

1 SB372
2 209225-1
3 By Senator Coleman-Madison (N & P)
4 RFD: Jefferson County Legislation
5 First Read: 01-APR-21

A BILL
TO BE ENTITLED
AN ACT

Relating to the Birmingham retirement and relief system for officers and employees of the city; to amend Sections 45-37A-51.190, 45-37A-51.192, 45-37A-51.196, 45-37A-51.220, 45-37A-51.221, 45-37A-51.222, 45-37A-51.225, 45-37A-51.228, 45-37A-51.232, 45-37A-51.244, 45-37A-51.302, 45-37A-51.305, 45-37A-51.306, 45-37A-51.307, and 45-37A-51.308, Code of Alabama 1975; to revise, effective on and after July 1, 2021, the contribution rate of participants to the pension system to 7.5 percent; to revise, effective on and after July 1, 2021, the contribution rate of the city and participating constructive subsidiaries to the pension system to an amount to be determined by the actuary at the level necessary to fully fund the system and to amortize the unfunded accrued liability of the system over a closed period not to exceed 30 years; to revise the eligibility for a normal

1 retirement benefit for participants who first become
2 participants on or after July 1, 2021, excluding fire and
3 police employees, and to provide for those participants to
4 either attain age 62 or older and to complete 10 or more years
5 of credited service, or to attain age 55 or older and to
6 complete 30 or more years of credited service; to revise the
7 normal retirement benefit for participants who first become
8 participants on or after July 1, 2021, excluding fire and
9 police employees, from 2.25 percent to 1.75 percent of the
10 participant's final average salary multiplied by years of
11 credited service; to revise the maximum normal retirement
12 benefit for participants who first become participants on or
13 after July 1, 2021, excluding fire and police employees, to a
14 maximum benefit of 52.5 percent of final average salary
15 consistent with changes to the normal retirement benefit
16 formula for those participants; to revise the ordinary
17 disability allowance for all participants who incur a
18 disability on or after July 1, 2021, excluding fire and police
19 employees, from 2 percent to 1.75 percent of those
20 participants' final average salary multiplied by years of
21 credited service; to revise the spousal survivor's benefits
22 for legally married participants who first become participants
23 on or after July 1, 2021, to remove the subsidized survivor's
24 benefit, and to provide those participants the option to elect
25 payment of an actuarially reduced retirement benefit to
26 provide a survivor's benefit; to revise the spousal survivor's
27 benefit available to legally married participants retiring

1 under the firefighters' and police officers' supplemental
2 pension system who first become participants on or after July
3 1, 2021, to remove the subsidized spousal survivor's benefit,
4 and to provide those participants the option to elect payment
5 of an actuarially reduced retirement benefit to provide a
6 spousal survivor's benefit; and to revise the early retirement
7 benefit for participants who first become participants on or
8 after July 1, 2021, from 1.85 percent to 1.45 percent of those
9 participants' final average salary multiplied by years of
10 credited service.

11 BE IT ENACTED BY THE LEGISLATURE OF ALABAMA:

12 Section 1. Sections 45-37A-51.190, 45-37A-51.192,
13 45-37A-51.196, 45-37A-51.220, 45-37A-51.221, 45-37A-51.222,
14 45-37A-51.225, 45-37A-51.228, 45-37A-51.232, 45-37A-51.244,
15 45-37A-51.302, 45-37A-51.305, 45-37A-51.306, 45-37A-51.307,
16 and 45-37A-51.308 of the Code of Alabama 1975, are amended to
17 read as follows:

18 "§45-37A-51.190.

19 "(a) Each (1) Effective on and after April 12, 2006,
20 through June 30, 2021, each participant shall contribute to
21 the cost of the system, and the city shall deduct from the
22 participant's pay, an amount equal to not less than six
23 percent nor more than seven percent of actual monthly salary.

24 "(2) Regardless of the initial participation date or
25 hire date of any participant, and notwithstanding subdivision
26 (1), effective on and after July 1, 2021, each participant
27 shall contribute to the cost of the system, and the city shall

1 deduct from the pay of each participant, an amount equal to
2 seven and one-half percent of actual monthly salary.

3 "(b) Should the city through error, inadvertence, or
4 otherwise, neglect to make proper deduction for the fund from
5 the salary of any employee member for any payroll period, the
6 employee member shall be liable to the fund for the amount or
7 amounts that should have been deducted and shall pay that
8 amount to the custodian on demand.

9 "(c) Notwithstanding this section, participants who
10 are employees of the Jefferson County Department of Health
11 shall contribute six percent to seven percent of actual pay to
12 the fund.

13 "§45-37A-51.192.

14 "(a) The city shall pick up employer payment of
15 required participants' contributions in lieu of salary or
16 wages through a program and plan amendments relating to the
17 city's employees meeting the requirements of the United States
18 Internal Revenue Code, as amended.

19 "(b) (1) Beginning July 1, 1995, the contribution of
20 the employer, excluding the board of health and employees of
21 the board of health, shall be determined by the actuary of the
22 board at the level necessary to fully fund the system. The
23 actuary shall be required to make the determination for each
24 actuarial year.

25 "(2) Beginning on July 1, 2017, the employer's total
26 minimum rate of contribution into the fund, excluding the
27 board of health, shall increase to 7.25 percent.

1 "(3) Beginning on July 1, 2018, the employer's total
2 minimum rate of contribution into the fund, excluding the
3 board of health, shall increase to 8.50 percent.

4 "(4) Beginning on July 1, 2020, the employer's total
5 minimum rate of contribution into the fund, excluding the
6 board of health, shall increase to nine percent.

