

1 HB344
2 190679-2
3 By Representatives Ledbetter, Pettus, Whorton (R), Ainsworth,
4 Shedd, Hanes and Lovvorn
5 RFD: Ways and Means General Fund
6 First Read: 01-FEB-18

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8 SYNOPSIS: Under existing law, a local governing body
9 or local public organization can elect to have its
10 officers and employees participate in the
11 Employees' Retirement System.

12 This bill would provide that a local
13 employer participating in the Employees' Retirement
14 System could elect to provide the same retirement
15 benefits given to Tier I plan members to its Tier
16 II plan members.

17
18 A BILL
19 TO BE ENTITLED
20 AN ACT

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22 To add Section 36-27-6.5 to the Code of Alabama
23 1975, relating to retirement for members of the Employees'
24 Retirement System; to provide that a local employer
25 participating in the ERS could elect to provide the same
26 retirement benefits given to Tier I plan members to its Tier
27 II plan members.

1 BE IT ENACTED BY THE LEGISLATURE OF ALABAMA:

2 Section 1. Section 36-27-6.5 is added to the Code of
3 Alabama 1975, to read as follows:

4 §36-27-6.5.

5 (a) Any employer participating in the Employees'
6 Retirement System of Alabama pursuant to Section 36-27-6, may,
7 by adoption of a resolution within 24 months of the effective
8 date of the act adding this section, elect to provide to its
9 Tier II plan members the same retirement benefits provided to
10 Tier I plan members. Such election shall be irrevocable and
11 shall be effective at the beginning of the fiscal year
12 following the date the resolution is received by the ERS.

13 (b) Beginning in the month the election becomes
14 effective, Tier II plan members shall contribute to the
15 Employees' Retirement System seven and one-half percent of
16 their earnable compensation and Tier II plan members who are
17 firefighters, law enforcement officers, or correctional
18 officers, as defined in Section 36-27-59(a), shall contribute
19 to the Employees' Retirement System eight and one-half percent
20 of their earnable compensation.

21 Section 2. This act shall become effective
22 immediately following its passage and approval by the
23 Governor, or its otherwise becoming law.