

1 HB510
2 209225-2
3 By Representative Treadaway (N & P)
4 RFD: Jefferson County Legislation
5 First Read: 09-MAR-21

1
2 ENROLLED, An Act,

3 Relating to the Birmingham retirement and relief
4 system for officers and employees of the city; to amend
5 Sections 45-37A-51.190, 45-37A-51.192, 45-37A-51.196,
6 45-37A-51.220, 45-37A-51.221, 45-37A-51.222, 45-37A-51.225,
7 45-37A-51.228, 45-37A-51.232, 45-37A-51.244, 45-37A-51.302,
8 45-37A-51.305, 45-37A-51.306, 45-37A-51.307, and
9 45-37A-51.308, Code of Alabama 1975; to revise, effective on
10 and after July 1, 2021, the contribution rate of participants
11 to the pension system to 7.5 percent; to revise, effective on
12 and after July 1, 2021, the contribution rate of the city and
13 participating constructive subsidiaries to the pension system
14 to an amount to be determined by the actuary at the level
15 necessary to fully fund the system and to amortize the
16 unfunded accrued liability of the system over a closed period
17 not to exceed 30 years; to revise the eligibility for a normal
18 retirement benefit for participants who first become
19 participants on or after July 1, 2021, excluding fire and
20 police employees, and to provide for those participants to
21 either attain age 62 or older and to complete 10 or more years
22 of credited service, or to attain age 55 or older and to
23 complete 30 or more years of credited service; to revise the
24 normal retirement benefit for participants who first become
25 participants on or after July 1, 2021, excluding fire and

1 police employees, from 2.25 percent to 1.75 percent of the
2 participant's final average salary multiplied by years of
3 credited service; to revise the maximum normal retirement
4 benefit for participants who first become participants on or
5 after July 1, 2021, excluding fire and police employees, to a
6 maximum benefit of 52.5 percent of final average salary
7 consistent with changes to the normal retirement benefit
8 formula for those participants; to revise the ordinary
9 disability allowance for all participants who incur a
10 disability on or after July 1, 2021, excluding fire and police
11 employees, from 2 percent to 1.75 percent of those
12 participants' final average salary multiplied by years of
13 credited service; to revise the spousal survivor's benefits
14 for legally married participants who first become participants
15 on or after July 1, 2021, to remove the subsidized survivor's
16 benefit, and to provide those participants the option to elect
17 payment of an actuarially reduced retirement benefit to
18 provide a survivor's benefit; to revise the spousal survivor's
19 benefit available to legally married participants retiring
20 under the firefighters' and police officers' supplemental
21 pension system who first become participants on or after July
22 1, 2021, to remove the subsidized spousal survivor's benefit,
23 and to provide those participants the option to elect payment
24 of an actuarially reduced retirement benefit to provide a
25 spousal survivor's benefit; and to revise the early retirement

1 benefit for participants who first become participants on or
2 after July 1, 2021, from 1.85 percent to 1.45 percent of those
3 participants' final average salary multiplied by years of
4 credited service.

5 BE IT ENACTED BY THE LEGISLATURE OF ALABAMA:

6 Section 1. Sections 45-37A-51.190, 45-37A-51.192,
7 45-37A-51.196, 45-37A-51.220, 45-37A-51.221, 45-37A-51.222,
8 45-37A-51.225, 45-37A-51.228, 45-37A-51.232, 45-37A-51.244,
9 45-37A-51.302, 45-37A-51.305, 45-37A-51.306, 45-37A-51.307,
10 and 45-37A-51.308 of the Code of Alabama 1975, are amended to
11 read as follows:

12 "§45-37A-51.190.

13 "~~Each~~ (1) Effective on and after April 12, 2006,
14 through June 30, 2021, each participant shall contribute to
15 the cost of the system, and the city shall deduct from the
16 participant's pay, an amount equal to not less than six
17 percent nor more than seven percent of actual monthly salary.