7 "(5) Notwithstanding anything to the contrary
8 contained in this subpart, beginning July 1, 2021, the
9 employer, including all participating constructive
10 subsidiaries, except the board of health, shall make a
11 contribution into the fund in an amount to be determined by
12 the actuary of the board each fiscal year at the level
13 necessary to do both of the following:

14 "a. Fully fund the system based on his or her
15 determination of the annual cost each fiscal year of the
16 current pension benefits provided by the system.

17 "b. Amortize the unfunded accrued liability of the
18 system over a closed period not to exceed 30 years, with the
19 period commencing on July 1, 2021.

20 "~~(5)~~ (6) Notwithstanding anything to the contrary in
21 this subsection, the employer may increase its total rate of
22 contribution above the minimum amounts previously listed in
23 this subsection.

24 "(c) At the same time the deductions attributable to
25 participants' contributions are paid into the fund, the city
26 shall pay into the fund the amount of contributions the city
27 is required to pay pursuant to this section.

1 "§45-37A-51.196.

2 "In the event of the retirement of a police officer
3 or a firefighter from a supplemental pension system, as
4 established by Subpart 1, with 20 or more but less than 30
5 years of credited service under the system, this system shall
6 receive from the supplemental pension system ~~the~~ each member's
7 monthly contribution payments required to be paid from the
8 supplemental pension system to this system from the police
9 officer or firefighter's retirement date thereunder until the
10 date he or she would have been entitled to retire under this
11 system with 30 years of credited service had such police
12 officer or firefighter continued to serve without retiring and
13 without interruption as a participant in this system. The city
14 shall then ~~match~~ pay the employer's required contributions
15 pursuant to Section 45-37A-51.192 from its general fund or
16 other appropriate funds ~~making the matching contributions~~ to
17 the fund within 30 days from the date of receipt of ~~those~~
18 ~~funds which are to be matched~~ the member's monthly
19 contribution payments from the supplemental pension system.

20 "§45-37A-51.220.

21 "(a) A participant having attained age 60 or older
22 and having completed five or more years of credited service,
23 or having completed 30 or more years of credited service
24 without regard to age, shall be entitled upon his or her
25 voluntary retirement to a monthly retirement benefit equal to
26 one of the following:

1 "(1) With respect to a retiree who first became a
2 participant on or before the first day of July after nine
3 years after date of establishment, forty percent of his or her
4 final average salary, plus one and three thousand three
5 hundred thirty-four thousandths percent (1.3334%) of his or
6 her final average salary multiplied by his or her years of
7 credited service in excess of 15 years.

8 "(2) With respect to a retiree who first becomes a
9 participant subsequent to the first day of July nine years
10 after date of establishment, and becomes entitled to a normal
11 retirement benefit and retires on or before July 1, 1990, two
12 percent of his or her final average salary shall be multiplied
13 by such retiree's years of credited service.

14 "(3) With respect to a retiree who first becomes a
15 participant subsequent to the first day of July nine years
16 after the establishment, and becomes entitled to a normal
17 retirement benefit and retires after July 1, 1990, and on or
18 before June 30, 2001, two and twenty-five hundredths percent
19 (2.25%) of his or her final average salary multiplied by such
20 retiree's years of credited service.

21 "(4) With respect to a retiree who first becomes a
22 participant subsequent to the first day of July nine years
23 after the establishment, and becomes entitled to a normal
24 retirement benefit and retires on or after July 1, 2001, two
25 and fifty one-hundredths percent (2.50%) of his or her final
26 average salary multiplied by such retiree's years of credited

1 service, subject to any future action of the board of
2 managers.

3 "(b) Effective July 1, 2006, the retiree of the
4 board of health who becomes entitled to a normal retirement
5 benefit and retires after that date, two and fifty
6 one-hundredths percent (2.5%) of his or her final average
7 salary multiplied by such retiree's years of credited service
8 shall be the normal retirement benefit of such participant,
9 subject to any future action of the board of managers.

10 "(c) Subject to the provisions of Section
11 45-37A-51.237, the amount of any retirement benefit determined
12 under this section which may have commenced to be paid in
13 accordance with the system shall continue to be paid
14 throughout the life of the retiree.

15 "(d) Notwithstanding anything to the contrary
16 contained in this section, yet subject to subsection (e), all
17 participants who first become participants on or after July 1,
18 2017, and who have attained age 62 or older and have completed
19 10 or more years of credited service, or who have completed 30
20 or more years of credited service without regard to age, and
21 who become entitled to a normal retirement benefit, shall be
22 entitled on his or her voluntary retirement to a monthly
23 retirement benefit equal to 2.25 percent of his or her final
24 average salary multiplied by the retiree's years of credited
25 service subject to the limitation in subsection (b) of Section
26 45-37A-51.221.

1 "(e) Notwithstanding anything to the contrary
2 contained in this section, any participant who first becomes a
3 participant on or after July 1, 2021, other than fire and
4 police employees, and who becomes entitled to a normal
5 retirement benefit, shall be entitled on his or her voluntary
6 retirement to a monthly retirement benefit equal to 1.75
7 percent of his or her final average salary multiplied by his
8 or her years of credited service, subject to the limitation in
9 subsection (b) of Section 45-37A-51.221, if he or she
10 satisfies either of the following:

11 "a. Has attained age 62 or older, regardless of the
12 date of termination of employment, and has completed 10 or
13 more years of credited service, as of the date of termination
14 of employment.

15 "b. Has attained age 55 or older, regardless of the
16 date of termination of employment, and has completed 30 or
17 more years of credited service, as of the date of termination
18 of employment.

19 "§45-37A-51.221.

