~~
17 ~~last annual actuarial valuation, and such percentage rate as~~
18 ~~established by such valuation shall take effect the following~~
19 ~~October 1 and continue in effect for the fiscal year.~~

20 ~~"On the basis of regular interest and of such~~
21 ~~mortality and other tables as shall be adopted by the Board of~~
22 ~~Control, the actuary engaged by the board to make such~~
23 ~~valuation required by this article during the period over~~
24 ~~which the accrued liability contribution is payable shall,~~
25 ~~immediately after making such valuation, determine the uniform~~

1 and constant percentage of the earnable compensation of the
2 average new entrant which, if contributed on the basis of his
3 or her compensation throughout his or her entire period of
4 active service, would be sufficient to provide for the payment
5 of any pension payable on his or her account. The percentage
6 rate so determined shall be known as the "normal contribution"
7 rate. The normal rate of contributions shall be determined by
8 the actuary after each valuation.

9 "The accrued liability contribution rate shall be
10 computed by the actuary on the basis of each valuation as the
11 percentage rate of the total annual compensation of all
12 members which is sufficient to liquidate the accrued liability
13 over a period to be determined by the Board of Control which
14 shall be not less than 10 nor more than 30 years.

15 "The unfunded accrued liability shall be computed by
16 the actuary as the total liabilities of the system which are
17 not dischargeable by the assets of the Annuity Savings Fund
18 and the Pension Accumulation Fund and the present value of the
19 aforesaid normal contributions.

20 "For purposes of computing the unfunded accrued
21 liability the assets shall be determined as follows:

22 "On September 30, 1997, the assets shall be
23 determined by using the market value of such assets. For
24 subsequent years the value of the assets shall be determined

1 ~~by the system's actuary using a five year smoothed market~~
2 ~~value.~~

3 ~~"The total amount payable in each year to the~~
4 ~~Pension Accumulation Fund shall be not less than the sum of~~
5 ~~the percentage rates known as the normal contribution rate and~~
6 ~~the accrued liability contribution rate of the total~~
7 ~~compensation earnable by all members during the preceding~~
8 ~~year.~~

9 ~~"All interest and dividends earned on the funds of~~
10 ~~the retirement system shall be credited to the Pension~~
11 ~~Accumulation Fund. The amounts needed to allow a regular~~
12 ~~interest on the reserves in the Annuity Savings Fund shall be~~
13 ~~transferred in accordance with this article from the Pension~~
14 ~~Accumulation Fund. The Board of Control, in its discretion,~~
15 ~~may transfer to and from the Pension Accumulation Fund the~~
16 ~~amounts of any surplus or deficit which may develop in the~~
17 ~~Annuity Savings Fund, or the Expense Fund.~~

18 ~~"Upon the death of a member on account of whom no~~
19 ~~survivor allowance is payable under subdivisions (2) and (3)~~
20 ~~of subsection (c) of Section 36-27-16, the death benefit as~~
21 ~~provided in subdivision (4) of subsection (c) of Section~~
22 ~~36-27-16 equal to the accumulated contributions, not to exceed~~
23 ~~\$5,000.00 five thousand dollars (\$5,000), shall be payable~~
24 ~~from the Pension Accumulation Fund.~~

1 ~~"(d) Expense Fund. The Expense Fund shall be the~~
2 ~~fund from which the expenses of the administration of the~~
3 ~~retirement system shall be paid, exclusive of amounts payable~~
4 ~~as retirement allowances and as other benefits provided in~~
5 ~~this chapter. In addition thereto and on account of each~~
6 ~~member of the retirement system, there shall be paid monthly~~
7 ~~by the employer an amount equal to a certain percentage of the~~
8 ~~earnable compensation of each member for the administrative~~
9 ~~expenses of the retirement system. The percentage rate of such~~
10 ~~contribution shall be fixed by the Board of Control on the~~
11 ~~basis of the cost exclusive of that provided by interest not~~
12 ~~returnable. Any amounts credited to the accounts of the~~
13 ~~members withdrawing before retirement and not returnable under~~
14 ~~the provisions of subsection (c) of Section 36-27-16 shall be~~
15 ~~credited to the Expense Fund.~~