18 "(2) Regardless of the initial participation date or
19 hire date of any participant, and notwithstanding subdivision
20 (1), effective on and after July 1, 2021, each participant
21 shall contribute to the cost of the system, and the city shall
22 deduct from the pay of each participant, an amount equal to
23 seven and one-half percent of actual monthly salary.

24 "(b) Should the city through error, inadvertence, or
25 otherwise, neglect to make proper deduction for the fund from

1 the salary of any employee member for any payroll period, the
2 employee member shall be liable to the fund for the amount or
3 amounts that should have been deducted and shall pay that
4 amount to the custodian on demand.

5 "(c) Notwithstanding this section, participants who
6 are employees of the Jefferson County Department of Health
7 shall contribute six percent to seven percent of actual pay to
8 the fund.

9 "§45-37A-51.192.

10 "(a) The city shall pick up employer payment of
11 required participants' contributions in lieu of salary or
12 wages through a program and plan amendments relating to the
13 city's employees meeting the requirements of the United States
14 Internal Revenue Code, as amended.

15 "(b) (1) Beginning July 1, 1995, the contribution of
16 the employer, excluding the board of health and employees of
17 the board of health, shall be determined by the actuary of the
18 board at the level necessary to fully fund the system. The
19 actuary shall be required to make the determination for each
20 actuarial year.

21 "(2) Beginning on July 1, 2017, the employer's total
22 minimum rate of contribution into the fund, excluding the
23 board of health, shall increase to 7.25 percent.

1 "(3) Beginning on July 1, 2018, the employer's total
2 minimum rate of contribution into the fund, excluding the
3 board of health, shall increase to 8.50 percent.

4 "(4) Beginning on July 1, 2020, the employer's total
5 minimum rate of contribution into the fund, excluding the
6 board of health, shall increase to nine percent.

7 "(5) Notwithstanding anything to the contrary
8 contained in this subpart, beginning July 1, 2021, the
9 employer, including all participating constructive
10 subsidiaries, except the board of health, shall make a
11 contribution into the fund in an amount to be determined by
12 the actuary of the board each fiscal year at the level
13 necessary to do both of the following:

14 "a. Fully fund the system based on his or her
15 determination of the annual cost each fiscal year of the
16 current pension benefits provided by the system.

17 "b. Amortize the unfunded accrued liability of the
18 system over a closed period not to exceed 30 years, with the
19 period commencing on July 1, 2021.

20 "~~(5)~~ (6) Notwithstanding anything to the contrary in
21 this subsection, the employer may increase its total rate of
22 contribution above the minimum amounts previously listed in
23 this subsection.

24 "(c) At the same time the deductions attributable to
25 participants' contributions are paid into the fund, the city

1 shall pay into the fund the amount of contributions the city
2 is required to pay pursuant to this section.

3 "§45-37A-51.196.

4 "In the event of the retirement of a police officer
5 or a firefighter from a supplemental pension system, as
6 established by Subpart 1, with 20 or more but less than 30
7 years of credited service under the system, this system shall
8 receive from the supplemental pension system ~~the~~ each member's
9 monthly contribution payments required to be paid from the
10 supplemental pension system to this system from the police
11 officer or firefighter's retirement date thereunder until the
12 date he or she would have been entitled to retire under this
13 system with 30 years of credited service had such police
14 officer or firefighter continued to serve without retiring and
15 without interruption as a participant in this system. The city
16 shall then ~~match~~ pay the employer's required contributions
17 pursuant to Section 45-37A-51.192 from its general fund or
18 other appropriate funds ~~making the matching contributions~~ to
19 the fund within 30 days from the date of receipt of ~~those~~
20 ~~funds which are to be matched~~ the member's monthly
21 contribution payments from the supplemental pension system.

22 "§45-37A-51.220.