20 "(a) The minimum retirement benefit payable under
21 Section 45-37A-51.220 shall be four hundred dollars (\$400) per
22 month. The maximum normal retirement benefit payable under
23 Section 45-37A-51.220 shall be 75 percent of final average
24 salary, exclusive of sick leave bonus. Notwithstanding the
25 foregoing and to the extent applicable to governmental plans
26 as defined in § 414(d), Internal Revenue Code, in no event may
27 the normal retirement benefit exceed the annual dollar limits

1 imposed by § 415(b), Internal Revenue Code, excluding
2 contributions under § 414(h)(2), Internal Revenue Code.
3 Further, no post severance compensation shall be included for
4 any benefit hereunder. Post severance compensation means
5 amounts paid by the later of: (1) Two and one-half months
6 after an employee's severance from employment with the
7 employer, or (2) the end of the limitation year that includes
8 the date of severance from employment with the employer; and
9 those amounts would have been included in the definition of
10 compensation if they were paid prior to the employee's
11 severance from employment. However, the payment shall be for
12 (1) unused accrued bona fide sick, vacation, or other leave,
13 but only if the employee would have been able to use the leave
14 if the employee had continued in employment; or (2) received
15 by an employee pursuant to a nonqualified unfunded deferred
16 compensation plan, but only if the payment would have been
17 paid to the employee at the same time if the employee had
18 continued in employment with the employer and only to the
19 extent that the payment is includible in the employee's gross
20 income. Notwithstanding the foregoing, in all events no
21 benefit payments shall exceed limits imposed on governmental
22 plans by applicable law.

23 " (b) (1) Notwithstanding anything to the contrary
24 contained in subsection (a), ~~and~~ yet subject to subsection
25 (c):

26 "a. All participants who first become participants
27 on or after July 1, 2017, shall be entitled to the minimum

1 retirement benefit payable under Section 45-37A-51.220 in the
2 amount of four hundred dollars (\$400) per month.

3 "b. The maximum normal retirement benefit payable
4 under Section 45-37A-51.220 shall be 67.5 percent of final
5 average salary, exclusive of sick leave bonus.

6 "(2) Notwithstanding the foregoing and to the extent
7 applicable to governmental plans as defined in § 414(d),
8 Internal Revenue Code, in no event shall the normal retirement
9 benefit exceed the annual dollar limits imposed by § 415(b),
10 Internal Revenue Code, excluding contributions under §
11 414(h) (2), Internal Revenue Code. No post severance
12 compensation shall be included for any benefit under this
13 section. Post severance compensation means amounts paid by the
14 later of: (1) Two and one-half months after an employee's
15 severance from employment with the employer, or (2) the end of
16 the limitation year that includes the date of severance from
17 employment with the employer; and those amounts would have
18 been included in the definition of compensation if they were
19 paid prior to the employee's severance from employment.
20 However, the payment shall be for: (1) Unused accrued bona
21 fide sick, vacation, or other leave, but only if the employee
22 would have been able to use the leave if the employee had
23 continued in employment; or (2) received by an employee
24 pursuant to a nonqualified unfunded deferred compensation
25 plan, but only if the payment would have been paid to the
26 employee at the same time if the employee had continued in
27 employment with the employer and only to the extent that the

1 payment is includible in the employee's gross income.
2 Notwithstanding the foregoing, in all events no benefit
3 payments shall exceed limits imposed on governmental plans by
4 applicable law.

5 "(c) (1) Notwithstanding anything to the contrary
6 contained in subsections (a) or (b), all participants who
7 first become participants on or after July 1, 2021, other than
8 fire and police employees, shall be entitled to all of the
9 following:

10 "a. The minimum retirement benefit, payable under
11 Section 45-37A-51.220, in the amount of four hundred dollars
12 (\$400) per month, determined prior to the calculation of any
13 survivor's benefit election.

14 "b. The maximum normal retirement benefit, payable
15 under Section 45-37A-51.220, of 52.5 percent of final average
16 salary, exclusive of sick leave bonus.

17 "(2) Notwithstanding the foregoing and to the extent
18 applicable to governmental plans as defined in § 414(d),
19 Internal Revenue Code, in no event shall the normal retirement
20 benefit exceed the annual dollar limits imposed by § 415(b),
21 Internal Revenue Code, excluding contributions under §
22 414(h) (2), Internal Revenue Code. No post severance
23 compensation shall be included for any benefit under this
24 section. Post severance compensation means amounts paid by the
25 later of: a. Two and one-half months after an employee's
26 severance from employment with the employer, or b. the end of
27 the limitation year that includes the date of severance from

1 employment with the employer; and those amounts would have
2 been included in the definition of compensation if they were
3 paid prior to the employee's severance from employment.
4 However, the payment shall be for: a. Unused accrued bona fide
5 sick, vacation, or other leave, but only if the employee would
6 have been able to use the leave if the employee had continued
7 in employment; or b. received by an employee pursuant to a
8 nonqualified unfunded deferred compensation plan, but only if
9 the payment would have been paid to the employee at the same
10 time if the employee had continued in employment with the
11 employer and only to the extent that the payment is includible
12 in the employee's gross income. Notwithstanding the foregoing,
13 in all events no benefit payments shall exceed limits imposed
14 on governmental plans by applicable law.

15 "§45-37A-51.222.

16 "(a) (1) All participants who are participants before
17 July 1, 2017, shall vest at five years of credited service.

18 "(2) Notwithstanding anything to the contrary
19 contained in this section, all participants who first become
20 participants on or after July 1, 2017, shall vest at 10 years
21 of credited service.

22 "(b) All participants may purchase previous city,
23 county, and city library time by paying the contribution plus
24 interest as provided herein.

