

1 SJR150
2 113231-3
3 By Senators Bedford, Holley, Barron, Butler, Orr, Beason,
4 Benefield, Bishop, Brooks, Coleman, Denton, Dixon, Erwin,
5 Figures, French, Glover, Little (T), Little (Z), Marsh, Means,
6 Mitchell, Mitchem, Penn, Pittman, Poole, Preuitt, Ross,
7 Sanders, Singleton, Smith, Smitherman, and Waggoner
8 RFD:
9 First Read: 14-MAY-09

1 SJR150

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4 ENROLLED, SJR150,

5 CALLING ON RETIREMENT SYSTEMS OF ALABAMA TO CONDUCT
6 AN ACTUARIAL STUDY OF THE PACT PROGRAM AND MAKE
7 RECOMMENDATIONS TO THE GOVERNOR AND INDIVIDUAL MEMBERS OF THE
8 LEGISLATURE.

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10 WHEREAS, the Alabama Prepaid Affordable College
11 Tuition (PACT) Program was created to assist individuals in
12 paying the costs and expenses of and to encourage more
13 students to attend institutions of higher education; and

14 WHEREAS, throughout the many years of successful
15 operation of the PACT Program, the public has invested in the
16 program to provide a college education and hopefully a
17 brighter future for their children, grandchildren and loved
18 ones; and

19 WHEREAS, the funds invested in the PACT Program have
20 been impacted by the recent economic crisis and concerns about
21 the solvency of the program, the ability of the PACT Board to
22 honor PACT contracts, and increasing tuition costs, have
23 intensified; and

24 WHEREAS, the approximately 48,000 program
25 participants who are currently enrolled in college or

1 preparing to attend college should receive the benefits that
2 are specified and implied in the contracts written and issued
3 by the PACT Board; and

4 WHEREAS, the PACT Program contracts maturing within
5 the next three to four years are reported to be secure;
6 however, there should be a thorough review of the financial
7 issues facing the PACT Program and to note any evidence of the
8 failure of the proper administration of the program, including
9 the short-term and long-term finances of the program; and

10 WHEREAS, although neither the Governor nor the
11 Legislature administered the PACT Program, both are determined
12 to preserve the fund that allows many in this state to attend
13 college; now therefore,

14 BE IT RESOLVED BY THE LEGISLATURE OF ALABAMA, BOTH
15 HOUSES THEREOF CONCURRING AND WITH THE GOVERNOR'S SIGNATURE
16 HEREIN AFFIXED, That we call on the Retirement Systems of
17 Alabama to conduct a thorough actuarial study of the financial
18 issues of the PACT Program. We hereby request its findings and
19 recommendations to be provided to the Governor and to each
20 member of the Legislature. We urge that this study begin
21 immediately following the enactment of this resolution at a
22 time, date, and place as directed by the Chief Executive
23 Officer of the Retirement Systems, who shall serve as the
24 director of the study. The Retirement Systems shall not be
25 limited in scope or access to information issues affecting the

1 PACT Plan including, but not limited to, any existing
2 legislative proposals for addressing its findings. The State
3 Treasurer is requested to provide to the Retirement Systems of
4 Alabama all the assistance, both technical and clerical,
5 needed for this actuarial study. The Legislature and the
6 Governor, with a sense of urgency, calls upon the Retirement
7 Systems of Alabama to report its findings, conclusions, and
8 recommendations in writing to the Governor and individual
9 members of the Legislature as soon as possible. Any incurred
10 costs shall be paid out of any funds appropriated to the use
11 of the Legislature by means of warrants drawn by the state
12 Comptroller on the State Treasury.

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President and Presiding Officer of the Senate

Speaker of the House of Representatives

SJR150
Senate 14-MAY-09
I hereby certify that the within Senate Joint Resolution
originated in and was adopted by the Senate.

McDowell Lee
Secretary

House of Representatives
Adopted: 15-MAY-09

By: Senator Bedford