23 "(a) A participant having attained age 60 or older
24 and having completed five or more years of credited service,
25 or having completed 30 or more years of credited service

1 without regard to age, shall be entitled upon his or her
2 voluntary retirement to a monthly retirement benefit equal to
3 one of the following:

4 "(1) With respect to a retiree who first became a
5 participant on or before the first day of July after nine
6 years after date of establishment, forty percent of his or her
7 final average salary, plus one and three thousand three
8 hundred thirty-four thousandths percent (1.3334%) of his or
9 her final average salary multiplied by his or her years of
10 credited service in excess of 15 years.

11 "(2) With respect to a retiree who first becomes a
12 participant subsequent to the first day of July nine years
13 after date of establishment, and becomes entitled to a normal
14 retirement benefit and retires on or before July 1, 1990, two
15 percent of his or her final average salary shall be multiplied
16 by such retiree's years of credited service.

17 "(3) With respect to a retiree who first becomes a
18 participant subsequent to the first day of July nine years
19 after the establishment, and becomes entitled to a normal
20 retirement benefit and retires after July 1, 1990, and on or
21 before June 30, 2001, two and twenty-five hundredths percent
22 (2.25%) of his or her final average salary multiplied by such
23 retiree's years of credited service.

24 "(4) With respect to a retiree who first becomes a
25 participant subsequent to the first day of July nine years

1 after the establishment, and becomes entitled to a normal
2 retirement benefit and retires on or after July 1, 2001, two
3 and fifty one-hundredths percent (2.50%) of his or her final
4 average salary multiplied by such retiree's years of credited
5 service, subject to any future action of the board of
6 managers.

7 "(b) Effective July 1, 2006, the retiree of the
8 board of health who becomes entitled to a normal retirement
9 benefit and retires after that date, two and fifty
10 one-hundredths percent (2.5%) of his or her final average
11 salary multiplied by such retiree's years of credited service
12 shall be the normal retirement benefit of such participant,
13 subject to any future action of the board of managers.

14 "(c) Subject to the provisions of Section
15 45-37A-51.237, the amount of any retirement benefit determined
16 under this section which may have commenced to be paid in
17 accordance with the system shall continue to be paid
18 throughout the life of the retiree.

19 "(d) Notwithstanding anything to the contrary
20 contained in this section, yet subject to subsection (e), all
21 participants who first become participants on or after July 1,
22 2017, and who have attained age 62 or older and have completed
23 10 or more years of credited service, or who have completed 30
24 or more years of credited service without regard to age, and
25 who become entitled to a normal retirement benefit, shall be

1 entitled on his or her voluntary retirement to a monthly
2 retirement benefit equal to 2.25 percent of his or her final
3 average salary multiplied by the retiree's years of credited
4 service subject to the limitation in subsection (b) of Section
5 45-37A-51.221.

6 "(e) Notwithstanding anything to the contrary
7 contained in this section, any participant who first becomes a
8 participant on or after July 1, 2021, other than fire and
9 police employees, and who becomes entitled to a normal
10 retirement benefit, shall be entitled on his or her voluntary
11 retirement to a monthly retirement benefit equal to 1.75
12 percent of his or her final average salary multiplied by his
13 or her years of credited service, subject to the limitation in
14 subsection (b) of Section 45-37A-51.221, if he or she
15 satisfies either of the following:

16 "a. Has attained age 62 or older, regardless of the
17 date of termination of employment, and has completed 10 or
18 more years of credited service, as of the date of termination
19 of employment.

20 "b. Has attained age 55 or older, regardless of the
21 date of termination of employment, and has completed 30 or
22 more years of credited service, as of the date of termination
23 of employment.

24 "§45-37A-51.221.