25 "(c) Participants of the city and other
26 participating entities, except the board of health, upon
27 termination of the employment after five years of actual

1 service to the city or other employing participating entity,
2 shall have the option to leave in the system fund all
3 contributions made by the terminated employee and receive a
4 monthly retirement benefit beginning at age 60 years in an
5 amount equal to a multiplier in the applicable percentage
6 effective on the date of retirement as set forth in Section
7 45-37A-51.220 of the employee's monthly final average salary
8 multiplied by his or her years of credited service. The
9 benefit shall continue throughout the life of such retiree. A
10 survivor's benefit calculated as described in Section
11 45-37A-51.228, shall be provided to the survivors of the
12 retiree pursuant to this provision if the retired employee has
13 reached age 60 years. In the event that a terminated employee
14 dies prior to receiving a benefit hereunder, or a terminated
15 employee elects at any time to withdraw the contributions from
16 the system fund, then the contributions shall be paid to the
17 employee or his or her designee without interest and the
18 terminated employee and those claiming under him or her, shall
19 have no further rights in the fund. The amount payable,
20 calculated by using the multiplier in the applicable
21 percentage effective on the date of retirement per year of
22 credited service, shall be reduced by being calculated at a
23 lower percentage per year of credited service if for any
24 reason current service retirees receive less percentage per
25 year of credited service.

26 "(d) Notwithstanding anything to the contrary
27 contained in subsection (c), all participants who first become

1 participants on or after July 1, 2017, upon termination of the
2 employment after 10 years of actual service to the city or
3 other employing participating entity, may leave in the system
4 fund all contributions made by the former employee and receive
5 a monthly retirement benefit beginning at age 62 years in an
6 amount equal to a multiplier in the applicable percentage
7 effective on the date of retirement as set forth in Section
8 ~~45-37A-51.220(d)~~ 45-37A-51.220 of the employee's monthly final
9 average salary multiplied by his or her years of credited
10 service. The benefit shall continue throughout the life of the
11 retiree. A survivor's benefit calculated as described in
12 Section 45-37A-51.228, shall be provided to the survivors of
13 the retiree pursuant to this provision if the retired employee
14 has reached age 62 years. In the event that a terminated
15 employee dies prior to receiving a benefit under this section,
16 or a terminated employee elects at any time to withdraw the
17 contributions from the system fund, then the contributions
18 shall be paid to the employee or his or her designee without
19 interest and the terminated employee and those claiming under
20 him or her shall have no further rights in the fund. The
21 amount payable, calculated by using the multiplier in the
22 applicable percentage effective on the date of retirement per
23 year of credited service, shall be reduced by being calculated
24 at a lower percentage per year of credited service if for any
25 reason current service retirees receive less percentage per
26 year of credited service.

1 "(e) That portion of a terminated participant's
2 benefit that is forfeited shall be used only to reduce future
3 costs of the system at such time as it becomes a forfeiture.

4 "§45-37A-51.225.

5 "(a) In the event a participant, after having
6 accrued five or more years of credited service, shall become
7 totally disabled to perform his or her customary duties as an
8 employee of the city and not be entitled to an extraordinary
9 disability allowance, he or she shall in such event be
10 entitled to a monthly ordinary disability allowance equal to
11 two percent of such participant's final average salary
12 multiplied by his or her years of credited service at the date
13 of disability.

14 "(b) Notwithstanding anything to the contrary
15 contained in this section, yet subject to subsections (e) and
16 (f), for all participants who first become participants on or
17 after July 1, 2017, in the event a participant, after having
18 accrued 10 or more years of credited service, becomes totally
19 disabled to perform his or her customary duties as an employee
20 of the city and who is not entitled to an extraordinary
21 disability allowance, he or she shall in that event be
22 entitled to a monthly ordinary disability allowance equal to
23 two percent of the participant's final average salary
24 multiplied by his or her years of credited service at the date
25 of disability.

26 "(c) Benefits payable hereunder shall commence upon
27 the cessation of the disabled participant's drawing a salary

1 from the city and shall continue until such time as the
2 participant is no longer totally disabled to perform his or
3 her customary duties or substantially comparable duties with
4 an employer.

5 "(d) The Except as provided in subsection (g), the
6 maximum ordinary disability allowance payable hereunder shall
7 be two percent of final average salary per credited year of
8 service, not to exceed 60 percent of final average salary.

9 "(e) Anything herein to the contrary
10 notwithstanding, an ordinary disability allowance shall be
11 computed and paid throughout the continuance of such
12 disability as provided and at the rate prescribed by the law
13 in effect at the time of the commencement of such disability.
14 If any disability beneficiary should become separated from the
15 service and withdraw such disability beneficiary's
16 contributions, his or her right to continuance of disability
17 benefits shall immediately cease.

18 "(f) Notwithstanding anything to the contrary
19 contained in this section, for all participants who incur a
20 disability on or after July 1, 2021, other than fire and
21 police employees, in the event the participant, after having
22 accrued 10 or more years of credited service, becomes totally
23 disabled to perform his or her customary duties as an employee
24 of the city and who is not entitled to an extraordinary
25 disability allowance, he or she shall in that event be
26 entitled to a monthly ordinary disability allowance equal to
27 1.75 percent of his or her final average salary multiplied by

1 his or her years of credited service at the date of
2 disability.

3 "(g) Notwithstanding anything to the contrary
4 contained in this section, for all participants who incur a
5 disability on or after July 1, 2021, other than fire and
6 police employees, the maximum ordinary disability allowance
7 payable hereunder shall be 1.75 percent of final average
8 salary per year of credited service, not to exceed 52.5
9 percent of final average salary.

10 "§45-37A-51.228.

11 "(a) Effective July 1, 2002, in the event of the
12 death of a retiree or participant who, on the date of his or
13 her death was eligible for voluntary retirement under Section
14 45-37A-51.220, there may be payable a monthly survivor's
15 benefit equal to 60 percent of the monthly retirement benefit
16 which the retiree was receiving or was entitled to receive
17 prior to his or her death or which the participant would have
18 been entitled to receive had he or she retired under Section
19 45-37A-51.220 on the day preceding his or her death;
20 notwithstanding anything to the contrary, the survivor's
21 benefit may be increased pursuant to Section 45-37A-51.242. In
22 the event any survivor is being paid an amount in excess of 60
23 percent of the retiree's monthly benefit on May 1, 2006, such
24 survivor's benefits shall not be decreased.