16 ~~"(e) Employer's contributions. For each biennium~~
17 ~~beginning October 1, 1965, each employer shall pay to the~~
18 ~~retirement system the rates provided in this section and~~
19 ~~thereafter, at least 30 days preceding October 1 of each~~
20 ~~fiscal year, the Board of Control shall certify to the chief~~
21 ~~fiscal officer of each employer the percentage rates of~~
22 ~~earnable compensation of the members required to be paid to~~
23 ~~the retirement system in accordance with subsections (c) and~~
24 ~~(d) of this section.~~

1 ~~"The employer's contribution on account of the~~
2 ~~membership of employees whose salaries are paid in whole or in~~
3 ~~part from funds derived from federal grants shall be paid from~~
4 ~~funds derived from the federal grants in accordance with~~
5 ~~statutes governing the administration of the grants and in~~
6 ~~proportion to salaries paid therefrom. At such time and in~~
7 ~~such manner as may be required, the Board of Control shall~~
8 ~~certify to each department of state receiving a federal grant~~
9 ~~the amount due and payable from the grant as the employer's~~
10 ~~contribution to the retirement system on account of the~~
11 ~~membership of the department whose salaries are paid in whole~~
12 ~~or in part from funds derived from such federal grants. The~~
13 ~~fiscal agent of the department shall authorize the state~~
14 ~~Comptroller to draw a warrant or warrants in payment of the~~
15 ~~amount certified as due and payable from federal grants.~~

16 ~~"(f) Appropriations. There is hereby appropriated~~
17 ~~annually from the fund from which salaries of the employees of~~
18 ~~each employer are paid the amounts sufficient to carry out the~~
19 ~~provisions of this section. In the case of those departments~~
20 ~~supported wholly by transfers from other state funds, there is~~
21 ~~hereby appropriated from the supporting funds such additional~~
22 ~~amounts as may be necessary to pay the employer contribution~~
23 ~~of each department so supported in the same proportion as the~~
24 ~~other state funds contribute to the support and maintenance of~~
25 ~~such department.~~

1 ~~"(g) Employer cost provided for in this article~~
2 ~~together with member contributions required under this article~~
3 ~~shall be paid to the Employees' Retirement System on the first~~
4 ~~day of the month following the month in which the related~~
5 ~~member salary is earned. Delinquent accounts shall accrue~~
6 ~~interest at the actuarial assumed investment rate beginning 30~~
7 ~~days after the original due date. The member contributions for~~
8 ~~each member shall be reported to the Employees' Retirement~~
9 ~~System in a format prescribed by the Employees' Retirement~~
10 ~~System.~~

11 ~~"§36-27-59.~~

12 ~~"(a) When used in this section, the following terms~~
13 ~~shall have the following meanings, unless the context clearly~~
14 ~~indicates otherwise:~~

15 ~~"(1) CORRECTIONAL OFFICER. A full-time correctional~~
16 ~~officer who is certified as a correctional officer by the~~
17 ~~Alabama Peace Officers' Standards and Training Commission.~~

18 ~~"(2) FIREFIGHTER. A full-time firefighter employed~~
19 ~~with the State of Alabama, a municipal fire department, or a~~
20 ~~fire district who has a level one minimum standard~~
21 ~~certification by the Firefighters Personnel Standards and~~
22 ~~Education Commission, or a firefighter employed by the Alabama~~
23 ~~Forestry Commission who has been certified by the State~~
24 ~~Forester as having met the wild land firefighter training~~
25 ~~standard of the National Wildfire Coordinating Group.~~

1 ~~"(3) LAW ENFORCEMENT OFFICER. A full-time law~~
2 ~~enforcement officer, not covered as a state policeman,~~
3 ~~employed with any state agency, department, board, commission,~~
4 ~~or institution or a full-time law enforcement officer employed~~
5 ~~by a local unit of the Employees' Retirement System under~~
6 ~~Section 36-27-6 who is certified as a law enforcement officer~~
7 ~~by the Alabama Peace Officers' Standards and Training~~
8 ~~Commission.~~

9 ~~"(b) (1) Any firefighter, law enforcement officer, or~~
10 ~~correctional officer covered under the Employees' Retirement~~
11 ~~System or the Teachers' Retirement System as a Tier I or Tier~~
12 ~~II plan member, upon attainment of the requisite years of~~
13 ~~creditable service or who otherwise qualifies for service or~~
14 ~~disability retirement, shall be awarded one year of hazardous~~
15 ~~duty time for every five years of service as a firefighter, a~~
16 ~~law enforcement officer, or a correctional officer provided~~
17 ~~that the person has made the additional contribution provided~~
18 ~~in subdivision (2) or paid the additional contribution~~
19 ~~required in subsection (c) for each year of service used in~~
20 ~~determining hazardous duty time for the person. Proportional~~
21 ~~credit shall be awarded for any period of service less than~~
22 ~~five years.~~