1 "(a) The minimum retirement benefit payable under
2 Section 45-37A-51.220 shall be four hundred dollars (\$400) per
3 month. The maximum normal retirement benefit payable under
4 Section 45-37A-51.220 shall be 75 percent of final average
5 salary, exclusive of sick leave bonus. Notwithstanding the
6 foregoing and to the extent applicable to governmental plans
7 as defined in § 414(d), Internal Revenue Code, in no event may
8 the normal retirement benefit exceed the annual dollar limits
9 imposed by § 415(b), Internal Revenue Code, excluding
10 contributions under § 414(h)(2), Internal Revenue Code.
11 Further, no post severance compensation shall be included for
12 any benefit hereunder. Post severance compensation means
13 amounts paid by the later of: (1) Two and one-half months
14 after an employee's severance from employment with the
15 employer, or (2) the end of the limitation year that includes
16 the date of severance from employment with the employer; and
17 those amounts would have been included in the definition of
18 compensation if they were paid prior to the employee's
19 severance from employment. However, the payment shall be for
20 (1) unused accrued bona fide sick, vacation, or other leave,
21 but only if the employee would have been able to use the leave
22 if the employee had continued in employment; or (2) received
23 by an employee pursuant to a nonqualified unfunded deferred
24 compensation plan, but only if the payment would have been
25 paid to the employee at the same time if the employee had

1 continued in employment with the employer and only to the
2 extent that the payment is includible in the employee's gross
3 income. Notwithstanding the foregoing, in all events no
4 benefit payments shall exceed limits imposed on governmental
5 plans by applicable law.

6 " (b) (1) Notwithstanding anything to the contrary
7 contained in subsection (a), ~~and~~ yet subject to subsection
8 (c) :

9 "a. All participants who first become participants
10 on or after July 1, 2017, shall be entitled to the minimum
11 retirement benefit payable under Section 45-37A-51.220 in the
12 amount of four hundred dollars (\$400) per month.

13 "b. The maximum normal retirement benefit payable
14 under Section 45-37A-51.220 shall be 67.5 percent of final
15 average salary, exclusive of sick leave bonus.

16 "(2) Notwithstanding the foregoing and to the extent
17 applicable to governmental plans as defined in § 414(d),
18 Internal Revenue Code, in no event shall the normal retirement
19 benefit exceed the annual dollar limits imposed by § 415(b),
20 Internal Revenue Code, excluding contributions under §
21 414(h) (2), Internal Revenue Code. No post severance
22 compensation shall be included for any benefit under this
23 section. Post severance compensation means amounts paid by the
24 later of: (1) Two and one-half months after an employee's
25 severance from employment with the employer, or (2) the end of

1 the limitation year that includes the date of severance from
2 employment with the employer; and those amounts would have
3 been included in the definition of compensation if they were
4 paid prior to the employee's severance from employment.

5 However, the payment shall be for: (1) Unused accrued bona
6 fide sick, vacation, or other leave, but only if the employee
7 would have been able to use the leave if the employee had
8 continued in employment; or (2) received by an employee
9 pursuant to a nonqualified unfunded deferred compensation
10 plan, but only if the payment would have been paid to the
11 employee at the same time if the employee had continued in
12 employment with the employer and only to the extent that the
13 payment is includible in the employee's gross income.

14 Notwithstanding the foregoing, in all events no benefit
15 payments shall exceed limits imposed on governmental plans by
16 applicable law.

17 "(c) (1) Notwithstanding anything to the contrary
18 contained in subsections (a) or (b), all participants who
19 first become participants on or after July 1, 2021, other than
20 fire and police employees, shall be entitled to all of the
21 following:

22 "a. The minimum retirement benefit, payable under
23 Section 45-37A-51.220, in the amount of four hundred dollars
24 (\$400) per month, determined prior to the calculation of any
25 survivor's benefit election.

1 "b. The maximum normal retirement benefit, payable
2 under Section 45-37A-51.220, of 52.5 percent of final average
3 salary, exclusive of sick leave bonus.