25 "(b) (1) Effective July 1, 2002, upon the death of
26 any retiree or participant who at the time of his or her death
27 was not eligible for voluntary retirement under Section

1 45-37A-51.220, but who prior to death had five or more years
2 of creditable time, there may be payable at the option of the
3 survivors and to the exclusion of any other death benefits
4 provided for in this subpart or in any other pension system
5 applicable to the city an optional survivor's benefit
6 according to the schedule of percentages hereinbelow set
7 forth. For the purpose of this subsection, the optional
8 survivor's benefit shall be 60 percent of the applicable
9 percentage of salary of the deceased retiree's or
10 participant's final average salary, figured as of the date of
11 death instead of the date of retirement, multiplied by his or
12 her years of creditable time and multiplied by the percentage
13 rate applicable to the decedent's completed years of credited
14 service as shown in the schedule of percentages as follows:

15 "a. Prior to July 1, 2002, the percentage rate,
16 effective to survivors, applicable to decedent's completed
17 years prior to July 1, 2002, credited service:

18 "Credited service, 10 years = 50 percent; 11 years =
19 60 percent; 12 years = 70 percent; 13 years = 80 percent; 14
20 years = 90 percent; and 15 or more years = 100 percent. The
21 surviving spouse and children of any firefighter or police
22 officer who is a member of the Firemen's and Policemen's
23 Supplemental Pension System applicable to the city and is
24 employed by the city at the time of his or her death shall not
25 be entitled to any benefit under this subsection.

1 "b. The percentage rate, effective to survivors,
2 applicable to decedent's completed years after July 1, 2002,
3 credited service:

4 "Credited service, five years = 50 percent; six
5 years = 60 percent; seven years = 70 percent; eight years = 80
6 percent; nine years = 90 percent; and 10 or more years = 100
7 percent. The surviving spouse and children of any firefighter
8 or police officer who is a member of the Firemen's and
9 Policemen's Supplemental Pension System applicable to the city
10 and is employed by the city at the time of his or her death
11 shall not be entitled to any benefit under this subsection.

12 "c. Notwithstanding anything to the contrary
13 contained in this section, for all participants who first
14 become participants on or after July 1, 2017, upon the death
15 of any retiree or participant who at the time of his or her
16 death was not eligible for voluntary retirement under Section
17 45-37A-51.220, but who prior to death had 10 or more years of
18 creditable time, there may be payable at the option of the
19 survivors and to the exclusion of any other death benefits
20 provided for in this subpart or in any other pension system
21 applicable to the city an optional survivor's benefit
22 according to the schedule of percentages hereinbelow set
23 forth. For the purpose of this subsection, the optional
24 survivor's benefit shall be 60 percent of the applicable
25 percentage of salary of the deceased retiree's or
26 participant's final average salary, figured as of the date of
27 death instead of the date of retirement, multiplied by his or

1 her years of creditable time and multiplied by the percentage
2 rate applicable to the decedent's completed years of credited
3 service as shown in the schedule of percentages as follows:

4 "Notwithstanding anything to the contrary contained
5 in this section, for all participants who first become
6 participants on or after July 1, 2017, the percentage rate,
7 effective to survivors, applicable to those decedents is as
8 follows:

9 "Credited service, 10 years = 50 percent; 11 years =
10 60 percent; 12 years = 70 percent; 13 years = 80 percent; 14
11 years = 90 percent; and 15 or more years = 100 percent. The
12 surviving spouse and children of any firefighter or police
13 officer who is a member of the Firemen's and Policemen's
14 Supplemental Pension System applicable to the city and is
15 employed by the city at the time of his or her death shall not
16 be entitled to any benefit under this subsection.

17 "(2)a. The optional survivor's benefit provided for
18 under subdivision (1) may only accrue and be payable to the
19 benefit of a survivor or survivors from the date on which the
20 deceased retiree or participant would have attained age 60 had
21 he or she lived, or from the date on which such person would
22 have earned 20 years of creditable time had he or she lived
23 and continued in the employment of the city, whichever date
24 comes first. In order to obtain the benefit, a written request
25 therefor shall be submitted by or on the behalf of an eligible
26 survivor to the custodian of the fund within 180 days after
27 date of the death of the retiree or participant. The written

1 request may be made on behalf of surviving minor children as
2 provided in Section 45-37A-51.229. Any eligible survivor
3 failing to submit written request within the required time
4 shall be barred from any right to claim or to receive the
5 optional survivor's benefit. Such failure to submit the
6 written request on behalf of eligible surviving minor or
7 minors by their legal guardian or custodian as provided in
8 Section 45-37A-51.229 shall likewise bar such minor from
9 claiming or receiving the optional survivor's benefit.

10 "b. Notwithstanding anything to the contrary
11 contained in subsection (a), for all participants who first
12 become participants on or after July 1, 2017, the optional
13 survivor's benefit provided for under subdivision (1) may only
14 accrue and be payable to the benefit of a survivor or
15 survivors from the date on which the deceased retiree or
16 participant would have attained age 62 had he or she lived, or
17 from the date on which such person would have earned 20 years
18 of creditable time had he or she lived and continued in the
19 employment of the city, whichever date comes first. In order
20 to obtain the benefit, a written request shall be submitted by
21 or on the behalf of an eligible survivor to the custodian of
22 the fund within 180 days after date of the death of the
23 retiree or participant. The written request may be made on
24 behalf of surviving minor children as provided in Section
25 45-37A-51.229. Any eligible survivor failing to submit a
26 written request within the required time shall be barred from
27 any right to claim or to receive the optional survivor's

1 benefit. The failure to submit the written request on behalf
2 of an eligible surviving minor or minors by their legal
3 guardian or custodian as provided in Section 45-37A-51.229
4 shall likewise bar the minor from claiming or receiving the
5 optional survivor's benefit.

