

1 SB309
2 197441-1
3 By Senator Waggoner (N & P)
4 RFD: Jefferson County Legislation
5 First Read: 18-APR-19

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9 A BILL
10 TO BE ENTITLED
11 AN ACT
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13 Relating to Jefferson County; relating to the
14 General Retirement System for Employees of Jefferson County;
15 to amend Sections 45-37-123.01, 45-37-123.21, 45-37-123.22,
16 45-37-123.24, 45-37-123.53, 45-37-123.54, 45-37-123.82,
17 45-37-123.101, 45-37-123.103, 45-37-123.104, 45-37-123.151,
18 and 45-37-123.195 of the Code of Alabama 1975, to add
19 definitions for the terms "benefit enhancement," "executive
20 director" and "spouse"; to remove definitions of the terms
21 "another pension system," "county treasurer" and "pension
22 coordinator"; to revise definitions of the terms "active
23 member," "compensation," "county," "eligible employee," "sick
24 leave retirement conversion" and "unpaid membership time"; to
25 add a qualification that member number three of the pension
26 board have a minimum of 10 years' experience as a certified
27 public accountant; to require that member number five of the

1 pension board be a member of the system; to provide that
2 elections of members number four and five of the pension board
3 may be conducted by paper or electronic ballot; to require
4 that the county manager inform those persons on the county
5 payroll of elections for members numbers four and five; to
6 authorize the pension board to appoint members of the election
7 board only in the event that the members of the system fail to
8 do so or in the event a member so appointed cannot or will not
9 serve on the election board; to provide a mechanism for the
10 removal of a member of the pension board; to make the
11 executive director of the system the secretary of the system;
12 to authorize the pension board to award cost-of-living benefit
13 increases in any form, lump sum or otherwise; to authorize the
14 pension board to determine the validity of and take
15 appropriate action with respect to any divorce decree or
16 other judicial order presented to the pension board; to
17 authorize notification of the annual meeting to be provided to
18 members of the system by electronic mail; to authorize the
19 pension board to purchase insurance coverage in forms and
20 amounts determined by the pension board; to authorize the
21 pension board to provide health, dental, vision, and other
22 forms of insurance, paid leave, and other employment benefits
23 to its employees; to authorize the pension board to provide
24 life, disability, and other forms of voluntary insurance to
25 members of the system provided the cost thereof is paid by
26 such member; to remove the designation of a legal advisor for
27 the system; to authorize the pension board to permit members

1 of the system to convert unpaid membership time to paid
2 membership time; to require pension board approval of any
3 commission authorized conversion of unpaid membership time to
4 paid membership time; to require the county to pay for an
5 actuarial evaluation of the system before any conversion of
6 unpaid membership time to paid membership time; to clarify
7 that neither the county, the system, or the pension board is
8 required to fund a conversion of unpaid membership time to
9 paid membership time; to clarify how a member continues to
10 participate in the system upon being rehired by the county; to
11 authorize the pension board to provide employee contributions
12 to be made on either a pre or after tax basis in the
13 discretion of the pension board; to provide that a member may
14 not withdraw his or her contributions to the system by joining
15 another pension plan; to clarify that a member may cease
16 contributions to the system upon attaining 30 years of paid
17 membership time; to clarify that, upon termination of
18 employment, a member may not rescind an election for a
19 postretirement joint survivorship pension; to authorize the
20 pension board, in certain circumstances to interplead into a
21 court of competent jurisdiction a deceased member's death
22 benefit; to further provide that a member may not withdraw his
23 or her contributions by joining another pension plan; to
24 clarify that a member who has attained 30 years of paid
25 membership time may cease making contributions to the system
26 and to provide that, in certain circumstances, a refund of
27 employee contributions to the beneficiary of a deceased member

1 shall be paid with interest; to authorize the pension board to
2 increase or enhance member benefits by lump sum payment or in
3 such other form or manner as the pension board may prescribe;
4 to alter the procedure to increase or enhance a member's
5 benefit; and to authorize the pension board to require
6 execution of an indemnification agreement when making certain
7 payments to a member, a member's legal representative,
8 beneficiary, guardian, or committee appointed for such member.

9 BE IT ENACTED BY THE LEGISLATURE OF ALABAMA:

10 Section 1. Sections 45-37-123.01, 45-37-123.21,
11 45-37-123.22, 45-37-123.24, 45-37-123.53, 45-37-123.54,
12 45-37-123.82, 45-37-123.101, 45-37-123.103, 45-37-123.104,
13 45-37-123.151, and 45-37-123.195 of the Code of Alabama 1975,
14 are amended to read as follows:

15 "§45-37-123.01.

16 "For the purposes of this part, the following terms
17 shall have the following meanings:

18 "(1) ACT. The act adding this part, to be called the
19 General Retirement System for Employees of Jefferson County
20 Act.

21 "(2) ACTIVE MEMBER. An individual that currently is
22 employed by the county or other entities set forth in
23 subdivision (20) and is making employee contributions to the
24 system.

25 "(3) ACTUARIAL EQUIVALENT. Effective July 30, 1984,
26 or such other dates as set forth in Exhibit A, which is
27 maintained in the office of the pension board, a form of

1 benefit differing in time, period, or manner of payment from a
2 specific benefit provided under the plan but having the same
3 value when computed using the mortality tables, the interest
4 rate, and any other assumptions last adopted by the pension
5 board, which assumptions shall clearly preclude any discretion
6 in the determination of the amount of a member's benefit.

7 "(4) ACTUARIAL GAIN. As defined in Section
8 45-37-123.106(f) (1).

9 "(5) ANNUITY STARTING DATE. As used in Subpart 6 and
10 in Section 45-37-123.106, means, with respect to any member,
11 the first day of the first period for which an amount is paid
12 as an annuity, or, in the case of a benefit not payable in the
13 form of an annuity, the first day on which all events have
14 occurred which entitles the member to such benefit.

15 ~~"(6) ANOTHER PENSION SYSTEM. As used in Sections~~
16 ~~45-37-123.82(c) and 45-37-123.104(3), means a pension system~~
17 ~~established by or under laws of the State of Alabama for~~
18 ~~public officers and public employees other than the system~~
19 ~~establishing this plan, which other pension system proscribes~~
20 ~~or otherwise does not allow for voluntary withdrawal by the~~
21 ~~member from the other pension system.~~

22 "~~(7)~~ (6) BASIC AVERAGE SALARY. Generally means,
23 effective as of February 1, 2010, the monthly compensation of
24 a member averaged over the period of 36 consecutive months of
25 paid membership time during which such member's average
26 monthly compensation was higher than any other period of 36
27 consecutive months of paid membership time. For example, if a

1 member terminated employment on June 20, 2010, and his or her
2 highest consecutive 36 month period ends on the member's date
3 of termination of employment, then the measuring period for
4 determining basic average salary would be from June 21, 2007,
5 through June 20, 2010. The following rules shall apply in
6 calculating basic average salary:

7 "a. Daily Compensation Calculation. Subject to the
8 additional rules stated in this subdivision, the compensation
9 earned in each year, or portion of a year, during the 36-month
10 period shall be determined on a daily basis. The total of the
11 compensation earned in each applicable year, or portion
12 thereof, shall be added together and then divided by 36 to
13 arrive at the member's basic average salary. If the foregoing
14 process is not workable in some situations, then the pension
15 board shall approve a different method which is reasonable
16 given the terms of the act and the individual circumstances.

17 "b. Use of Unpaid Membership Time. The compensation
18 paid to a member during unpaid membership time shall only be
19 considered in determining the member's basic average salary
20 for periods of employment prior to August 16, 1996.

21 "c. Tacking of Nonconsecutive Paid Membership Time.
22 Separate periods of paid membership time may be tacked and
23 considered as consecutive if the member does not have any paid
24 membership time between the periods so tacked. For example, if
25 the member did not have any paid membership time between two
26 periods of paid membership time due to a leave of absence, the

1 leave of absence would be ignored in calculating basic average
2 salary.

3 "d. Post-termination Compensation. Compensation paid
4 subsequent to termination of participation in the system
5 pursuant to Section 45-37-123.52, due to ineligibility, shall
6 not be recognized in computing basic average salary. However,
7 notwithstanding any provisions of this plan to the contrary, a
8 member's final paycheck from the county shall be counted in
9 computing a member's basic average salary, but only to the
10 extent that such paycheck constitutes compensation, and the
11 highest consecutive 36 month period otherwise would end on the
12 date of the member's termination of employment.

13 "~~(8)~~ (7) BENEFICIARY. The person, or entity,
14 designated as provided in Section 45-37-123.103(d) to receive
15 the benefits which are payable under the plan upon or after
16 the death of a member.

17 "(8) BENEFIT ENHANCEMENT. An across the board
18 increase to a previously awarded benefit to which a member is
19 entitled.

20 "(9) CIVIL SERVICE SYSTEM. The personnel system
21 administered and operated by the Jefferson County Personnel
22 Board.

23 "(10) COMMISSION. The Jefferson County Commission.

24 "(11) COMPENSATION.

25 "a. With respect to any member means:

26 "1. The regular salary or hourly wages paid to a
27 member, based on his or her pay grade, as established by the

1 Jefferson County Personnel Board, or other appropriate
2 authority, for a calendar year ending with or within the
3 applicable plan year including any employee contributions
4 pursuant to Section 45-37-123.82(a);

5 "2. Plus any accumulated vacation time paid by the
6 county;

7 "3. Plus Worker's Compensation benefits, only as
8 described in subdivision (59); and

9 "4. Any differential wage payment, as defined in §
10 3401(h)(2), Internal Revenue Code, generally relating to
11 military pay.

12 "b. Bonuses, overtime, longevity pay, paid
13 accumulated sick leave (that is paid in the form of a lump
14 sum), uniform allowances, expense allowances, and any other
15 nonregular forms of compensation are excluded.

