

1 SB30  
2 215988-1  
3 By Senator Singleton  
4 RFD: Finance and Taxation Education  
5 First Read: 11-JAN-22  
6 PFD: 01/06/2022

SYNOPSIS: Under existing law, there is no provision for retirees and beneficiaries receiving monthly benefits from the Teachers' Retirement System to receive a funded longevity bonus in addition to their retirement allowances.

This bill would provide a longevity bonus payment to certain retirees and beneficiaries under the Teachers' Retirement System.

A BILL  
TO BE ENTITLED  
AN ACT

To provide for a funded one-time longevity bonus payment in addition to the retirement benefits of certain retirees and beneficiaries of the Teachers' Retirement System.

BE IT ENACTED BY THE LEGISLATURE OF ALABAMA:

Section 1. (a) There is provided for fiscal year 2021-2022 a funded one-time lump-sum payment, hereinafter referred to as longevity bonus, to each individual whose

1 effective date of retirement for purposes of receiving  
2 benefits from the Teachers' Retirement System is prior to  
3 March 1, 2022, and who is receiving, or is entitled to  
4 receive, a monthly allowance from the Teachers' Retirement  
5 System on March 30, 2022.

6 (b) The formula for calculating the longevity bonus  
7 payment shall be two dollars (\$2) per month for each year of  
8 service attained by the retiree or three hundred dollars  
9 (\$300), whichever is greater.

10 (c) Beneficiaries of deceased members or deceased  
11 retirees, if the beneficiary is receiving or is entitled to  
12 receive a monthly allowance from the Teachers' Retirement  
13 System on March 30, 2022, shall receive a bonus payment of  
14 three hundred dollars (\$300).

15 (d) For purposes of this section, service includes  
16 the service under Section 16-25-1 and Article 9, commencing  
17 with Section 16-25-150, Chapter 25, Title 16, Code of Alabama  
18 1975.

19 (e) Any individual who received benefits under the  
20 Medicaid program, and whose eligibility for Medicaid benefits  
21 would be impaired by the bonus payment provided by this  
22 section, shall not be entitled to receive the aforementioned  
23 increase. Any individual who subsequently applies for benefits  
24 under the Medicaid program, and that individual's eligibility  
25 to receive benefits is impaired by the longevity bonus  
26 provided by this section, shall not be entitled to receive the

1 increase subsequent to the date that the member files  
2 application for benefits under the Medicaid program.

3 (f) The longevity bonuses provided under this  
4 section shall be paid to all eligible recipients by the  
5 Teachers' Retirement System in April 2022.

6 Section 2. The Board of Control of the Teachers'  
7 Retirement System shall determine the amount required to pay  
8 the cost of the longevity bonus payments provided under this  
9 act and shall notify the chief fiscal officer of each employer  
10 of the increases in the employer rate required to be paid to  
11 the system for the fiscal year beginning October 1, 2023,  
12 only. Each employer shall pay the increase in the employer  
13 rate in the same manner and from the same funds as salaries of  
14 active members are paid.

15 Section 3. This act shall become effective  
16 immediately following its passage and approval by the  
17 Governor, or its otherwise becoming law.