6 "(3)a. Upon the submission of a written request for
7 optional survivor's benefit, as provided in subdivision (2),
8 the contributions of the deceased paid into the fund shall
9 remain therein, any provisions of other sections of this
10 subpart to the contrary notwithstanding, regardless of whether
11 any or all of the deceased's eligible survivors die before
12 receiving any payment of benefits. The surviving spouse may
13 revoke any written request by giving written notice thereof to
14 the custodian at any time prior to a benefit payment being
15 made pursuant to such request and thereby ~~be~~ the eligible
16 survivor has made such request and a benefit payment has been
17 made pursuant thereto none of the decedent's contributions
18 paid into the fund shall be withdrawn therefrom or paid to any
19 survivor as a return of contributions or for any other
20 purpose.

21 "b. A survivor to whom a benefit payment has been
22 made under this subsection shall not thereafter be entitled to
23 any survivor's benefit or death benefit under any other
24 provisions of this or other pension systems applicable to the
25 city and further, a survivor to whom a survivor's benefit or
26 death benefit payment has been made under any other provisions
27 of this subpart or under any other pension system applicable

1 to the city shall not thereafter be entitled to any benefits
2 under this subsection.

3 "(c) Notwithstanding anything to the contrary
4 contained in this section, for all participants who first
5 become participants on or after July 1, 2021, upon the
6 retirement of any legally married participant, prior to
7 payment of any retirement benefit and in accordance with
8 procedures established by the city, the participant shall
9 elect to either: a. Provide a monthly spousal survivor's
10 benefit upon the participant's death; or b. receive an
11 unreduced monthly retirement benefit.

12 "(1) If a legally married participant elects to
13 provide a spousal survivor's benefit upon the participant's
14 death, then upon the participant's death: a. The monthly
15 spousal survivor's benefit shall be equal to 60 percent of the
16 monthly retirement benefit which the retiree was receiving or
17 was entitled to receive prior to his or her death or which the
18 participant would have been entitled to receive had he or she
19 retired under Section 45-37A-51.220 on the day preceding his
20 or her death; and b. the monthly retirement benefit payable to
21 the participant during his or her life shall be reduced to
22 reflect the spousal survivor's benefit on an actuarially
23 equivalent basis pursuant to certain actuarial factors adopted
24 by the board.

25 "(2) If a legally married participant elects to
26 receive an unreduced monthly retirement benefit, then upon the
27 participant's death, no monthly spousal survivor's benefit

1 will be payable, and the monthly retirement benefit payable to
2 the participant during his or her life will not be reduced to
3 reflect any spousal survivor's benefit. To effect a
4 participant's election to receive an unreduced monthly
5 retirement benefit, the participant's spouse, at the time of
6 the participant's election, shall agree to the participant's
7 election and waive any spousal survivor's benefits in
8 accordance with procedures established by the city.

9 "~~(c)~~(d) Notwithstanding anything contained in this
10 section, for all participants who first become participants
11 prior to July 1, 2021, the minimum survivor's benefit payable
12 to the spouse of the deceased retiree shall be three hundred
13 twenty dollars (\$320) per month under the conditions provided
14 in Section 45-37A-51.229.

15 "§45-37A-51.232.

16 "(a) Effective as of July 1, 2002, in the event a
17 firefighter or police officer retires under the supplemental
18 pension system established by Subpart 1, after having
19 accumulated 20 years of credited service under the system and
20 shall die prior to the date on which the participant would
21 have accumulated 30 years of credited service under this
22 system had he or she not retired but had he or she continued
23 in employment with the city, without interruption, as a
24 firefighter or police officer, the participant's survivor or
25 survivors shall not receive any benefit therefrom. However,
26 should the retired firefighter or police officer die
27 subsequent to the date on which he or she would have

1 accumulated 30 years of credited service hereunder, and should
2 the retiree or participant be survived by a spouse to whom he
3 or she was legally married at the time of the retiree's or
4 participant's death, regardless of whether the marriage
5 occurred before or after the retiree's departure from service,
6 the surviving spouse shall be entitled to receive until such
7 time as the spouse should remarry, a monthly survivor's
8 benefit in the amount equal to 60 percent of the monthly
9 retirement benefit which the retiree was receiving or entitled
10 to receive on the date of his or her death as if the surviving
11 spouse or survivors was entitled to a benefit under Section
12 45-37A-51.228 and Section 45-37A-51.229. If a survivor's
13 benefit ceases because the survivor remarries, in the event
14 the marriage is terminated by annulment, divorce, or death of
15 the survivor's spouse, then on such termination the survivor
16 again shall be eligible to receive the survivor's benefits.

17 "(b) Notwithstanding anything to the contrary
18 contained in this section, for all participants who first
19 become participants on or after July 1, 2021, in the event a
20 legally married firefighter or police officer retires under
21 the supplemental pension system established by Subpart 1,
22 after having accumulated 20 years of credited service under
23 the system, and dies prior to the date on which the
24 participant would have accumulated 30 years of credited
25 service under this system had he or she not retired but had
26 continued in employment with the city, without interruption,
27 as a firefighter or police officer, the participant's spousal

1 survivor shall not receive any benefit therefrom. However,
2 should the retired firefighter or police officer die after the
3 date on which he or she would have accumulated 30 years of
4 credited service hereunder and be survived by a spouse to whom
5 he or she was legally married at the time of the retiree's or
6 participant's death, regardless of whether the marriage
7 occurred before or after the participant's departure from
8 service, a spousal survivor's benefit may be payable pursuant
9 to any of the following:

10 "(1) Upon the retirement of the legally married
11 participant, prior to payment of any retirement benefit and in
12 accordance with procedures established by the city, the
13 participant shall elect to either: a. Provide a spousal
14 survivor's benefit upon the participant's death; or b. receive
15 an unreduced monthly retirement benefit.