16 "c. Compliance with § 401(a)(17), Internal Revenue
17 Code. Because the transitional rule provided by Treasury
18 Regulation § 1.401(a)(17)-1(d)(4) of the regulations issued
19 under § 401(a)(17), Internal Revenue Code, does not apply to
20 the plan, compensation of each member taken into account in
21 determining benefit accruals in any plan year beginning after
22 December 31, 2001, shall not exceed two hundred thousand
23 dollars (\$200,000), or such other amount provided in the
24 Internal Revenue Code. Such amount shall be adjusted for
25 increases in the cost of living in accordance with §
26 401(a)(17)(B), Internal Revenue Code, except that the dollar
27 increase in effect on January 1 of any calendar year shall be

1 effective for the calendar years beginning with such calendar
2 year. For any short calendar year, the compensation limit
3 shall be an amount equal to the compensation limit for the
4 calendar year in which the calendar year begins multiplied by
5 the ratio obtained by dividing the number of full months in
6 the short calendar year by 12. For purposes of determining
7 benefit accruals in a plan year beginning after December 31,
8 2001, compensation for any prior calendar year shall be
9 limited to one hundred fifty thousand dollars (\$150,000) for
10 any calendar year beginning in 1996, one hundred sixty
11 thousand dollars (\$160,000) for any calendar year beginning in
12 1997, 1998, or 1999; and one hundred seventy thousand dollars
13 (\$170,000) for any calendar year beginning in 2000 or 2001.

14 "(12) COUNTY. Jefferson County, Alabama, and any
15 successor which shall maintain this plan. However, references
16 herein to employment by the county also shall include
17 employment by such other entities set forth in subdivision
18 (20) and by entities for which the county is acting as payroll
19 agent or wherein the county is being reimbursed by an entity
20 for the compensation of such entities' workers or wherein the
21 entity has appointing authority with respect to the workers.
22 Accordingly, such entities' workers shall be covered by the
23 plan to the extent allowed under the act and as determined by
24 the pension board in its administration of the plan.

25 ~~"(13) COUNTY TREASURER. An elected official of the~~
26 ~~county who is responsible for receiving and segregating into~~
27 ~~the trust fund all assets of the system.~~

1 "~~(14)~~ (13) DEFERRED RETIREMENT BENEFIT. A benefit
2 payable pursuant to the terms of Section 45-37-123.100(c).

3 "~~(15)~~ (14) DESIGNATED BENEFICIARY. As defined in
4 Section 45-37-123.103(d).

5 "~~(16)~~ (15) DISABILITY RETIREMENT BENEFIT. A benefit
6 payable pursuant to the terms of Section 45-37-123.102.

7 "~~(17)~~ (16) DISTRIBUTION CALENDAR YEAR. As defined in
8 Section 45-37-123.106(f) (3).

9 "~~(18)~~ (17) EARLY RETIREMENT BENEFIT. A benefit
10 payable pursuant to the terms of Section 45-37-123.100(b).

11 "~~(19)~~ (18) EFFECTIVE DATE. January 1, 2010, except as
12 otherwise provided.

13 "~~(20)~~ (19) ELIGIBLE COST-OF-LIVING INDEX. As defined
14 in Section 45-37-123.106(f) (4).

15 "~~(21)~~ (20) ELIGIBLE EMPLOYEE.

16 "a. The following individuals affiliated with
17 Jefferson County, Alabama, or the State of Alabama:

18 "1. Any person employed by Jefferson County at a
19 wage or salary payable at regular intervals, whether or not
20 such person is subject to the civil service system in
21 operation in Jefferson County.

22 "~~2. Any person who served as an employee of a
23 license inspector prior to the time a retirement system became
24 operative in Jefferson County, not exceeding 20 years, whether
25 such service was under the State of Alabama or under Jefferson
26 County.~~

1 ~~"3. Any person who served or serves as the Solicitor~~
2 ~~of the Juvenile Court of Jefferson County, the Solicitor of~~
3 ~~the Domestic Relations Court of Jefferson County, or the~~
4 ~~Solicitor of the Criminal Court of Jefferson County.~~

5 ~~"4. Any person who served or serves as a deputy~~
6 ~~appointed by the circuit solicitor serving in Jefferson~~
7 ~~County, to the extent that the compensation of the deputy is~~
8 ~~paid by Jefferson County.~~

9 ~~"5. Any person who served or serves as an employee~~
10 ~~of the Cooperative Extension Service of the State of Alabama,~~
11 ~~provided such person was receiving or shall be receiving,~~
12 ~~monthly compensation from Jefferson County for service~~
13 ~~performed by such person.~~

14 ~~"6.2. Any person elected or appointed to a job or~~
15 ~~position with or for Jefferson County, whose compensation was~~
16 ~~paid or shall be paid, in whole or in part, by Jefferson~~
17 ~~County while occupying such job or position.~~

18 ~~"7. Any person regularly employed by the Library~~
19 ~~Board of the City of Birmingham whose duties are performed~~
20 ~~under the direct supervision of the library board, who~~
21 ~~receives his or her salary, directly or indirectly, from the~~
22 ~~public funds of Jefferson County, excluding members of the~~
23 ~~library board and excluding officers of the library board who~~
24 ~~are elected by the people.~~

25 ~~"8. Any person who serves as the deputy solicitor~~
26 ~~servicing Jefferson County to the extent that the compensation~~

1 ~~of the deputy solicitor is paid by Jefferson County. Such~~
2 ~~person is an eligible deputy solicitor.~~

3 "9.3. Any person who occupies a county office in
4 Jefferson County that is created by an act of the Legislature
5 of the State of Alabama or is provided for by the Constitution
6 of Alabama of 1901, and such office requires full-time
7 service. Such person is an eligible county office employee.

8 ~~"10. Any person who serves as the circuit solicitor~~
9 ~~servicing Jefferson County to the extent that the compensation~~
10 ~~of the circuit solicitor is paid by Jefferson County. Such~~
11 ~~person is an eligible circuit solicitor.~~

12 "11.4. Any person who is an officer or an employee
13 of a hospital created by Jefferson County if such person's
14 employment status with the hospital is such that if the person
15 had the same employment status with Jefferson County, he or
16 she would be an eligible employee. Such person is an eligible
17 hospital employee.

18 "12.5. Any person employed by the General Retirement
19 System for Employees of Jefferson County at a wage or salary
20 payable at regular intervals, whether or not the person is
21 subject to the civil service system in operation in Jefferson
22 County.

23 "6. Any person employed by the Personnel Board of
24 Jefferson County at a wage or salary payable at regular
25 intervals, whether or not the person is subject to the civil
26 operation in Jefferson County.

1 "7. Any person employed by an entity for which the
2 county is acting as payroll agent or for which the county has
3 agreed to be reimbursed by the entity for the compensation
4 paid to the person, whether or not the person is subject to
5 the civil service system in operation in Jefferson County.

6 "b. An eligible employee shall not include:

7 "1. Any person who is appointed or elected as a
8 member of any board or commission of Jefferson County,
9 provided that service on such board or commission does not
10 require full-time service or the members on the board or
11 commission receive no compensation for their service except
12 for meetings attended by them.

13 "2. Any person whose employment is temporary so long
14 as his or her employment remains temporary. A person's
15 employment shall be deemed to be temporary within the meaning
16 of this subdivision if such employment is temporary as defined
17 by the civil service system, or if the officers, board,
18 commission, or agency employing such person certifies in
19 writing to the pension board that the employment is temporary.

20 "3. Any leased employee and any independent
21 contractor.

22 "~~(22)~~ (21) EMPLOYEE. Any person who is employed by
23 the county or elected or appointed to a job or position with
24 or for the county. An employee shall exclude any leased
25 employee and any independent contractor as such terms are
26 defined by the pension board or the civil service system. See

1 also subdivision (12), which covers situations in which other
2 entities may be the employer of eligible employees.

3 "~~(23)~~ (22) EMPLOYEE CONTRIBUTION. The amount a member
4 is required to contribute to the plan as a condition of
5 employment and participation in the plan pursuant to Section
6 45-37-123.82 and any amount required to be treated as an
7 employee contribution in accordance with Section
8 45-37-123.190(b), relating to transfers from § 457(b),
9 Internal Revenue Code, plans.

10 "~~(24)~~ (23) EMPLOYER CONTRIBUTION. The amount the
11 county is required to contribute to the plan pursuant to
12 Section 45-37-123.20(b) and Section 45-37-123.80(a).

13 "(24) EXECUTIVE DIRECTOR. The individual designated
14 by the pension board to manage the employees and day-to-day
15 administration of the system. The individual shall not be
16 subject to the civil service system.

17 "(25) FISCAL YEAR. The system's accounting year of
18 12 months commencing on October 1 of each year and ending the
19 following September 30.

20 "(26) 415 COMPENSATION. With respect to any member
21 means such member's wages as defined in § 3401(a), Internal
22 Revenue Code, and all other payments of compensation by the
23 county, in the course of the county's trade or business, for a
24 calendar year ending with or within the plan year for which
25 the county is required to furnish the member a written
26 statement under §§ 6041(d), 6051(a)(3), and 6052, Internal
27 Revenue Code. 415 compensation shall be determined without

1 regard to any rules under § 3401(a), Internal Revenue Code,
2 that limit the remuneration included in wages based on the
3 nature or location of the employment or the services
4 performed, such as the exception for agricultural labor in §
5 3401(a)(2), Internal Revenue Code. Notwithstanding the above,
6 the determination of 415 compensation shall be made by
7 including any elective deferral, as defined in § 402(g)(3),
8 Internal Revenue Code, and any amount which is contributed by
9 the county at the election of the member pursuant to a salary
10 reduction agreement and which is not includible in the gross
11 income of the member by reason of §§ 125, 132(f)(4),
12 402(e)(3), 402(h)(1)(B), 403(b), or 457(b), Internal Revenue
13 Code, and employee contributions described in § 414(h)(2),
14 Internal Revenue Code, that are treated as employer
15 contributions. For this purpose, effective January 1, 1998,
16 amounts not includible in gross income under § 125, Internal
17 Revenue Code, shall be deemed to include any amounts not
18 available to a member in cash in lieu of group health coverage
19 because the member is unable to certify that the member has
20 other health coverage, provided the county does not request or
21 collect information regarding the member's other health
22 coverage as part of the enrollment process for the health
23 plan.

