

1 HB515
2 218978-1
3 By Representative Garrett
4 RFD: Ways and Means Education
5 First Read: 17-MAR-22

SYNOPSIS: This bill would provide, upon retirement and with at least 30 years of creditable service, an annual cost-of-living adjustment for any Tier II participating member of the Teachers' Retirement System or the Employees' Retirement System whose initial participation begins on or after October 1, 2022.

A BILL
TO BE ENTITLED
AN ACT

Relating to the Retirement Systems of Alabama; to provide, upon retirement and with at least 30 years of creditable service, an annual cost-of-living adjustment for any Tier II participating member of the Teachers' Retirement System or the Employees' Retirement System whose initial participation begins on or after October 1, 2022.

BE IT ENACTED BY THE LEGISLATURE OF ALABAMA:

1 Section 1. (a) Each Tier II plan member who first
2 begins eligible employment with a Teachers' Retirement System
3 or an Employees' Retirement System participating employer on
4 or after October 1, 2022, upon retirement shall be provided an
5 annual automatic cost-of-living adjustment, in the amount of
6 one percent of the gross benefit, only if the member has
7 completed at least 30 years of creditable service.

8 (b) Any future survivor allowance shall be adjusted
9 as provided in the member's original option selection for
10 those eligible retirees who have selected a monthly survivor
11 allowance payable to a designated beneficiary upon the death
12 of the retiree.

13 (c) Any individual who receives benefits under the
14 Medicaid program and whose eligibility for the benefits would
15 be impaired by the cost-of-living increase provided by this
16 section may not receive the increase. Any individual who
17 subsequently applies for benefits under the Medicaid program
18 and who would have his or her eligibility to receive benefits
19 impaired by the cost-of-living increase provided by this
20 section, may not receive the increase after the date that the
21 member files application for benefits under the Medicaid
22 program.

23 Section 2. This act shall become effective
24 immediately following its passage and approval by the
25 Governor, or its otherwise becoming law.