

1 SB147  
2 196690-1  
3 By Senators Waggoner, Livingston, Elliott, Ward and Chambliss  
4 RFD: Fiscal Responsibility and Economic Development  
5 First Read: 20-MAR-19

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8 SYNOPSIS: Under existing law, a local governing body  
9 or local public organization can elect to have its  
10 officers and employees participate in the  
11 Employees' Retirement System.

12 This bill would provide that a local  
13 employer participating in the Employees' Retirement  
14 System could elect to provide the same retirement  
15 benefits given to Tier I plan members to its Tier  
16 II plan members.

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18 A BILL  
19 TO BE ENTITLED  
20 AN ACT

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22 To add Section 36-27-6.5 to the Code of Alabama  
23 1975, relating to retirement for members of the Employees'  
24 Retirement System; to provide that a local employer  
25 participating in the ERS could elect to provide the same  
26 retirement benefits given to Tier I plan members to its Tier  
27 II plan members.

1 BE IT ENACTED BY THE LEGISLATURE OF ALABAMA:

2 Section 1. Section 36-27-6.5 is added to the Code of  
3 Alabama 1975, to read as follows:

4 §36-27-6.5.

5 (a) Any employer participating in the Employees'  
6 Retirement System of Alabama pursuant to Section 36-27-6, may,  
7 by adoption of a resolution within 24 months of the effective  
8 date of the act adding this section, elect to provide to its  
9 Tier II plan members the same retirement benefits provided to  
10 Tier I plan members. Such election shall be irrevocable and  
11 shall be effective at the beginning of the fiscal year  
12 following the date the resolution is received by the ERS.

13 (b) Beginning in the month the election becomes  
14 effective, Tier II plan members shall contribute to the  
15 Employees' Retirement System seven and one-half percent of  
16 their earnable compensation and Tier II plan members who are  
17 firefighters, law enforcement officers, or correctional  
18 officers, as defined in Section 36-27-59(a), shall contribute  
19 to the Employees' Retirement System eight and one-half percent  
20 of their earnable compensation.

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