24 "a. Compensation Paid After Severance from
25 Employment. With respect to limitation years beginning on and
26 after July 1, 2007, 415 compensation shall be adjusted for the
27 following types of compensation paid after a member's

1 severance from employment with the county, or any other entity
2 that is treated as the county pursuant to § 414(b), (c), (m),
3 or (o), Internal Revenue Code:

4 "1. The following amounts shall be included in 415
5 compensation to the extent these amounts are paid by the later
6 of two months after severance from employment or by the end of
7 the limitation year that includes the date of such severance
8 from employment:

9 "(i) Regular pay. 415 compensation shall include
10 regular pay after severance from employment if:

11 "A. The payment is regular compensation for services
12 during the member's regular working hours, or compensation for
13 services outside the member's regular working hours, such as
14 overtime or shift differential, commissions, bonuses, or other
15 similar payments; and

16 "B. The payment would have been paid to the member
17 prior to a severance from employment if the member had
18 continued in employment with the county.

19 "(ii) Leave cashouts. 415 compensation shall include
20 leave cashouts if those amounts would have been included in
21 the definition of 415 compensation if they were paid prior to
22 the member's severance from employment, and the amounts are
23 payment for unused accrued bona fide sick, vacation, or other
24 leave, but only if the member would have been able to use the
25 leave if employment had continued.

26 "(iii) Deferred compensation. 415 compensation shall
27 include deferred compensation if the compensation would have

1 been included in the definition of 415 compensation if it had
2 been paid prior to the member's severance from employment, and
3 the compensation is received pursuant to a nonqualified
4 unfunded deferred compensation plan, but only if the payment
5 would have been paid at the same time if the member had
6 continued in employment with the county and only to the extent
7 that the payment is includible in the member's gross income.

8 "2. The following amounts shall not be included in
9 415 compensation:

10 "(i) Salary continuation payments for military
11 service participants. 415 compensation does not include
12 payments to an individual who does not currently perform
13 services for the county by reason of qualified military
14 service to the extent those payments do not exceed the amounts
15 the individual would have received if the individual had
16 continued to perform services for the county rather than
17 entering qualified military service.

18 "(ii) Salary continuation payments for disabled
19 participants. 415 compensation does not include compensation
20 paid to a member who is permanently and totally disabled, as
21 defined in § 22(e)(3), Internal Revenue Code.

22 "b. Administrative Delay or the First Few Weeks
23 Rule. With respect to limitation years beginning on and after
24 July 1, 2007, 415 compensation does not include amounts earned
25 but not paid during the limitation year solely because of the
26 timing of pay periods and pay dates.

1 "c. Back Pay. With respect to limitation years
2 beginning on and after July 1, 2007, payments awarded by an
3 administrative agency or court or pursuant to a bona fide
4 agreement by the county to compensate a member for lost wages
5 are 415 compensation for the limitation year to which the back
6 pay relates, but only to the extent such payments represent
7 wages and compensation that would otherwise be included in 415
8 compensation.

9 "(27) INVESTMENT MANAGER. An entity that has the
10 power to manage, acquire, or dispose of plan assets and
11 acknowledges fiduciary responsibility to the plan in writing.
12 Such entity shall be a person, firm, or corporation registered
13 as an investment adviser under the Investment Advisers Act of
14 1940, a bank, or an insurance company.

15 "(28) INVOLUNTARY DEFERRED RETIREMENT BENEFIT. A
16 benefit payable pursuant to the terms of Section
17 45-37-123.100(c)(3).

18 "(29) IRC. The Internal Revenue Code of 1986, as
19 amended or replaced from time to time.

20 "(30) JOINT SURVIVORSHIP PENSION. Either a
21 preretirement joint survivorship pension or a postretirement
22 joint survivorship pension.

23 "(31) LIFE EXPECTANCY. As defined in Section
24 45-37-123.106(f)(5).

25 "(32) MEDICAL ADVISOR. The pension board's medical
26 advisors or other appointed physicians or vocational
27 specialists.

1 "(33) MEMBER. Any eligible employee who, depending
2 on the context as used throughout this plan, participates, or
3 participated, in the plan.

4 "(34) NONSERVICE CONNECTED DISABILITY. A total
5 disability or partial disability while the member is employed
6 by the county, that is not a service connected disability.

7 "(35) PAID MEMBERSHIP TIME. The time during which a
8 member made, or shall have made, employee contributions to the
9 system and other previous retirement systems, provided,
10 however, that if a member, for any reason, including
11 termination of employment, withdraws his or her employee
12 contributions, the period during which the employee
13 contributions are withdrawn shall be considered unpaid
14 membership time, unless it is converted to paid membership
15 time as provided for in Section 45-37-123.53. Paid membership
16 time also shall include a member's absence due to qualified
17 military service. Years of paid membership time shall be
18 calculated in accordance with Section 45-37-123.84.

19 "(36) PARTIAL DISABILITY. A permanent disability
20 that is less than a total disability determined in accordance
21 with Section 45-37-123.102(c).

22 "(37) PENSION BOARD. The administrator of the plan,
23 as more fully described in Subpart 2.

24 ~~"(38) PENSION COORDINATOR. The individual designated~~
25 ~~by the pension board to manage the day-to-day administration~~
26 ~~of the system, including any other person who works for the~~
27 ~~system that acts as a designated agent of such individual.~~

1 ~~Such individual shall not be subject to the civil service~~
2 ~~system.~~

3 "~~(39)~~(38) PLAN or SYSTEM. The General Retirement
4 System for Employees of Jefferson County, which plan or system
5 may sue or be sued, and in such name all of its business shall
6 be transacted.

7 "~~(40)~~(39) PLAN YEAR. The plan's accounting year of
8 12 months commencing on January 1 of each year and ending the
9 following December 31.

10 "~~(41)~~(40) POSTRETIREMENT JOINT SURVIVORSHIP PENSION.
11 The benefit described in Section 45-37-123.101.

12 "~~(42)~~(41) PRERETIREMENT JOINT SURVIVORSHIP PENSION.
13 The benefit described in Section 45-37-123.103.

14 "~~(43)~~(42) PREVIOUS RETIREMENT SYSTEMS. The
15 retirement systems established by Acts 1953, No. 551, 1953
16 Regular Session (Acts 1953, p. 766), as amended, the
17 Employees' Retirement System of Jefferson County, and by Acts
18 1961, No. 843, 1961 Regular Session (Acts 1961, p. 1250), as
19 amended, the Employees General Retirement System of Jefferson
20 County.

21 "~~(44)~~(43) QUALIFIED MILITARY SERVICE. Except as
22 otherwise subsequently provided under § 414(u), Internal
23 Revenue Code, the performance of duty, on a voluntary or
24 involuntary basis, in a uniformed service under competent
25 authority, and includes active duty, active duty for training,
26 initial active duty for training, inactive duty training,
27 full-time national guard duty, a period for which a person is

1 absent from a position of employment for the purpose of an
2 examination to determine the fitness of the person to perform
3 any such duty, and a period for which a person is absent from
4 employment for the purpose of performing funeral honors duty.

5 "~~(45)~~ (44) REGULAR DEFERRED RETIREMENT BENEFIT. A
6 benefit payable pursuant to the terms of Section
7 45-37-123.100(c) (2).

8 "~~(46)~~ (45) REGULATION. The income tax regulations as
9 promulgated by the Secretary of the Treasury or a delegate of
10 the Secretary of the Treasury, as amended from time to time.

11 "~~(47)~~ (46) REQUIRED BEGINNING DATE. As defined in
12 Section 45-37-123.106(f) (6).

13 "~~(48)~~ (47) RETIRED MEMBER. An individual that
14 currently is receiving pension benefits from the system.

15 "~~(49)~~ (48) SERVICE CONNECTED DISABILITY. A total
16 disability or partial disability, caused by an accident
17 arising out of and in the course of a member's employment with
18 the county.

19 "~~(50)~~ (49) SERVICE RECORD. An employee's record of
20 service upon which the pension board bases all of the member's
21 benefit calculations, including records of the county.

22 "~~(51)~~ (50) SICK LEAVE RETIREMENT CONVERSION. A
23 program sponsored by the county or other entities set forth in
24 subdivision (20) wherein a member is paid for accumulated sick
25 leave time.

1 "~~(52)~~ (51) SUPERANNUATION RETIREMENT BENEFIT. A
2 benefit payable pursuant to the terms of subsection (a) of
3 Section 45-37-123.100.

4 "~~(53)~~ (52) SYSTEM or PLAN. The General Retirement
5 System for Employees of Jefferson County, which system or plan
6 may sue or be sued, and in such name all of its business shall
7 be transacted.

8 "(53) SPOUSE. The legal wife or husband of a member
9 as determined in accordance with federal law.

10 "(54) TOTAL DISABILITY. A permanent physical or
11 mental condition of a member resulting from bodily injury,
12 disease, or mental disorder which renders such member
13 incapable of continuing usual and customary employment with
14 the county. The disability of a member shall be determined by
15 a licensed medical advisor.

16 "(55) TRUSTEE. The pension board or the person or
17 entity appointed by the pension board and named as trustee
18 herein or in any separate trust forming a part of the plan,
19 and any successors.

20 "(56) TRUST FUND. The tax-qualified trust in which
21 certain plan funds are held, disbursed, transferred, and
22 invested by the trustee at the pension board's, or its
23 designated investment manager's, discretion and in accordance
24 with this part, the Internal Revenue Code, and other
25 applicable laws and regulation.

26 "(57) UNPAID MEMBERSHIP TIME.

27 "a. Subject to paragraph d., all of the following:

1 "1. Time during which a member was employed by the
2 county, but the member did not make employee contributions to
3 the system and/or other previous retirement systems.