16 "(2) If a participant elects to provide a spousal
17 survivor's benefit, then upon the participant's death: a. The
18 monthly spousal survivor's benefit shall be equal to 60
19 percent of the monthly retirement benefit which the retiree
20 was receiving or was entitled to receive prior to his or her
21 death or which the participant would have been entitled to
22 receive had he or she retired on the day preceding his or her
23 death as if the surviving spouse was entitled to a benefit
24 under Section 45-37A-51.228(c) and Section 45-37A-51.229; and
25 b. the monthly retirement benefit payable to the participant
26 during his or her life will be reduced to reflect the spousal
27 survivor's benefit on an actuarially equivalent basis pursuant

1 to certain actuarial factors adopted by the board. The
2 survivor's benefit shall cease if the survivor remarries;
3 provided, however, in the event the survivor remarries and
4 that marriage is terminated by annulment, divorce, or death of
5 the survivor's spouse, then on such termination, the survivor
6 again shall be eligible to receive the survivor's benefit.

7 "(3) If a legally married participant elects to
8 receive an unreduced monthly retirement benefit, then upon the
9 participant's death, no monthly spousal survivor's benefit
10 will be payable, and the monthly retirement benefit payable to
11 the participant during his or her life will not be reduced to
12 reflect any spousal survivor's benefit. To effect a
13 participant's election to receive an unreduced monthly
14 retirement benefit, the participant's spouse, at the time of
15 the participant's election, shall agree to the participant's
16 election and waive any spousal survivor's benefits in
17 accordance with procedures established by the city.

18 "§45-37A-51.244.

19 "(a) Participants in the city and other
20 participating employing entities, except the board of health,
21 having attained age 55 or older and completed 25 or more years
22 of credited service, shall be entitled, upon voluntary
23 retirement, to a monthly retirement benefit equal to 1.85
24 percent of the monthly final average salary of the participant
25 multiplied by the participant's years of credited service.
26 Subject to Section 45-37A-51.237, the amount of any retirement
27 benefit provided pursuant to this section shall continue to

1 accrue throughout the life of the retiree. Survivors of
2 participants retiring shall receive all survivors' benefits
3 available to normal retirees who are eligible for benefits
4 under Section 45-37A-51.220.

5 "(b) Notwithstanding anything to the contrary
6 contained in this section, for all participants who first
7 become participants on or after July 1, 2021, participants in
8 the city and other participating constructive subsidiaries,
9 except the board of health, having attained age 55 or older
10 and completed 25 or more years of credited service, shall be
11 entitled, upon voluntary retirement, to a monthly retirement
12 benefit equal to 1.45 percent of the monthly final average
13 salary of the participant multiplied by the participant's
14 years of credited service. Subject to Section 45-37A-51.237,
15 the amount of any retirement benefit provided pursuant to this
16 section shall continue to accrue throughout the life of the
17 retiree. Survivors of participants retiring shall receive all
18 survivor's benefits available to normal retirees who are
19 eligible for benefits under Section 45-37A-51.220 as provided
20 under Section 45-37A-51.228.

21 "§45-37A-51.302.

22 "(a) For the purpose of the application of the
23 system to the extent herein provided, and for that purpose
24 only, and except as may be otherwise or differently provided
25 herein, the employment by the civic center of employee members
26 shall be deemed constructively employment by the city during
27 all of their time in the service of the civic center after the

1 adoption of this section, with like effect as though the
2 employee members, while working for the civic center, were
3 actually working as employees of the city, subject to this
4 pension system. This section shall not apply unless all of the
5 conditions hereinafter specified are met.

6 "(1) This section shall not apply to any employee
7 member unless within 30 days after he or she leaves the
8 service of the city he or she is employed by the civic center
9 on a salary payable at regular specified intervals; any person
10 employed by the civic center on a part time basis before he or
11 she leaves, or when he or she leaves, the service of the city
12 shall be within the scope of the next foregoing sentence, if
13 he or she continues in the employ of the civic center.

14 "(2) This section shall not apply unless the
15 employee member leaves in the system fund the contributions
16 made by him or her to the fund.

17 "(3) This section shall not apply unless, within the
18 time below stated, the civic center gives written notice to
19 the board of managers that the civic center elects for this
20 section to apply to the employment of the employee member by
21 the civic center. This section shall not apply unless the
22 board of managers receives notice within 45 days of the
23 employee member's leaving the service of the city. The board,
24 in its discretion, may accept and treat as binding notice
25 received after that time, if the board finds that delay in
26 forwarding the notice was justified. After giving notice, it
27 shall be the duty of the civic center to make or cause to be

1 made and paid into the pension fund deductions from the salary
2 of its employee who is the subject of the notice, and to do so
3 in all respects as is provided by the system for the city to
4 make deductions and pay into the fund from salaries of its
5 employees who are employee members, and it shall be the
6 further duty of the civic center to make ~~matching~~
7 ~~contributions~~ the employer's required contributions pursuant
8 to Section 45-37A-51.192 to the fund from its own funds in
9 respect to any employee who is the subject of the notice, in
10 all respects as it is made the duty of the city to make
11 ~~matching contributions~~ the employer's required contributions
12 pursuant to Section 45-37A-51.192 in respect of its employees
13 who are employee members, and it shall be the further duty of
14 the civic center to fully cooperate with the board of
15 managers, the city director of finance, and the custodian in
16 the administration of the system.

17 "(b) After the board of managers receives the
18 certificate from the civic center, the election made by civic
19 center for this section to apply to the employee member named
20 in the certificate shall be irrevocable.

