ACT No. 2015 - 410

HB562

168271-4

By Representative Johnson (R)

RFD: Ways and Means Education

First Read: 28-APR-15

JUN - 4 2015
RECEIVED
GOVERNOR'S OFFICE

ENROLLED, An Act,

To amend Sections 16-25-26 and 36-27-8.2 of the Code of Alabama 1975, as amended by Act 2014-297, 2014 Regular Session, to increase the compensation that a retiree receiving an Employees' Retirement System or Teachers' Retirement System allowance may earn for performing duties with an employer participating in the system.

BE IT ENACTED BY THE LEGISLATURE OF ALABAMA:

Section 1. Sections 16-25-26 and 36-27-8.2 of the Code of Alabama 1975, as amended by Act 2014-297, 2014 Regular Session, are amended to read as follows:

"§16-25-26.

"(a) Any person who is retired under the Teachers' 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 (1) the person is not employed in a permanent full-time capacity and (2) the person's compensation from the employer in calendar year ~~2000~~ 2016 and does not exceed ~~seventeen~~ thirty thousand dollars ~~($17,000)~~ ($30,000) ~~including all cost of living adjustments, but specifically excluding mileage and per diem reimbursement payments made for official duties of the person~~. Beginning in

calendar year ~~2001~~ 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 amount in excess of the one thousand dollar ($1,000) multiple considered in determining the increase for the following year. Each adjustment shall be based on the increase in the index for the preceding 12-month period ending on September 30 and the increase shall be effective for the following calendar year.

"(b) Any person serving as an elected official who has retired from the Teachers' Retirement System may serve for compensation in an elected public office with the state, a county, or an incorporated municipality without suspension of retirement benefits; provided that under no circumstances shall such a person participate in or accrue additional benefits under the Teachers' Retirement System or the Employees' Retirement System, and provided that under no circumstances shall a person whose retirement is based upon service as an elected official continue in or return to such office and receive both pension benefits and salary; provided further, that this subsection shall apply to elected officials whose participation in the Teachers' Retirement System or the Employees' Retirement System is constitutionally required to

be upon the same terms and conditions as specified by law for other employees in the retirement system if such elected official's compensation does not exceed the annual earning limits provided in subsection (a).

"(c) The responsibility for compliance with this section is placed upon the employing authority, and each retiree performing duties under this section shall certify to the employer any information required in order to carry out this section. The retiree shall provide written notice of the postretirement employment under this section to the Teachers' Retirement System and employing authority within 30 days after the date the retiree knows or should know that he or she will be performing duties on a full-time or permanent basis or will earn an amount in excess of the annual earning limit under this section.

"§36-27-8.2.

"(a) Any person 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 (1) the person is not employed in a permanent full-time capacity and (2) the person's compensation from the employer in calendar year ~~2000~~ 2016 and does not exceed ~~seventeen~~ thirty thousand dollars

~~($17,000)~~ ($30,000) ~~including all cost of living adjustments, but specifically excluding mileage and per diem reimbursement payments made for official duties of the person~~. Beginning in calendar year ~~2001~~ 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 amount in excess of the one thousand dollar ($1,000) multiple considered in determining the increase for the following year. Each adjustment shall be based on the increase in the index for the preceding 12-month period ending on September 30 and the increase shall be effective for the following calendar year.

"(b) Any person serving as an elected official who has retired from the Employees' Retirement System may serve for compensation in an elected public office with the state, a county, or an incorporated municipality without suspension of retirement benefits; provided that under no circumstances shall such a person participate in or accrue additional benefits under the Teachers' Retirement System or the Employees' Retirement System, and provided that under no circumstances shall a person whose retirement is based upon service as an elected official continue in or return to such office and receive both pension benefits and salary; provided

1 further, that this subsection shall apply to elected officials
2 whose participation in the Teachers' Retirement System or the
3 Employees' Retirement System is constitutionally required to
4 be upon the same terms and conditions as specified by law for
5 other employees in the retirement system if such elected
6 official's compensation does not exceed the annual earning
7 limits provided in subsection (a).
8 "(c) The responsibility for compliance with the
9 provision of this section is placed upon the employing
10 authority, and each retiree performing duties under this
11 section shall certify to the employer any information required
12 in order to carry out this section. The retiree shall provide
13 written notice of the postretirement employment under this
14 section to the Employees' Retirement System and employing
15 authority within 30 days after the date the retiree knows or
16 should know that he or she will be performing duties on a
17 full-time or permanent basis or will earn an amount in excess
18 of the annual earning limit under this section."
19 Section 2. This act shall become effective on the
20 first day of the third month following its passage and
21 approval by the Governor, or its otherwise becoming law.

Speaker of the House of Representatives

Kay Ivey

President and Presiding Officer of the Senate

House of Representatives

I hereby certify that the within Act originated in and was passed by the House 19-MAY-15, as amended.

Jeff Woodard
Clerk

Senate 04-JUN-15 Passed

APPROVED 6-9-2015

TIME 5:00 pm

Robert Bentley
GOVERNOR

Alabama Secretary Of State

Act Num....: 2015-410
Bill Num...: H-562

Recv'd 06/10/15 03:50pmSLF

NSOR

SPONSORS

HOUSE ACTION

I HEREBY CERTIFY THAT THE RESOLUTION AS REQUIRED IN SECTION C OF ACT NO. 81-889 WAS ADOPTED AND IS ATTACHED TO THE BILL, H.B. 562

YEAS 97 NAYS 0

JEFF WOODARD, Clerk

I HEREBY CERTIFY THAT THE NOTICE & PROOF IS ATTACHED TO THE BILL, H.B. _____ AS REQUIRED IN THE GENERAL ACTS OF ALABAMA, 1975 ACT NO. 919.

JEFF WOODARD, Clerk

CONFERENCE COMMITTEE

House Conferees _____

_____

_____

SENATE ACTION

DATE: 5-21	20 15
RD 1 RFD F&TE	

This Bill was referred to the Standing Committee of the Senate on F&TE and was acted upon by such Committee in session and is by order of the Committee returned therefrom with a favorable report w/amend(s) ____ w/sub ____ by a vote of yeas 12 nays 0 abstain ____ this 3rd day of June 2015

_____, Chairperson

DATE: 6-3	20 15
RF FAV	RD 2 CAL

DATE:	20__
RE-REFERRED ☐	RE-COMMITTED ☐
Committee _____	

I hereby certify that the Resolution as required in Section C of Act No. 81-889 was adopted and is attached to the Bill, HB _____

YEAS _____ NAYS _____

PATRICK HARRIS, Secretary

FURTHER SENATE ACTION (OVER)