4 "2. Time during which a member withdrew employee
5 contributions for any reason, including upon a termination of
6 employment, unless this period of time is later converted to
7 paid membership time as provided for in Section 45-37-123.53.

8 "3. Time during which a person held an elective
9 office or was employed in a full-time job or position in the
10 service of any municipality, governmental agency, or
11 subdivision or held an elective office, provided that at the
12 time the person served with such municipality, governmental
13 agency, or subdivision, it was subject to the countywide civil
14 service law.

15 "b. Unpaid membership time shall not include any of
16 the following:

17 "1. Service with a municipality, governmental
18 agency, or subdivision if the employee received a pension from
19 such municipality, governmental agency, or subdivision, on
20 account of such service or if such service was considered in
21 the calculation of the pension.

22 "2. Any unpaid membership time that has been
23 converted to paid membership time.

24 "3. Any service in a temporary job or position, as
25 determined by the pension board.

26 "c. If such prior service with a municipality,
27 governmental agency, or subdivision was not an elective office

1 or in a classified position, such prior service shall not be
2 treated as unpaid membership time unless such employee
3 establishes to the satisfaction of the pension board that such
4 service was a full-time job.

5 "d. Only with respect to employees entering the
6 system on or before August 16, 1996, years of unpaid
7 membership time are used in computing accrued benefits under
8 the plan, as are months of unpaid membership time. Months are
9 converted into a fraction of a year as set forth in Section
10 45-37-123.84. Notwithstanding any provision of the plan to the
11 contrary, unpaid membership time shall not accrue after August
12 16, 1996, and shall not apply to members who initially join
13 the system, or members who rejoin the system after having
14 withdrawn, after August 16, 1996.

15 "(58) VESTED. The portion of a member's benefits
16 under the plan that generally are nonforfeitable. Subject to
17 Section 45-37-123.83, relating to failure to claim a refund of
18 employee contributions within the five-year period, a member's
19 benefit shall become nonforfeitable, or vested, upon the
20 following events:

21 "a. Partial or full termination of the plan as set
22 forth in Section 45-37-123.170; and

23 "b. Meeting the eligibility conditions for
24 entitlement to a benefit under Subpart 5.

25 "(59) WORKER'S COMPENSATION BENEFITS. Any benefit
26 paid to a member under any worker's compensation law of the
27 State of Alabama for any injury or disability suffered by such

1 member while working for the county on the job or position by
2 reason of which he or she is a member. Additionally, worker's
3 compensation benefits are included in compensation for
4 purposes of determining employee contributions pursuant to
5 Section 45-37-123.82. Worker's compensation benefits are
6 included in compensation for purposes of calculating a
7 retirement benefit only if inclusion of such worker's
8 compensation benefits produces a higher benefit than exclusion
9 of such worker's compensation benefits.

10 "§45-37-123.21.

11 "(a) General administration. The role of the pension
12 board is established by the State of Alabama through
13 legislative act. The pension board is responsible for the
14 general administration and proper operation of the plan. The
15 pension board also is responsible for making effective the
16 provisions of the act.

17 "(b) Composition of pension board. The pension board
18 is comprised of five members, designated respectively as
19 member number one, member number two, member number three,
20 member number four, and member number five.

21 "(1) MEMBER NUMBER ONE. Member number one shall be
22 appointed by the governing body of the county and shall serve
23 as chairman of the pension board. Member number one shall have
24 a minimum of 10 years' experience in an executive capacity in
25 insurance, investment management/consultant, or actuarial
26 work. The initial term of member number one shall be for one

1 year; and thereafter the term of member number one shall be
2 for three years.

3 "(2) MEMBER NUMBER TWO. Member number two shall be
4 appointed by the judge of probate, who is an elected official
5 of the county. Member number two shall have a minimum of 10
6 years' experience in an executive capacity in investing or
7 banking. The initial term of member number two shall expire at
8 the end of two years; and thereafter the term of member number
9 two shall be for three years.

10 "(3) MEMBER NUMBER THREE. Member number three shall
11 be ~~elected~~ appointed by the Jefferson County Personnel Board.
12 Member number three shall have a minimum of 10 years'
13 experience as a certified public accountant. The initial term
14 of member number three shall expire at the end of three years;
15 and the term of member number three shall be for three years.

16 "(4) MEMBERS NUMBER FOUR AND FIVE. Member number
17 four and member number five shall be elected by the ~~active and~~
18 ~~retired~~ members of the system. Member number four shall be a
19 retired member of the system. Member number five shall be a
20 member of the system. The initial term of member number four
21 shall be for one year; and thereafter the term of member
22 number four shall be for three years. Member number five shall
23 be elected for terms of three years.

24 "(c) Procedure for the election of board members
25 four and five and selection of the election board.

1 "(1) Elections of member number four and member
2 number five shall be conducted by separate paper or electronic
3 ballot.

4 "(2) The ~~active and retired~~ members of the system
5 shall elect member number four and member number five. The
6 election shall be held at the annual meeting of the members of
7 the system provided for in Section 45-37-123.22(b) (14), or at
8 a special meeting called for that purpose; provided that there
9 shall be no such election at a special meeting unless the
10 pension board has given at least 15 days' written notice of
11 the time and place of the election by posting the same in at
12 least three prominent places in the county courthouse and by
13 delivering three copies of the same to ~~each elected official~~
14 of the county manager who shall inform all persons on the
15 county payroll ~~to enable these officials to inform their~~
16 ~~employees~~ of the election; however, the failure of ~~any elected~~
17 ~~official~~ to inform ~~his or her~~ all such employees of the
18 election shall not invalidate the election.

19 "(3) The elections of member number four and member
20 number five shall be supervised by three ~~active~~ members of the
21 system serving as the election board. The members that serve
22 as the election board shall be appointed by the ~~active members~~
23 ~~and retired~~ members of the system at the annual meeting as
24 provided for in Section 45-37-123.22(b) (14). If the ~~active~~
25 ~~members and retired~~ members of the system fail to appoint
26 members to the election board, or if any member so appointed
27 cannot or will not serve on the election board, the pension

1 board shall appoint the members of the election board. The
2 pension board shall have the authority to prescribe additional
3 rules and regulations for the elections of member number four
4 and member number five not inconsistent with the provisions
5 hereof.

6 "(d) Vacancy, how filled. If a vacancy occurs on the
7 pension board, such vacancy shall be filled for the unexpired
8 term in the same manner as the office was previously filled.

9 "(e) Resignation or removal of pension board member.
10 A member of the pension board may resign by delivering a
11 written resignation to the ~~pension board~~ Executive Director or
12 be removed by the unanimous vote of the other members of the
13 pension board at a duly called meeting of the pension board ~~by~~
14 ~~delivery of written notice of removal, to take effect at a~~
15 ~~date specified therein, or upon delivery to the pension board~~
16 ~~if no date is specified.~~

17 "(f) Secretary. The secretary of the board shall be
18 the Executive Director ~~director of personnel of the county, or~~
19 ~~his or her designated agent; however, in the event that the~~
20 ~~director of personnel fails to act as secretary and fails to~~
21 ~~appoint an agent to serve such role, then the pension~~
22 ~~coordinator shall serve as the secretary.~~

23 "(g) Salary and expenses. The members of the pension
24 board ~~and the secretary~~ shall serve without pay, but shall be
25 reimbursed for expenses actually paid or incurred in the
26 discharge of their official duties, and shall suffer no loss

1 of salary or wages, if employed by the county, through service
2 on the board ~~or as secretary thereof~~.

3 "§45-37-123.22.

4 "(a) The pension board shall be responsible for the
5 general administration and proper operation of the plan, and
6 shall administer the plan for the exclusive benefit of the
7 members and their beneficiaries, subject to the specific terms
8 of the plan. The pension board shall administer the plan in
9 accordance with its terms and shall have the power and
10 discretion to construe the terms of the plan and the act and
11 to determine all questions arising in connection with the
12 administration, interpretation, and application of the plan.
13 Any such determination by the pension board shall be
14 conclusive and binding upon all persons. The pension board may
15 establish procedures, correct any defect, supply any
16 information, or reconcile any inconsistency in such manner and
17 to such extent as shall be deemed necessary or advisable to
18 carry out the purpose of the plan; provided, however, that any
19 procedure, discretionary act, interpretation, or construction
20 shall be done in a nondiscriminatory manner based upon uniform
21 principles consistently applied and shall be consistent with
22 the intent that the plan shall continue to be deemed a
23 qualified plan under the terms of § 401(a), Internal Revenue
24 Code, and shall comply with the terms of the act and all
25 regulations issued pursuant thereto. The pension board shall
26 have all powers necessary or appropriate to accomplish the
27 pension board's duties under the plan.

1 "(b) The pension board shall be charged with the
2 duties of the general administration of the plan as set forth
3 under the terms of the plan, including, but not limited to,
4 the following:

5 "(1) To determine all questions relating to the
6 eligibility of employees to participate or remain a member
7 hereunder and to receive benefits under the plan;

8 "(2) To compute and certify the amount and the kind
9 of benefits to which any member shall be entitled hereunder;

10 "(3) To maintain all necessary records for the
11 administration of the plan;

12 "(4) To interpret the provisions of the plan and to
13 make and publish such rules for regulation of the plan as are
14 consistent with the act and the terms hereof;

15 "(5) To establish rules and regulations for the
16 administration of plan funds and for the transaction of the
17 plan's business;

18 "(6) To exercise any investment discretion in a
19 manner designed to accomplish specific objectives related to
20 the plan's long-term and short-term liquidity needs;

21 "(7) To prepare and provide active members with an
22 annual estimated benefit statement notifying them of their
23 estimated benefits;

24 "(8) To prepare and provide retired members with a
25 one-time notification of their benefit payment amounts, and to
26 provide retired members with periodic notification of cost of

1 living benefit increases which may be awarded by the pension
2 board in any form, lump sum, or otherwise;

3 "(9) To determine the validity of, and take
4 appropriate action with respect to, any ~~qualified domestic~~
5 ~~relations order,~~ divorce decree, or other judicial order
6 presented to ~~the county or~~ the pension board;

7 "(10) To assist any member regarding the member's
8 rights, benefits, or elections available under the plan;

9 "(11) To, by written agreement or designation,
10 appoint at its option an investment manager, qualified under
11 the Investment Company Act of 1940, as amended, investment
12 adviser, or other agent to provide direction regarding any or
13 all of the plan assets. Such appointment shall specifically
14 identify the plan assets with respect to which the investment
15 manager or other agent shall have authority to direct the
16 investment;

17 "(12) To establish an investment policy;

18 "(13) To establish a privacy policy for the
19 protection of a member's personal information, subject to
20 applicable law;

21 "(14) To hold an annual meeting of the members at
22 least once per calendar year and provide at least seven days'
23 written notice of the meeting to all members at either their
24 place of work or last known address or by electronic mail;

25 "(15) To determine appropriate rules and regulations
26 to determine how much service per calendar year is equivalent

1 to one year of service, in accordance with Section 45-37-123.84;

2 "(16) To develop rules and regulations, amend the
3 plan, subject to the provisions of Section 45-37-123.150, and
4 provide for increases in benefits, subject to the provisions
5 of Section 45-37-123.151; and

6 "(17) Notwithstanding any provisions of the plan to
7 the contrary, to amend the plan in order to comply with
8 federal law, and any such amendment shall be given full effect
9 under Alabama law.