23 ~~"(2) Effective January 1, 2001, and each pay period~~
24 ~~thereafter, each active employee who is a firefighter, law~~
25 ~~enforcement officer, or correctional officer, as defined in~~

1 ~~subsection (a), shall contribute to the Teachers' or~~
2 ~~Employees' Retirement System of Alabama six percent of his or~~
3 ~~her earnable compensation. For all pay dates beginning on or~~
4 ~~after October 1, 2011, each active employee who is a~~
5 ~~firefighter, law enforcement officer, or correctional officer,~~
6 ~~as defined in subsection (a), except those employees~~
7 ~~participating pursuant to Section 36-27-6, shall contribute to~~
8 ~~the Teachers' or Employees' Retirement System of Alabama eight~~
9 ~~and one-quarter percent (8.25%) of his or her earnable~~
10 ~~compensation. For all pay dates beginning on or after October~~
11 ~~1, 2012, each active employee who is a Tier I plan member and~~
12 ~~who is a firefighter, law enforcement officer, or correctional~~
13 ~~officer, as defined in subsection (a), except those employees~~
14 ~~participating pursuant to Section 36-27-6, shall contribute to~~
15 ~~the Teachers' or Employees' Retirement System of Alabama eight~~
16 ~~and one-half percent (8.5%) of his or her earnable~~
17 ~~compensation. For all pay dates beginning on or after October~~
18 ~~1, 2022, each active employee who is a Tier II plan member and~~
19 ~~who is a firefighter, law enforcement officer, or correctional~~
20 ~~officer, as defined in subsection (a), shall contribute to the~~
21 ~~Teachers' or Employees' Retirement Systems of Alabama seven~~
22 ~~and one-half percent (7.50%) of his or her earnable~~
23 ~~compensation. Any employer participating under Section~~
24 ~~36-27-6, by adoption of a resolution, may elect for the~~
25 ~~increases in employee contributions provided by Act 2011-676~~

1 to be withheld from the earnable compensation of employees of
2 the employer.

3 ~~"(c) Any member of the Employees' Retirement System~~
4 ~~or the Teachers' Retirement System eligible under subsection~~
5 ~~(b) may receive credit for his or her eligible prior service~~
6 ~~provided the member pays to the Secretary-Treasurer of the~~
7 ~~Employees' Retirement System or the Secretary-Treasurer of the~~
8 ~~Teachers' Retirement System one percent of his or her current~~
9 ~~annual earnable compensation or previous year's annual~~
10 ~~earnable compensation, whichever is higher, for each year of~~
11 ~~claimed credit within two years of January 1, 2001, except~~
12 ~~that any firefighter employed by the Alabama Forestry~~
13 ~~Commission shall make such payment within two years of~~
14 ~~December 28, 2001. Any member participating in the Employees'~~
15 ~~Retirement System under Section 36-27-6, who has eligible~~
16 ~~prior service under this section and who also had no prior~~
17 ~~eligibility to purchase prior service credit under this~~
18 ~~subsection, may purchase prior service credit under this~~
19 ~~section at the same rate provided in subsection (b) within one~~
20 ~~year of the effective date of his or her enrollment with the~~
21 ~~Employees' Retirement System or within one year of August 1,~~
22 ~~2004. The member may purchase his or her claimed credit in~~
23 ~~increments of five years, unless the total service credit is~~
24 ~~less than five years, in which case the service shall be~~
25 ~~purchased in its entirety. The member shall provide~~

1 ~~certification from each employing agency, on forms prescribed~~
2 ~~by the Teachers' or Employees' Retirement System, of each year~~
3 ~~of claimed service, as a prerequisite to payment under this~~
4 ~~section.~~

5 ~~"(d) The provisions of this section shall not apply~~
6 ~~to any Tier II plan member."~~

7 Section 2. This act shall become effective
8 immediately following its passage and approval by the
9 Governor, or its otherwise becoming law.

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Speaker of the House of Representatives

President and Presiding Officer of the Senate

House of Representatives

I hereby certify that the within Act originated in
and was passed by the House 02-MAR-22, as amended.

Jeff Woodard
Clerk

Senate	06-APR-22	Amended and Passed
House	07-APR-22	Concurred in Senate Amendment