ACT #2022 - 348

- 1 HB346
- 2 217404-2
- 3 By Representative Ellis
- 4 RFD: County and Municipal Government
- 5 First Read: 15-FEB-22



ENROLLED, An Act,

Relating to the Employees' Retirement System of Alabama; to amend Section 36-27-6.5, Code of Alabama 1975, to remove the date limitation on a participating local employer for electing to provide to its Tier II plan members the same retirement benefits as provided to Tier I plan members.

BE IT ENACTED BY THE LEGISLATURE OF ALABAMA:

Section 1. Section 36-27-6.5 of the Code of Alabama 1975, is amended to read as follows;

11 "\$36-27-6.5.

"(a) Any employer participating in the Employees'
Retirement System of Alabama pursuant to Section 36-27-6, may, by adoption of a resolution by May 8, 2021, may elect to provide to its Tier II plan members the same retirement benefits provided to Tier I plan members. Provided, however, the Employees' Retirement System Board of Control, based on a staff review of the historical compliance with ERS requirements as well as the financial stability of the local government entity, may elect to deny the election authorized herein in this section. The local entity may petition the Board of Control for a reconsideration of its action by May 8, 2021. The election shall be irrevocable and shall be effective at the beginning of the fiscal year following the date the resolution is received by the ERS.

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"(b) Any employer that has not increased the Tier I member contribution rates as provided in Act 2011-676 shall develop a plan to gradually increase the member contribution rates as provided herein in this section. The plan shall be submitted to the Employees' Retirement System before electing to provide Tier II plan members the same retirement benefits as Tier I plan members. Beginning in the month the election to provide Tier II plan members the same retirement benefits provided to Tier I plan members becomes effective, Tier II plan members shall contribute to the Employees' Retirement System seven and one-half percent of their earnable compensation and Tier II plan members who are firefighters, law enforcement officers, or correctional officers, as defined in Section 36-27-59(a), shall contribute to the Employees' Retirement System eight and one-half percent of their earnable compensation.

"(c) Anything in this article to the contrary notwithstanding, in the application of the provisions of Sections 36-27-16 and 16-25-14 to a member whose creditable service includes periods of service to different Tier plans, the benefit rates of each respective Tier plan will be applicable to the creditable service earned while in each respective Tier plan. In all other respects, the pension under this subsection shall be determined on the basis of the

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1	member's	Tier	plan	at	the	time	of	his	or	her	withdrawal	from
2	service.	1										
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- 3 Section 2. This act shall become effective
- 4 immediately following its passage and approval by the
- 5 Governor, or its otherwise becoming law.

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3	_	Mac Matchen	
4		Speaker of the House of Representatives	
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6		President and Presiding Officer of the Senate	j
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7		House of Representatives	
8 9 10	I and was pass	hereby certify that the within Act originated sed by the House 01-MAR-22.	lin
10 11		Jeff Woodard	
11 12 13		Clerk	
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15			
16	Senate	06-APR-22	Passed
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TIME 2:00 pm

Alabama Secretary Of State

Act Num...: 2022-348 Bill Num...: H-346

RECONSIDERED YEAS N. FURTHER SENATE ACTION (OVE.)	FURTHER HOUSE ACTION (OVER)	52	26 27
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PATRICK HARRIS Secretar	DATE: 20 RE-REFERRED RE-COMMITTED	43	17
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- Johnson W. Holling	Cornem	35	9
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and was acted upon by such Committ	REPORT OF STANDING COMMITTEE This bill having been referred by the	30	>
the Senate on		29	ω I
This Bill was referred to the Standing Commi		28	2
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