10 "(18) To purchase insurance coverage in such forms
11 and amounts as may be determined by the pension board.

12 "(19) To provide employees of the system with
13 health, dental, vision, and other forms of insurance, paid
14 vacation, and sick leave, and any other benefits as determined
15 by the pension board.

16 "(20) To provide members of the system with
17 voluntary life, disability, and other forms of insurance, the
18 cost of which is paid by the member.

19 "(c) Failure of the pension board to follow any
20 provisions or procedures in the plan shall not constitute a
21 waiver of any provision or procedure contained herein.

22 "§45-37-123.24.

23 "The pension board may allocate responsibilities
24 among the members of the pension board and/or may delegate
25 responsibilities to third parties. ~~The county attorney shall~~
26 ~~be the legal advisor of the pension board.~~ The pension board
27 may employ, appoint, or contract with additional employees,

1 administrators, managers, counsel, specialists, advisers,
2 agents, including nonfiduciary agents, and other persons as
3 the pension board or the trustee deems necessary or desirable
4 in connection with the administration of the plan, including,
5 but not limited to, agents and advisers to assist with the
6 administration and management of the plan, and thereby to
7 provide, among such other duties as the pension board may
8 appoint, assistance with maintaining plan records and the
9 providing of investment information to the plan's investment
10 fiduciaries, and none of such persons shall be subject to the
11 civil service system.

12 "§45-37-123.53.

13 "(a) Commission-authorized conversions. The
14 commission, from time to time, may authorize members of the
15 system to convert unpaid membership time to paid membership
16 time if it determines that such conversion is in the public
17 interest. Unpaid membership time may be converted to paid
18 membership time only when specifically authorized by the
19 commission, and as set forth below.

20 "(b) Pension board authorized conversions. The
21 pension board, from time to time, may authorize members of the
22 system to convert unpaid membership time to paid membership
23 time if it determines that the conversion is in the best
24 interest of the system. The conversion shall be conducted as
25 set forth below.

26 "(1) ACTUARIAL STUDY AND CALCULATIONS. Before an
27 opportunity to convert unpaid membership time to paid

1 membership time shall be made available to any members, the
2 pension board shall cause and the county shall pay for an
3 actuarial evaluation to be performed on the system to ensure
4 that the system is able to financially support the conversion
5 and to determine the amounts that shall be contributed to the
6 system by members seeking to convert unpaid membership time,
7 including the amount of any deficiency of deductions, as
8 described below.

9 "(2) CONTRIBUTIONS TO FUND CONVERSION.

10 "a. In order to convert unpaid membership time to
11 paid membership time, a member shall contribute to the trust
12 fund an amount equal to:

13 "1. Six percent of his or her current salary for
14 each year of service being converted, including the amount of
15 interest and other earnings these amounts would have earned
16 had they been paid into the trust fund at that time; plus

17 "2. The amount that the county would have paid into
18 the trust fund as employer contributions, such as an
19 additional six percent of his or her current salary, for each
20 year of service being converted, including the amount of
21 interest and other earnings these amounts would have earned
22 had they been paid into the trust fund at that time; plus

23 "3. Any additional amount necessary to match the
24 member's liability as to his or her deficiency of deductions,
25 as described below, including interest ~~hereon~~ thereon.

26 "b. Deficiency of deductions shall mean any
27 remaining liability of a member resulting from his or her

1 election to convert unpaid membership time to paid membership
2 time which still exists after the payments in subparagraph 1.
3 of paragraph a. and subparagraph 2. of paragraph a. are made
4 and which are needed to make the system actuarially sound.

5 "(3) RULES AND REGULATIONS. The commission, ~~and/or~~
6 ~~its designated agent, which may include~~ the pension board, may
7 establish rules and regulations governing any conversion
8 opportunity, including, but not limited to, the time that the
9 conversion is available, the amount of unpaid membership time
10 that may be converted to paid membership time and any amounts
11 required to be paid by members in order to convert unpaid
12 membership time. Any such rules and regulations shall apply
13 uniformly to all members of the system in the same class and
14 shall be approved by the pension board before any conversion
15 opportunity may begin. The commission, or its designated
16 agent, may amend or repeal any such rules and regulations at
17 any time ~~in its sole discretion.~~

18 "~~(b)~~ (c) Correction of records. The pension board has
19 the authority to allow the conversion of unpaid membership
20 time in order to correct personnel or recordkeeping errors.

21 "~~(c)~~ (d) No employer contributions required. Nothing
22 in the plan shall be construed as requiring the county, the
23 system, or the pension board in any case to match
24 contributions by members converting unpaid membership time to
25 paid membership time.

26 "§45-37-123.54.

1 "If a member of the system severs employment with
2 the county or his or her term in an elected or appointed job
3 or position terminates, and such member thereafter returns to
4 the service of the county, he or she shall become a member of
5 the system to the extent he or she meets the definition of an
6 eligible employee, subject to the following rules:

7 "(1) MEMBER RECEIVING A PENSION BENEFIT. If a member
8 is receiving his or her pension benefit on account of
9 retirement and such member returns to the service of the
10 county, any amount otherwise payable by the system to such
11 member on account of such member's retirement shall be reduced
12 by the amount, if any, paid or payable to such member by the
13 county on account of or by reason of the reemployment of such
14 member. At the time the member thereafter severs employment
15 with the county, such member's pension benefit shall return to
16 the amount it was prior to the member's reemployment.
17 Accordingly, notwithstanding subdivisions (3) and (4), such a
18 member shall not accrue any additional pension benefit during
19 his or her period of rehire.

20 "(2) MEMBER ELECTED A DEFERRED RETIREMENT. If a
21 vested member who severed employment with the county and
22 elected a deferred retirement benefit is reemployed by the
23 county before age 60, his or her election for a deferred
24 retirement benefit shall be rescinded, and he or she shall
25 ~~rejoin the system in accordance with Sections 45-37-123.50 and~~
26 ~~45-37-123.82~~ and begin to accrue benefits again upon the date
27 of reemployment. Such member's benefit shall be calculated by

1 aggregating the member's credited service during all periods
2 of employment.

3 "(3) MEMBER DOES NOT RECEIVE A REFUND AND IS
4 REEMPLOYED WITHIN FIVE YEARS. Except as set forth in
5 subdivision (1), if a member, ~~vested or nonvested,~~ who severed
6 employment with the county but did not receive a refund of his
7 or her employee contributions to the system as provided in
8 Section 45-37-123.104, is reemployed by the county within five
9 years of such severance from employment, he or she shall
10 ~~rejoin the system in accordance with Sections 45-37-123.50 and~~
11 ~~45-37-123.82~~ and begin to accrue benefits again upon the date
12 of reemployment. Such member's benefit shall be calculated by
13 aggregating the member's credited service during all periods
14 of employment.

15 "(4) MEMBER RECEIVED A REFUND OR FORFEITED PENSION
16 BENEFIT. Except as set forth in subdivision (1), if a member,
17 ~~vested or nonvested,~~ who severed employment with the county
18 and received a refund of his or her employee contributions to
19 the system as provided in Section 45-37-123.104, or ~~forfeited~~
20 ~~his or her employee contributions, such as pursuant to Section~~
21 ~~45-37-123.83,~~ does not receive a refund within five years
22 after severing from employment, is reemployed by the county,
23 he or she shall rejoin the system in accordance with Sections
24 45-37-123.50 and 45-37-123.82 and begin to accrue benefits
25 again upon the date of reemployment. In calculating such
26 member's benefit, only credited service rendered after the
27 member is rehired shall be included.

1 "§45-37-123.82.

2 "(a) Employee contributions generally. As a
3 condition of employment and of accruing benefits under the
4 plan, each member shall contribute six percent of such
5 member's compensation to the plan ~~through after tax salary~~
6 ~~deferrals.~~ The employee contributions shall be after tax, or
7 if approved by the pension board such employee contributions
8 shall be pre-tax and treated as "picked-up" and contributed by
9 the county to the plan pursuant to Section 414(h) (2) of the
10 Internal Revenue Code. The county shall ~~withhold~~ process such
11 employee contributions each payroll period and the aggregate
12 amount ~~so deducted~~ shall be ~~paid over to the treasurer of the~~
13 ~~system for deposit~~ deposited in the trust fund. Employee
14 contributions shall begin on the member's first paycheck after
15 a member becomes eligible for membership in the system as
16 provided for in Section 45-37-123.50. In the event that the
17 county fails to withhold any employee contributions, the
18 county may withhold such amounts, whether treated by the
19 county as after-tax contributions or treated as "picked-up"
20 contributions, from future paychecks as are necessary to
21 restore the amounts not withheld.

