

# HB470 INTRODUCED



1 HB470  
2 DGCB3HN-1  
3 By Representative Robbins  
4 RFD: Ways and Means Education  
5 First Read: 17-Feb-26



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SYNOPSIS:

Under existing law, individuals retired under the Employees' Retirement System may return to work in a part-time capacity without suspension of his or her retirement allowance, provided the individual is subject to an annual earning limit.

This bill would authorize any individual who has been retired under the Employees' Retirement System or the Teachers' Retirement System for at least 12 months to return to work for either system without suspension of his or her retirement benefits, with no regard for the annual earning limit, but would prohibit the individual from accruing additional retirement benefits.

This bill would provide that such an individual must commit to employment for three consecutive years.

This bill would also require the Board of Control to establish a percentage of earnable compensation that each individual returning to work pursuant to this bill must pay to support the administration of the retirement system.

A BILL  
TO BE ENTITLED



## HB470 INTRODUCED

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AN ACT

Relating to retired state employees; to authorize certain retired state employees to return to work, subject to certain conditions; and to require the Board of Control to establish a percentage which such employees must pay to support the administration of the retirement system.

BE IT ENACTED BY THE LEGISLATURE OF ALABAMA:

Section 1. Section 36-27-8.2, Code of Alabama 1975, as last amended by Act 2025-409, 2025 Regular Session, is amended to read as follows:

"§36-27-8.2

(a) Any individual who is retired under the Employees' Retirement System may perform duties in any capacity, including as an independent contractor, with any employer participating in the Employees' Retirement System or the Teachers' Retirement System without suspension of his or her retirement allowance provided that: (i) the individual is not employed in a permanent full-time capacity; and (ii) the individual's compensation from the employer in calendar year 2016 does not exceed thirty thousand dollars (\$30,000). Beginning in calendar year 2017, and each calendar year thereafter, the annual earning limit shall be increased by the same percentage increase as the increase in the Consumer Price Index for all urban consumers as published by the U.S. Department of Labor, Bureau of Labor Statistics. Any increase in the annual earning limit shall be rounded to the next lowest multiple of one thousand dollars (\$1,000) with any



## HB470 INTRODUCED

57 amount in excess of the one thousand dollar (\$1,000) multiple  
58 considered in determining the increase for the following year.  
59 Each adjustment shall be based on the increase in the index  
60 for the preceding 12-month period ending on September 30 and  
61 the increase shall be effective for the following calendar  
62 year.

63 (b) (1) Any individual who is retired under the  
64 Employees' Retirement System or Teachers' Retirement System  
65 may perform duties in any capacity, including as an  
66 independent contractor, with any employer participating in the  
67 Employees' Retirement System or the Teachers' Retirement  
68 System without suspension of his or her retirement benefits  
69 and without regard for the annual earning limit described in  
70 subsection (a), provided that the individual meets all of the  
71 following criteria:

72 a. The individual has drawn his or her retirement  
73 benefit for 12 consecutive months.

74 b. The individual commits to working for that employer  
75 for three consecutive years.

76 c. The individual pays an amount equal to a specified  
77 percentage of the individual's earnable compensation to  
78 support the administrative expenses of the retirement system.  
79 The percentage rate shall be fixed by the Board of Control and  
80 may not be recouped to the individual.

81 (2) An individual employed pursuant to this section may  
82 not participate in or accrue additional benefits under the  
83 Employees' Retirement System or the Teachers' Retirement  
84 System for that service.



## HB470 INTRODUCED

85           (c) Any individual serving as an elected official who  
86 has retired from the Employees' Retirement System may serve  
87 for his or her full compensation in an elected public office  
88 with the state, a county, or an incorporated municipality  
89 without suspension of retirement benefits~~+~~; provided~~+~~ that  
90 under no circumstances shall such an individual participate in  
91 or accrue additional benefits under the Teachers' Retirement  
92 System or the Employees' Retirement System for that service,  
93 and provided that under no circumstances shall an individual  
94 whose retirement is based upon service as an elected official  
95 continue in or return to the office and receive both pension  
96 benefits and salary. Any provision of this subsection to the  
97 contrary notwithstanding, a retiree serving as a local elected  
98 superintendent of education shall not receive both pension  
99 benefits and salary unless his or her compensation as a local  
100 elected superintendent of education does not exceed the annual  
101 earning limits provided in subsection (a).

102           (d)~~(e)~~ The responsibility for compliance with this  
103 section is placed upon the employing authority, and each  
104 retiree performing duties under this section shall certify to  
105 the employer any information required in order to carry out  
106 this section. The retiree shall provide written notice of the  
107 postretirement employment under this section to the Employees'  
108 Retirement System and employing authority within 30 days after  
109 the date the retiree knows or should know that he or she will  
110 be performing duties on a full-time or permanent basis or will  
111 earn an amount in excess of the annual earning limit under  
112 this section.



## HB470 INTRODUCED

113           (e) ~~(d)~~ (1) Any individual who is retired under the  
114 Employees' Retirement System or the Teachers' Retirement  
115 System, has the applicable Alabama Peace Officers' Standards  
116 and Training certification, and was classified as either a law  
117 enforcement officer, as defined in Section 36-27-59, or a  
118 state policeman, as defined in Section 36-27-1, prior to  
119 retirement, may perform duties as a school resource officer,  
120 as defined in Section 16-1-44.1, a correctional officer with  
121 the Department of Corrections, or a police officer at any  
122 state college or university pursuant to Section 16-22-1  
123 without suspension of his or her retirement allowance,  
124 provided that the compensation earned does not exceed  
125 fifty-two thousand dollars (\$52,000) per year.

126           (2) Any individual who is retired under the Employees'  
127 Retirement System, has the applicable Alabama Peace Officers'  
128 Standards and Training certification, and meets any of the  
129 following criteria may perform duties as a correctional  
130 officer with the Department of Corrections without suspension  
131 of his or her retirement allowance, provided that the  
132 compensation earned does not exceed fifty-two thousand dollars  
133 (\$52,000) per year:

134           a. Was classified as a law enforcement officer, as  
135 defined in Section 36-27-59, prior to retirement.

136           b. Was classified as a state policeman, as defined in  
137 Section 36-27-1, prior to retirement.

138           c. Was classified as a correctional officer, as defined  
139 in Section 36-27-59, prior to retirement, and retired pursuant  
140 to Section 36-27-16(a)(1)c.



## HB470 INTRODUCED

141           (3) Any individual who is retired under the Employees'  
142 Retirement System, who has both the applicable Alabama  
143 Firefighters' Personnel Standards and Education Commission  
144 certification and the applicable State Board of Health  
145 certification as a firefighter and an emergency medical  
146 services personnel, as defined in Section 36-27-59, prior to  
147 retirement, may perform duties as a firemedic without  
148 suspension of his or her retirement allowance provided that  
149 the compensation earned does not exceed fifty-two thousand  
150 dollars (\$52,000) per year, commensurate with the work  
151 actually performed.

152           (4) This subsection shall have retroactive application  
153 to January 1, 2023, and no individual may be employed pursuant  
154 to this subsection after December 31, 2030."

155           Section 2. This act shall become effective on October  
156 1, 2026.