21 "§45-37A-51.305.

22 "After September 1, 1969, it shall be the duty of
23 the civil defense agency, or its successor agency, as an
24 independent agency and not as a subsidiary board or department
25 of the city, to make or cause to be made and paid into the
26 fund deductions from the salaries of all of its employees who
27 are employee members, and to do so in all respects as is

1 provided by the system for the city to make deductions and pay
2 into the fund from salaries of its employees who are employee
3 members, and it shall be the further duty of the civil defense
4 agency, or its successor agency, as such independent agency,
5 to make ~~matching contributions~~ the employer's required
6 contributions pursuant to Section 45-37A-51.192 to the fund
7 from its own funds in respect of its employees who are
8 employee members, in all respects as it is made the duty of
9 the city to make ~~matching contributions~~ the employer's
10 required contributions pursuant to Section 45-37A-51.192 in
11 respect of its employees who are employee members, and it
12 shall be the further duty of the civil defense agency, as such
13 independent agency, to fully cooperate with the board of
14 managers, the city director of finance, and the custodian in
15 the administration of the system, and, thereinabout, to make
16 available to them all such records and information pertaining
17 to employees of the civil defense agency as they or either of
18 them may request for the purpose of administration of the
19 system.

20 "§45-37A-51.306.

21 "(a) Employees of the library board shall be deemed
22 constructive employees of the city during their time of
23 service with the library board, whether past, present, or
24 future. The retrospective and the prospective term of the
25 system shall be retrospectively applied to constructive
26 employees as though the library board was actually a
27 subsidiary department of the city at all times, past, present,

1 or future. The employees of the library board shall be
2 governed accordingly by the retrospective and prospective
3 provisions of the system.

4 "(b) After the first pay period after August 1,
5 1999, it shall be the duty of the library board as an
6 independent agency and not as a subsidiary or department of
7 the city, to do all of the following:

8 "(1) To pay into the fund deductions from the
9 salaries and wages of its employees who are members of the
10 system.

11 "(2) To make ~~matching contributions~~ the employer's
12 required contributions pursuant to Section 45-37A-51.192 to
13 the fund from its own funds in respect to its employees who
14 are members, in all respects as it is made the duty of the
15 city to make ~~matching contributions~~ the employer's required
16 contributions pursuant to Section 45-37A-51.192 in respect to
17 its employees.

18 "(3) To fully cooperate with the board of managers,
19 the finance director of the city, and the custodian in the
20 administration of the system.

21 "(4) To make available to the system all records and
22 information pertaining to employees of the library board as
23 they may request for the purpose of the administration of the
24 system.

25 "§45-37A-51.307.

26 "For the purpose of the application of the terms of
27 the system, and for such purpose only, employees of the

1 Birmingham Airport Authority, or for any other entity having
2 similar jurisdiction over the Birmingham Municipal Airport,
3 shall be deemed constructively employees of the city and the
4 airport authority shall be deemed constructively a department
5 of the city in the same manner and under the same terms as
6 apply to the classified and unclassified employees of the
7 city. The airport authority shall make or cause to be made and
8 paid into the fund, deductions from the salaries of all of its
9 employees who are employee members, and shall make ~~matching~~
10 ~~contributions~~ the employer's required contributions pursuant
11 to Section 45-37A-51.192, all under the same terms as the city
12 employee deduction and ~~matching contributions~~ the employer's
13 required contributions pursuant to Section 45-37A-51.192 are
14 made. The airport authority shall make this information
15 available to the board of managers, the director of finance,
16 and the custodian in the administration of the system. This
17 provision shall not apply until a resolution of the airport
18 authority requesting participation in the system is delivered
19 to and approved by the board of managers. The airport
20 authority may choose to allow its executive director and
21 department heads, or any of them, to decline participation in
22 the system and thereby waive and forfeit all service credit.
23 The airport authority shall determine which of its job
24 classifications are to be considered in the classified service
25 for the purposes of this system.

26 "§45-37A-51.308.

1 "(a) Employees of the Birmingham Emergency
2 Management Agency/District, or for any other entity having
3 similar jurisdiction over the emergency management countywide,
4 shall be deemed constructive employees of the city during such
5 time in the service of the agency, whether past, present, or
6 future. The retrospective and prospective term of the system
7 shall be applied retrospectively to constructive employees as
8 though the district were actually a subsidiary department of
9 the city at all times past, present, or future. For the
10 purpose of the application of the system, constructive
11 employees shall be deemed as employees in the classified
12 service of the city during the period or periods, whether
13 past, present, or future, as the case may be, or may have been
14 subject to the civil service system as that to which employees
15 of the city may be or may have been contemporaneously subject.
16 The employees of the agency shall be governed accordingly by
17 the retrospective and prospective provisions of the system.

18 "(b) It shall be the duty of the emergency
19 management agency/district, as an independent agency and not
20 as a subsidiary or department of the city, to pay into the
21 fund deductions from the salaries and wages of its employees
22 who are members of the system. It shall be the further duty of
23 the district, as an independent agency, to make ~~matching~~
24 ~~contributions~~ the employer's required contributions pursuant
25 to Section 45-37A-51.192 to the fund from its own funds in
26 respect to its employees who are members, in all respects as
27 it is made the duty of the city to make ~~matching contributions~~

1 the employer's required contributions pursuant to Section
2 45-37A-51.192 in respect to its employees who are members of
3 the system. It shall further be the duty of the district, as
4 an independent agency, to fully cooperate with the board of
5 managers, the finance director of the city, and the custodian
6 in the administration of the system, to make available to them
7 all records and information pertaining to employees of the
8 district as they may request for the purpose of the
9 administration of the system."

10 Section 2. This act shall become effective
11 immediately following its passage and approval by the
12 Governor, or its otherwise becoming law.