22 "(b) Withdrawal or refunds of employee
23 contributions. Employee contributions may be withdrawn or
24 refunded only as provided in Section 45-37-123.104.

25 "(c) Cessation of employee contributions.

26 "~~(1) PARTICIPATION IN ANOTHER PENSION SYSTEM. A~~
27 ~~member may terminate employee contributions if he or she~~

1 ~~becomes a member of another pension system, as further~~
2 ~~provided in Section 45-37-123.104(3).~~

3 ~~"(2) ACCRUAL OF MAXIMUM BENEFIT.~~ A member may
4 terminate employee contributions when the member's service
5 entitles him or her to receive the maximum benefit available
6 ~~under the plan after 30 years of paid service,~~ as further
7 provided in Section 45-37-123.104(4).

8 "§45-37-123.101.

9 "(a) Election of postretirement joint survivorship
10 pension. In lieu of a benefit under subsections (a) to (c),
11 inclusive, of Section 45-37-123.100, superannuation retirement
12 benefit, early retirement benefit, or deferred retirement
13 benefit, respectively, a member may elect to receive a
14 postretirement joint survivorship pension.

15 "(1) PERCENTAGE ELECTION. In the event that a member
16 desires to elect, pursuant to this subsection to receive a
17 postretirement joint survivorship pension, he or she shall
18 elect one of the following percentages, which election shall
19 be the actuarial equivalent of the monthly retirement benefit
20 provided in subsections (a) to (c), inclusive, of Section
21 45-37-123.100, as applicable:

22 "a. Reduced monthly benefit payable over the life of
23 the member and the life of the member's designated
24 beneficiary, 50 percent postretirement joint survivorship
25 pension;

26 "b. Reduced monthly benefit payable over the life of
27 the member and the life of the member's designated

1 beneficiary, 66 and two-thirds percent postretirement joint
2 survivorship pension;

3 "c. Reduced monthly benefit payable over the life of
4 the member and the life of the member's designated
5 beneficiary, 75 percent postretirement joint survivorship
6 pension; or

7 "d. Reduced monthly benefit payable over the life of
8 the member and the life of the member's designated
9 beneficiary, 100 percent postretirement joint survivorship
10 pension.

11 "(2) FORM OF POSTRETIREMENT JOINT SURVIVORSHIP
12 PENSION. In addition to electing a percentage under
13 subdivision (1), a member who desires to elect to receive a
14 postretirement joint survivorship pension shall elect one of
15 the following two forms:

16 "a. Pop-up Form. Under the pop-up form, if the
17 member's beneficiary predeceases the retired member, then in
18 the month following the beneficiary's death, the member's
19 monthly pension benefit shall pop-up to the amount that would
20 have been payable to the member under subsections (a) to (c),
21 inclusive, of Section 45-37-123.100, as applicable, as if the
22 member had never elected a postretirement joint survivorship
23 pension; the cost of a pop-up form is more than the cost of
24 the regular form described in paragraph b.

25 "b. Regular Form. Under the regular form, if the
26 member's beneficiary predeceases the retired member, then the
27 member shall continue to receive the same amount that he or

1 she was receiving prior to the beneficiary's death. The amount
2 of the benefit payment shall not change.

3 "(b) Timing of election. Except as provided in the
4 immediately following sentence, in the event that a member
5 desires to elect a postretirement joint survivorship pension,
6 he or she shall do so in writing, on a form provided by the
7 pension board, no later than the member's last day of
8 employment. In the event that a member previously elected a
9 deferred retirement benefit and desires to elect a
10 postretirement joint survivorship pension, he or she shall do
11 so in writing, on a form provided by the pension board, no
12 later than the day before the member's sixtieth birthday.

13 "(c) Timing of payments. Payment to the member
14 commences on the day after the member terminates employment
15 and shall continue to be paid each month thereafter until the
16 member's death. If the member's beneficiary survives after the
17 death of the member, the postretirement joint survivorship
18 pension payments shall be made monthly to the beneficiary,
19 beginning on the first day of the month following the member's
20 death, assuming that the pension board is notified of the
21 death in a timely manner. Payments shall terminate with the
22 first monthly payment preceding the second to die of the
23 member and the beneficiary. In the event that a refund is to
24 be paid pursuant to Section 45-37-123.104(5)c., such payment
25 shall be made as soon as administratively feasible following
26 the member's/beneficiary's deaths.

1 "(d) Cost of postretirement joint survivorship
2 pension. To the extent that a member elects payment of a
3 postretirement joint survivorship pension for his or her
4 beneficiary, the benefit otherwise payable to the member shall
5 be actuarially reduced to reflect the survivorship benefits.

6 "(e) Changes in election. At any time before ~~payment~~
7 ~~of a postretirement joint survivorship pension begins~~
8 termination of employment, the member may cancel his or her
9 election to have payment in such form by completing a form
10 provided by the pension board. Except as otherwise stated
11 herein, the member's election of a postretirement joint
12 survivorship pension shall be irrevocable once the member
13 terminates employment.

14 "(1) DEATH. a. Death of Member Prior to Actual
15 Retirement. In the event that a member dies prior to his or
16 her actual retirement, any postretirement joint survivorship
17 pension election he or she made shall be deemed void.

18 "b. Death of Beneficiary Before Payments Commence.
19 In the event that a member elects a postretirement joint
20 survivorship pension and his or her beneficiary dies before
21 payments commence, then upon the beneficiary's death, the
22 member's election of the postretirement joint survivorship
23 pension shall be automatically canceled, and the member's
24 right to receive payments in accordance with subsections (a)
25 to (c), inclusive, of Section 45-37-123.100, as applicable,
26 shall be reinstated.

1 "c. Death of Both Member and Beneficiary-Refund.

2 Except as provided in the immediately following sentence, in
3 the event that a payment begins to the member, no refund of
4 employee contributions shall be paid thereafter.

5 Notwithstanding the foregoing sentence, in the event that the
6 member and his or her beneficiary die, a refund shall be made
7 in accordance with Section 45-37-123.105(4)c.

8 "(2) DIVORCE. In the event that a married member
9 names his or her spouse as beneficiary, a subsequent divorce
10 of the member and the beneficiary shall not cancel an election
11 of a postretirement joint survivorship pension. However, in
12 the event that a member or beneficiary presents to the pension
13 board what the pension board believes to be a valid divorce
14 decree, settlement agreement, or domestic relations order,
15 collectively, a DRO, that provides for a waiver or forfeiture
16 of the postretirement joint survivorship pension, then such
17 waiver or forfeiture shall be recognized by the pension board,
18 and, accordingly, the postretirement joint survivorship
19 pension shall be deemed void, and the member's monthly pension
20 benefit shall thereafter pop-up to the amount that would have
21 been payable to the member under subsections (a) to (c) of
22 Section 45-37-123.100, as applicable, as if the member had
23 never elected a postretirement joint survivorship pension.
24 Such pop-up shall occur in the month following the pension
25 board's receipt and approval of the DRO. The member shall not
26 be allowed to continue any survivor benefits by designating

1 another beneficiary. See also Section 45-37-123.194(a) for
2 additional rules relating to certain DROs.

3 "(f) Beneficiary designation. Any beneficiary
4 designation made by a member for a preretirement joint
5 survivorship pension shall automatically lapse upon the
6 member's retirement or other termination of employment, and
7 such member shall complete new forms, to be provided by the
8 pension board, to designate a beneficiary of any
9 postretirement joint survivorship pension, in accordance with
10 Section 45-37-123.103(d).

11 "(g) Proof of death and marriage. The pension board
12 may require proper proof of death or marriage in accordance
13 with Section 45-37-123.103(f).

14 "§45-37-123.103.

15 "(a) Preretirement death benefits. A vested member's
16 beneficiary is entitled to a preretirement joint survivorship
17 pension, as described below.

18 "(1) MARRIED MEMBER. If a married, active member
19 dies, then the beneficiary may elect, on a form provided by
20 the pension board, to be paid in one of the following forms:

21 "a. One Hundred Percent Preretirement Joint
22 Survivorship Pension. If such member was eligible for a
23 deferred retirement benefit at the time of the member's death,
24 then the beneficiary may elect to be paid in the form of a 100
25 percent preretirement joint survivorship pension, which is a
26 monthly annuity paid during the beneficiary's lifetime which
27 is equal to the actuarial equivalent of the benefits that

1 would have been paid to the member if, instead of dying, the
2 member had terminated employment; or

3 "b. Refund. The beneficiary may elect a refund of
4 the member's employee contributions in accordance with Section
5 45-37-123.104(5)b.

6 "(2) UNMARRIED MEMBER. If an unmarried, active
7 member dies, then the following shall apply:

8 "a. Preretirement Joint Survivorship Pension. If a
9 member becomes eligible for a deferred retirement benefit,
10 then the member may elect, on a form provided by the pension
11 board, a 100 percent preretirement joint survivorship pension,
12 which is a monthly annuity paid during the beneficiary's
13 lifetime which is equal to the actuarial equivalent of the
14 benefits that would have been paid to the member if, instead
15 of dying, the member had terminated employment. In the event
16 the beneficiary dies before the member or in the event the
17 member marries, any election of a preretirement joint
18 survivorship pension automatically shall be revoked and the
19 cost, as described in subdivision (2) of subsection (c), for
20 the preretirement coverage shall cease to accumulate on the
21 date of death of the beneficiary or the member's date of
22 marriage, as applicable.

23 "b. Refund. Regardless of whether the member makes
24 an election for the beneficiary to be paid in the form of a
25 preretirement joint survivorship pension in accordance with
26 paragraph a., upon the member's death, the beneficiary can
27 elect to be paid a refund of the member's employee

1 contributions in accordance with Section 45-37-123.104(5)b.
2 instead of being paid a preretirement joint survivorship
3 pension.

