

1 HB342  
2 183184-2  
3 By Representatives McMillan, Shiver and Davis  
4 RFD: State Government  
5 First Read: 02-MAR-17



1 (c) For purposes of this act, service includes the  
2 service under Section 36-27-1 and Article 9, commencing with  
3 Section 36-27-170, of Chapter 27, Title 36, Code of Alabama  
4 1975, as well as hazardous duty (FLC bonus) credit.

5 Section 2. (a) Each person whose employer  
6 participated in the Employees' Retirement System pursuant to  
7 Section 36-27-6, 36-27-7, and 36-27-7.1, Code of Alabama 1975,  
8 whose effective date of retirement for purposes of receiving  
9 benefits from the Employees' Retirement System is prior to May  
10 1, 2017, and who is receiving or is entitled to receive a  
11 monthly allowance from the Employees' Retirement System on  
12 November 30, 2017, shall receive the lump-sum payment  
13 specified in subsections (a) and (b) of Section 1, if the  
14 employer elects to come under this act by official resolution  
15 on or before October 31, 2017. Any employer making the  
16 election to come under the act shall bear the cost of the  
17 lump-sum payment paid to its retirees pursuant to this  
18 section.

19 (b) If the employer elects to come under this act,  
20 beneficiaries of deceased members or deceased retirees retired  
21 from an employer participating in the Employees' Retirement  
22 System pursuant to Section 36-27-6, 36-27-7, and 36-27-7.1,  
23 Code of Alabama 1975, if the date of death for the deceased  
24 member or the effective date of retirement for the deceased  
25 retiree for purposes of receiving benefits from the Employees'  
26 Retirement System was prior to May 1, 2017 and if the  
27 beneficiary is receiving or is eligible to receive a monthly

1 allowance from the Employees' Retirement System on November  
2 30, 2017, shall receive a lump-sum payment of three hundred  
3 dollars (\$300).

4 Section 3. ~~(a) Each person whose employer~~  
5 ~~participated in the Employees' Retirement System pursuant to~~  
6 ~~Sections 36-27-7 and 36-27-7.1, Code of Alabama 1975, whose~~  
7 ~~effective date of retirement for purposes of receiving~~  
8 ~~benefits from the Employees' Retirement System is prior to May~~  
9 ~~1, 2017, and who is receiving or is entitled to receive a~~  
10 ~~monthly allowance from the Employees' Retirement System on~~  
11 ~~November 30, 2017, shall receive the lump-sum payment~~  
12 ~~stipulated in subsections (a) and (b) of Section 1. Any~~  
13 ~~employer making the election to come under the act shall bear~~  
14 ~~the cost of the lump-sum payment paid to its retirees pursuant~~  
15 ~~to this section.~~

16 ~~(b) If the employer elects to come under this act,~~  
17 ~~beneficiaries of deceased members or deceased retirees of~~  
18 ~~employers participating in the Employees' Retirement System~~  
19 ~~pursuant to Sections 36-27-7 and 36-27-7.1, Code of Alabama~~  
20 ~~1975, shall receive a lump-sum payment of three hundred~~  
21 ~~dollars (\$300).~~

22 Section 4. (a) Any retired pensioner or annuitant  
23 who retired from a city, town, county, or public or  
24 quasi-public organization of the state before the city, town,  
25 county, or public or quasi-public organization of the state  
26 became a member of the Employees' Retirement System, and who  
27 is receiving or is entitled to receive a monthly allowance

1 from the Employees' Retirement System on November 30, 2017  
2 shall receive the lump-sum payment stipulated in subsections  
3 (a) and (b) of Section 1, provided the employer elects to come  
4 under this act. Any employer making the election to come under  
5 the act shall bear the cost of the lump-sum payment paid to  
6 its retirees pursuant to this section and provide the  
7 Employees' Retirement System with the number of years of  
8 creditable service earned by each of its eligible annuitants  
9 and pensioners.

10 (b) Beneficiaries of Employees' Retirement System  
11 pensioners or annuitants described in subsection (a) shall  
12 receive a lump-sum payment of three hundred dollars (\$300),  
13 provided the date of death for the deceased pensioner or  
14 annuitant or the effective date of retirement for the deceased  
15 pensioner or annuitant was prior to May 1, 2017 and the  
16 beneficiary is receiving or is entitled to receive a monthly  
17 allowance from the Employees' Retirement System on November  
18 30, 2017 and the local unit elects to fund the lump-sum  
19 payment of three hundred dollars (\$300) and provides the  
20 Employees' Retirement System with the number of years of  
21 creditable service earned by each of its eligible annuitants  
22 and pensioners.

23 Section 5. Any pensioner or annuitant who retired  
24 from a city, town, county, or public or quasi-public  
25 organization of the state before the city, town, county, or  
26 public or quasi-public organization of the state became a  
27 member of the Employees' Retirement System and is receiving a

1 monthly benefit on November 30, 2017, not administered by the  
2 Employees' Retirement System may receive the lump-sum payment  
3 stipulated in subsections (a) and (b) of Section 1, provided  
4 the retired employee retired prior to May 1, 2017, and the  
5 employer decides to come under this act and fund the lump-sum  
6 payment. The Employees' Retirement System shall not make  
7 payments to these pensioners or annuitants. The employer shall  
8 make payments to its pensioners and annuitants under this  
9 section.

10 Section 6. The Board of Control of the Employees'  
11 Retirement System shall make all reasonable efforts to notify  
12 any employer who participated in the Employees' Retirement  
13 System and has withdrawn from participation by the effective  
14 date of this act that the lump-sum stipulated in Section 1 is  
15 available to their retirees and beneficiaries provided the  
16 employer elects the lump-sum payment.

17 Section 7. Any person who received benefits under  
18 the Medicaid program and whose eligibility for Medicaid  
19 benefits would be impaired by the lump-sum payment provided by  
20 this act shall not be entitled to receive the aforementioned  
21 increase. Any person who subsequently applies for benefits  
22 under the Medicaid program and that person's eligibility to  
23 receive benefits is impaired by the lump-sum payment provided  
24 by this act shall not be entitled to receive the increase  
25 subsequent to the date that the member files application for  
26 benefits under the Medicaid program.

1           Section 8. The Board of Control of the Employees'  
2 Retirement System shall determine the amount required to pay  
3 the cost of the lump-sum payments provided under this act and  
4 shall notify the chief fiscal officer of each employer of the  
5 increases in the employer rate required to be paid to the  
6 system. For the fiscal year beginning October 1, 2018 only,  
7 each employer shall pay the increase in the employer rate in  
8 the same manner and from the same source of funds as salaries  
9 of active members are paid.

10           Section 9. The lump-sum payments provided under this  
11 act shall be paid to all eligible recipients by the Employees'  
12 Retirement System in December 2017.

13           Section 10. This act shall become effective  
14 immediately following its passage and approval by the  
15 Governor, or its otherwsie becoming law.

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House of Representatives

Read for the first time and re-  
ferred to the House of Representa-  
tives committee on State Government  
..... . . . . 02-MAR-17

Read for the second time and placed  
on the calendar 1 amendment ..... . . . . 13-APR-17

Read for the third time and passed  
as amended..... . . . . 27-APR-17

Yeas 72, Nays 0, Abstains 19

Jeff Woodard  
Clerk