4 "(b) Timing of payments. In the event of an election
5 of a preretirement joint survivorship pension, such payment
6 shall begin as soon as administratively feasible after the
7 pension board is notified of the death. In any event,
8 calculation of the amount of the death benefit shall be made
9 as of the day after the date of death and any payments that do
10 not occur as of the month following the date of death shall be
11 included in future payments. In the event that a refund is to
12 be paid, such payment shall be made as soon as
13 administratively feasible following the member's death.

14 "(c) Cost of preretirement joint survivorship
15 pension.

16 "(1) MARRIED MEMBERS.

17 "a. On and After October 1, 1999. On and after
18 October 1, 1999, the 100 percent preretirement joint
19 survivorship pension shall be provided without additional
20 charge with respect to a member who is married at the time of
21 his or her death, and the cost of such benefit shall be borne
22 by the system; however, in the event that a member designates
23 a non-spousal beneficiary in accordance with subdivision
24 (d) (1), the cost of such benefit shall be borne by the ~~member~~
25 member's beneficiary.

26 "b. Prior to October 1, 1999. Prior to October 1,
27 1999, a 50 percent preretirement joint survivorship pension

1 was provided to a member who was married at the time of his or
2 her death, instead of 100 percent, and such members and their
3 beneficiaries had an option to elect higher percentages under
4 certain rules. Members and beneficiaries who elected a higher
5 than 50 percent preretirement joint survivorship pension prior
6 to October 1, 1999, shall be charged for the increased
7 percentage according to actuarially-calculated costs,
8 beginning with the date of the election through September 30,
9 1999.

10 "(2) UNMARRIED MEMBERS. To the extent that a member
11 who is not married at the time of his or her death previously
12 elected payment of a preretirement joint survivorship pension
13 for his or her beneficiary, the benefit otherwise payable to
14 the member shall be actuarially reduced to reflect the
15 survivorship benefits.

16 "(d) Beneficiaries.

17 "(1) PRERETIREMENT JOINT SURVIVORSHIP PENSION FOR A
18 MARRIED MEMBER. Unless otherwise elected in the manner
19 prescribed below, the beneficiary of a preretirement joint
20 survivorship pension of a member that is married at the time
21 of his or her death shall be the member's surviving spouse.
22 Except, however, a member may designate a beneficiary other
23 than the spouse if:

24 "a. The spouse has waived the right to be the
25 member's beneficiary; or

1 "b. The member has been abandoned, within the
2 meaning of local law, and the member has a court order to such
3 effect; or

4 "c. The member has no spouse.

5 "(2) ALL OTHER DEATH BENEFITS. Except as provided in
6 subdivision (1), a member, whether married or not, may
7 designate any beneficiary, and may do so without the need of
8 the consent of a spouse for a nonspousal beneficiary
9 designation.

10 " (3) FORMS. Designation of a beneficiary shall be
11 made on a form provided by the pension board. A member may at
12 any time revoke a designation of a beneficiary or change a
13 beneficiary by filing written notice of such revocation or
14 change with the pension board on a form provided by the
15 pension board. However, in the case of a preretirement joint
16 survivorship pension, the member's spouse shall again consent
17 in writing to any change in beneficiary unless the original
18 consent acknowledged that the spouse had the right to limit
19 consent only to a specific beneficiary and that the spouse
20 voluntarily elected to relinquish such right. For a spouse's
21 waiver to be valid, the signature of the spouse executing such
22 form shall be notarized. This consent to waiver shall become
23 irrevocable upon the death of the member.

24 "(4) FAILURE TO DESIGNATE A BENEFICIARY OR LACK OF
25 BENEFICIARY. In the event no valid designation of beneficiary
26 exists, or if the beneficiary is not alive at the time of the
27 member's death, the death benefit shall be payable to the

1 member's spouse if there is a spouse, and if there is no
2 spouse, to the member's estate. If there is no estate, the
3 death benefit may be interpleaded into a court of competent
4 jurisdiction. Additionally, if the beneficiary does not
5 predecease the member, but dies prior to the distribution of
6 the death benefit, the death benefit shall be paid to the
7 beneficiary's estate. If there is no estate, the death benefit
8 may be interpleaded into a court of competent jurisdiction.

9 "(5) MORE THAN ONE BENEFICIARY. In the event that
10 more than one primary beneficiary is designated and a
11 designated primary beneficiary dies, absent any direction on
12 the beneficiary designation form to the contrary, the member's
13 benefit shall be divided equally among the remaining primary
14 beneficiaries.

15 "(6) DESIGNATION OF NONPERSONS AS BENEFICIARIES. A
16 member may designate a nonperson as a beneficiary, for
17 example, a trust or estate. In such event, the pension board
18 may require additional documentation for example, trust
19 documents.

20 "(7) LAPSE OF BENEFICIARY DESIGNATION. Any
21 beneficiary designation made by a member for a preretirement
22 joint survivorship pension or refund shall automatically lapse
23 upon the member's election of a postretirement joint
24 survivorship pension; at that time, the member shall complete
25 new forms, to be provided by the pension board, to designate a
26 beneficiary of any postretirement joint survivorship pension.

1 "(8) EFFECT OF MARRIAGE OR DIVORCE UPON A
2 BENEFICIARY DESIGNATION. Except in the case of a preretirement
3 joint survivorship pension, marriage or divorce does not
4 change any previous beneficiary designation. In the case of a
5 preretirement joint survivorship pension, if an unmarried
6 member gets married, such member's spouse shall automatically
7 become the member's beneficiary, which can thereafter be
8 waived in accordance with subdivision (1).

9 "(9) DISTRIBUTION FOR MINOR OR INCOMPETENT
10 BENEFICIARY. In the event a distribution is to be made to a
11 minor or incompetent beneficiary, then the pension board may
12 direct that such distribution be paid to the legal guardian,
13 or if none in the case of a minor beneficiary, to a parent of
14 such beneficiary or a responsible adult with whom the
15 beneficiary maintains residence, or to the custodian for such
16 beneficiary under the Uniform Gift to Minors Act or Gift to
17 Minors Act, if such is permitted by the laws of the state in
18 which the beneficiary resides. Such a payment to the legal
19 guardian, custodian, or parent of a minor beneficiary shall
20 fully discharge the trustee, the county, the pension board and
21 the plan from further liability on account thereof. The
22 pension board may require evidence of guardianship, existence
23 of custodial accounts, or any other documentation that is
24 deemed prudent to establish that payment shall be made
25 properly.

26 "(e) Other death benefits. Upon a member's
27 retirement or other termination of employment, any

1 preretirement joint survivorship pension benefit coverage
2 ceases. Any other benefits to be paid upon the death of a
3 member or beneficiary, such as refunds, are governed by
4 Section 45-37-123.104(5).

5 "(f) Proof of death and marriage. The pension board
6 may require such proper proof of death and marriage and such
7 evidence of the right of any person to receive the death
8 benefit payable as a result of the death of a member as the
9 pension board may deem desirable. Such proof may include a
10 certified marriage certificate, certified death certificate of
11 the member, and affidavits of relatives, members, or other
12 persons knowledgeable of the fact of marriage. If no marriage
13 certificate is available and for common law marriage, proof
14 shall include evidence of the existence of the marriage as may
15 be required by law and also may require indemnification and
16 hold harmless agreements. The pension board may require that
17 unclear cases be adjudicated in an appropriate court
18 proceeding. An unmarried member may be required by the pension
19 board to sign an affidavit to certify that such member is not
20 married. The pension board's determination of death benefits
21 and the right of any person to receive payment shall be
22 conclusive.

23 "§45-37-123.104.

24 "The following provisions generally govern a
25 member's withdrawal and refund of employee contributions under
26 the plan. Any member who fails to make application for the
27 amount of his or her employee contributions pursuant to this

1 section within five years after his or her separation from the
2 service of the county, except as otherwise provided herein or
3 otherwise determined by the pension board, shall be deemed to
4 have forfeited and donated such employee contributions to the
5 trust fund pursuant to Section 45-37-123.83. The foregoing
6 five year rule only applies to a member; in the case of a
7 beneficiary, the pension board may only forfeit employee
8 contributions after it has exhausted reasonable efforts to
9 locate the beneficiary.

10 "(1) WITHDRAWAL OF EMPLOYEE CONTRIBUTIONS BY MEMBERS
11 NOT ENTITLED TO A DEFERRED RETIREMENT BENEFIT. In the event
12 that a member ceases to be an employee of the county for
13 reasons other than retirement, death, or disability before he
14 or she is eligible for a deferred retirement benefit, such
15 member, upon written application therefore to the pension
16 board, shall be paid the full amount of his or her employee
17 contributions, without interest.

18 "(2) WITHDRAWAL OF EMPLOYEE CONTRIBUTIONS BY MEMBERS
19 ENTITLED TO A DEFERRED RETIREMENT BENEFIT.

20 "a. General Rule. Subject to the limitations stated
21 in paragraph b., in the event that a member ceases to be an
22 employee of the county for reasons other than retirement,
23 death, or disability when he or she is eligible for a deferred
24 retirement benefit, but has not elected a deferred retirement
25 benefit, such member, upon written application therefore to
26 the pension board, shall be paid the full amount of his or her
27 employee contributions, with interest. The provisions of

1 Section 45-37-123.100(c)(1)b. shall govern the withdrawal of
2 employee contributions for any member who has elected a
3 deferred retirement benefit, but has not yet been paid.

4 "b. Rules and Regulations. The pension board shall
5 establish by rules and regulations setting forth the amount of
6 interest which is payable to members under this subdivision.
7 In establishing such rules and regulations, the pension board
8 shall take into consideration the interest the system has
9 earned on the employee contributions paid into the trust fund
10 on account of the member withdrawing such employee
11 contributions. The pension board may amend such rules and
12 regulations at any time in its sole discretion.

13 ~~"(3) WITHDRAWAL OF EMPLOYEE CONTRIBUTIONS BY MEMBERS~~
14 ~~WHO BECOME MEMBERS OF ANOTHER PENSION SYSTEM. If a member~~
15 ~~becomes a member of another pension system, such member shall~~
16 ~~have the right to withdraw from the plan. In order to~~
17 ~~accomplish such withdrawal, such member shall deliver to the~~
18 ~~pension board a written notice of his or her election to~~
19 ~~withdraw from the plan, which notice shall include the name of~~
20 ~~such other pension system which such member is electing to~~
21 ~~join and shall identify the act creating it. If the pension~~
22 ~~board determines that such member is entitled to withdraw from~~
23 ~~the plan, the member shall no longer be a member of the plan~~
24 ~~and employee contributions by him or her and by the county on~~
25 ~~his or her behalf to the trust fund shall cease. If the~~
26 ~~pension board finds that before such member delivered the~~
27 ~~aforsaid notice to the pension board, he or she had not~~

1 ~~become entitled to elect a deferred retirement benefit, the~~
2 ~~pension board shall return to such member the full amount of~~
3 ~~his or her employee contributions, without interest. If the~~
4 ~~pension board finds that before such member delivered the~~
5 ~~notice to the pension board, he or she had become entitled to~~
6 ~~elect a deferred retirement benefit, the pension board shall~~
7 ~~return to such member the full amount of his or her employee~~
8 ~~contributions, with interest as provided by rules and~~
9 ~~regulations adopted by the pension board.~~

10 "~~(4)~~ (3) PARTIAL REFUND OF EMPLOYEE CONTRIBUTIONS
11 AND CESSATION OF EMPLOYEE CONTRIBUTIONS AND EMPLOYER
12 CONTRIBUTIONS. When a ~~member's service entitles him or her to~~
13 ~~receive the maximum benefit that can be provided under the~~
14 ~~plan,~~ member attains 30 years of paid membership time, the
15 member may elect to terminate his or her employee
16 contributions by filing with ~~the secretary of~~ the pension
17 board a statement signed by the member stating that he or she
18 elects to terminate his or her employee contributions; in such
19 case, the employer contribution to the trust fund on the
20 member's behalf shall cease. As soon as practicable after a
21 member files such statement, the pension board shall refund to
22 him or her all employee contributions, without interest, made
23 by him or her to the trust fund subsequent to the date on
24 which the member accumulated sufficient service to entitle him
25 or her to the maximum benefit that can be provided under the
26 plan; additionally the pension board shall refund to the

1 county any associated employer contributions, without
2 interest.

3 "~~(5)~~ (4) REFUNDS UPON DEATH OF A MEMBER.

4 a. Refund of Employee Contributions for Deceased,
5 Nonvested Active Members Not Entitled to Deferred Retirement
6 Benefits. If a nonvested active member dies, then an amount
7 equal to the total amount of such member's employee
8 contributions, without interest, shall be refunded to the
9 member's beneficiary in one lump sum payment.

10 "b. Refund of Employee Contributions for Deceased,
11 Vested Members Entitled to Deferred Retirement Benefits, but
12 No Payments Have Commenced.

13 "1. Eligibility. Unless an election has been made in
14 accordance with Section 45-37-123.103 to receive a
15 preretirement joint survivorship pension, if a vested member
16 dies, before payments have commenced, then an amount equal to
17 the total amount of such member's employee contributions, with
18 interest, shall be refunded to the member's beneficiary in one
19 lump sum payment. This rule shall apply regardless of whether
20 the member dies while active, or after a deferred retirement
21 election has been made, so long as payments have not
22 commenced.

23 "2. Rules and regulations. The pension board is
24 authorized to adopt interest rules and regulations providing
25 for the pension board to pay to a beneficiary interest at the
26 rate prescribed in such rules on the member's employee
27 contributions that are to be refunded to the beneficiary. The

1 interest rules and regulations established shall prescribe the
2 terms and conditions on which such interest shall be payable
3 and may impose such limitations on the payment of interest as
4 the pension board deems appropriate.

5 "c. Refund of Employee Contributions for Deceased
6 Members Who Previously Elected a Postretirement Joint
7 Survivorship Pension.

8 "1. Eligibility - Retired member. Subject to items
9 (i) to (iii), inclusive, of subparagraph 2., if a retired
10 member dies after a postretirement joint survivorship pension
11 has been elected, then a refund may be paid in one lump sum
12 only as set forth in subparagraph 2.

13 "2. Rules and regulations. The pension board is
14 authorized to adopt rules and regulations providing for the
15 pension board to refund a member's employee contributions
16 after such member dies with a postretirement joint
17 survivorship pension election in place and to pay interest on
18 any such refund, subject to the conditions and limitations
19 stated below:

20 "(i) Such postretirement joint survivorship pension
21 election shall not be repealed or rescinded but shall be in
22 effect at the time of the refund, and the member shall have
23 enough service at the time of his or her death to be entitled
24 to a deferred retirement benefit if a refund were not made;
25 and

26 "(ii) Both the member and the member's primary
27 beneficiary shall be deceased, thus, no refund is payable in

1 the event that only the member dies while receiving payment of
2 a postretirement joint survivorship pension; and

3 "(iii) The member's employee contributions shall
4 exceed the sum of all monthly retirement benefits the plan has
5 paid to the member and/or the member's beneficiary.

6 "3. Amount of refund. If each of the requirements in
7 subparagraph 1. and subparagraph 2. are met, and the pension
8 board has adopted rules and regulations in accordance with
9 subparagraph 2., then the amount of the refund shall be equal
10 to the amount by which the member's employee contributions
11 exceed the sum of all monthly retirement benefits the plan has
12 paid to such member and/or such member's beneficiary, with
13 interest as provided by rules and regulations adopted by the
14 pension board.

15 "4. Payment made to contingent beneficiary. A refund
16 pursuant to this paragraph shall be paid to the member's
17 designated contingent beneficiary, or, to the member's estate
18 if the contingent beneficiary also is deceased or there is no
19 properly designated contingent beneficiary.

20 "5. Death while active member. In the event that an
21 active member dies after a postretirement joint survivorship
22 pension has been elected, such election shall be deemed void
23 and the provisions of Section 45-37-123.103(a), preretirement
24 death benefits, shall apply.

25 "d. Refund of Employee Contributions for Deceased
26 Members Who Were Receiving Superannuation, Early, Disability,
27 or Deferred Retirement Benefit Payments. In the event that a

1 member dies while receiving a superannuation retirement
2 benefit, an early retirement benefit, a disability retirement
3 benefit, or a deferred retirement benefit, then his or her
4 beneficiary shall be entitled to receive a refund in an amount
5 equal to the amount by which the member's employee
6 contributions exceed the sum of all monthly retirement
7 benefits the plan has paid to such member, ~~without~~ with
8 interest.

9 "e. Proof of Death and Marriage. The pension board
10 may require proper proof of death or marriage in accordance
11 with Section 45-37-123.103(f).

12 "~~(6)~~ (5) EMPLOYER CONTRIBUTIONS REMAIN IN TRUST
13 FUND. Employer contributions are never refunded to the member
14 or the member's beneficiary. All associated employer
15 contributions shall remain in the trust fund, except such
16 employer contributions that are returned to the county
17 pursuant to subdivision ~~(8)~~ (7).

18 "~~(7)~~ (6) CESSATION OF EMPLOYMENT. Unless otherwise
19 specifically provided in the plan, such as, pursuant to
20 subdivision ~~(8)~~ (7), a member shall cease to be an employee of
21 the county in order to receive a refund of employee
22 contributions.

23 "~~(8)~~ (7) REFUNDS TO CORRECT ERRORS. The pension
24 board, in its sole discretion, may refund employee
25 contributions and associated employer contributions to the
26 county to correct various errors, such as, inclusion in the

1 plan of an ineligible individual or overpayment of employee
2 contributions, in accordance with Section 45-37-123.23(b).

3 ~~"(9)~~ (8) NO REFUNDS FOR QUALIFIED MILITARY SERVICE.
4 There shall be no refund of any contributions attributable to
5 amounts that the county restores pursuant to Section
6 45-37-123.80(b) due to a member's qualified military service.

7 ~~"(10)~~ (9) TIMING OF REFUND PAYMENTS. In the event
8 that a refund is to be paid, such payment shall be made as
9 soon as administratively practical following the date upon
10 which entitlement to the refund occurs.

11 ~~"(11)~~ (10) REFUND TO INCLUDE AMOUNTS TRANSFERRED FROM
12 457(b) PLAN. In the event that any member transfers amounts
13 from a § 457(b), Internal Revenue Code, plan in accordance
14 with Section 45-37-123.190(b), a refund shall include such
15 transferred amounts, with interest if the member is vested.

16 "§45-37-123.151.

17 "(a) Specifically, but not in limitation of the
18 pension board's authority to amend the plan as set forth in
19 Section 45-37-123.150, the pension board may amend the plan to
20 increase or enhance member benefits by cost-of-living
21 increase, lump sum payment, or in any other form or manner as
22 the pension board may prescribe, provided that such benefit
23 increases or enhancements have been:

24 ~~"(1) Approved by resolution of the commission;~~

25 ~~"(2)~~ (1) Certified in a written opinion by a
26 competent actuary that the trust fund and the anticipated

1 receipts and liabilities are sufficient to pay for the
2 increase or enhancement; and

3 "~~(3)~~ (2) Set forth in written rules and regulations
4 adopted by the pension board; ~~and.~~

5 "~~(4) Considered at a public meeting.~~

6 "(b) In no event shall a member be entitled to any
7 benefit increase or enhancement, including any cost-of-living
8 increase.

9 "§45-37-123.195.

10 "Any payment to any member, the member's legal
11 representative, beneficiary, or to any guardian or committee
12 appointed for such member or beneficiary in accordance with
13 the plan, to the extent thereof, shall be in full satisfaction
14 of all claims hereunder against the trustee, the county, and
15 the pension board each of whom may require such member, legal
16 representative, beneficiary, guardian, or committee, as a
17 condition precedent to such payment, to execute a receipt and
18 release thereof and/or an indemnification agreement in such
19 form as shall be determined by the ~~trustee or county~~ pension
20 board."

21 Section 2. This act shall become effective on the
22 first day of the third month following its passage and
23 approval by the Governor, or its otherwise becoming law.