4 "(2) Notwithstanding the foregoing and to the extent
5 applicable to governmental plans as defined in § 414(d),
6 Internal Revenue Code, in no event shall the normal retirement
7 benefit exceed the annual dollar limits imposed by § 415(b),
8 Internal Revenue Code, excluding contributions under §
9 414(h) (2), Internal Revenue Code. No post severance
10 compensation shall be included for any benefit under this
11 section. Post severance compensation means amounts paid by the
12 later of: a. Two and one-half months after an employee's
13 severance from employment with the employer, or b. the end of
14 the limitation year that includes the date of severance from
15 employment with the employer; and those amounts would have
16 been included in the definition of compensation if they were
17 paid prior to the employee's severance from employment.
18 However, the payment shall be for: a. Unused accrued bona fide
19 sick, vacation, or other leave, but only if the employee would
20 have been able to use the leave if the employee had continued
21 in employment; or b. received by an employee pursuant to a
22 nonqualified unfunded deferred compensation plan, but only if
23 the payment would have been paid to the employee at the same
24 time if the employee had continued in employment with the
25 employer and only to the extent that the payment is includible

1 in the employee's gross income. Notwithstanding the foregoing,
2 in all events no benefit payments shall exceed limits imposed
3 on governmental plans by applicable law.

4 "§45-37A-51.222.

5 "(a) (1) All participants who are participants before
6 July 1, 2017, shall vest at five years of credited service.

7 "(2) Notwithstanding anything to the contrary
8 contained in this section, all participants who first become
9 participants on or after July 1, 2017, shall vest at 10 years
10 of credited service.

11 "(b) All participants may purchase previous city,
12 county, and city library time by paying the contribution plus
13 interest as provided herein.

14 "(c) Participants of the city and other
15 participating entities, except the board of health, upon
16 termination of the employment after five years of actual
17 service to the city or other employing participating entity,
18 shall have the option to leave in the system fund all
19 contributions made by the terminated employee and receive a
20 monthly retirement benefit beginning at age 60 years in an
21 amount equal to a multiplier in the applicable percentage
22 effective on the date of retirement as set forth in Section
23 45-37A-51.220 of the employee's monthly final average salary
24 multiplied by his or her years of credited service. The
25 benefit shall continue throughout the life of such retiree. A

1 survivor's benefit calculated as described in Section
2 45-37A-51.228, shall be provided to the survivors of the
3 retiree pursuant to this provision if the retired employee has
4 reached age 60 years. In the event that a terminated employee
5 dies prior to receiving a benefit hereunder, or a terminated
6 employee elects at any time to withdraw the contributions from
7 the system fund, then the contributions shall be paid to the
8 employee or his or her designee without interest and the
9 terminated employee and those claiming under him or her, shall
10 have no further rights in the fund. The amount payable,
11 calculated by using the multiplier in the applicable
12 percentage effective on the date of retirement per year of
13 credited service, shall be reduced by being calculated at a
14 lower percentage per year of credited service if for any
15 reason current service retirees receive less percentage per
16 year of credited service.

17 "(d) Notwithstanding anything to the contrary
18 contained in subsection (c), all participants who first become
19 participants on or after July 1, 2017, upon termination of the
20 employment after 10 years of actual service to the city or
21 other employing participating entity, may leave in the system
22 fund all contributions made by the former employee and receive
23 a monthly retirement benefit beginning at age 62 years in an
24 amount equal to a multiplier in the applicable percentage
25 effective on the date of retirement as set forth in Section

1 ~~45-37A-51.220(d)~~ 45-37A-51.220 of the employee's monthly final
2 average salary multiplied by his or her years of credited
3 service. The benefit shall continue throughout the life of the
4 retiree. A survivor's benefit calculated as described in
5 Section 45-37A-51.228, shall be provided to the survivors of
6 the retiree pursuant to this provision if the retired employee
7 has reached age 62 years. In the event that a terminated
8 employee dies prior to receiving a benefit under this section,
9 or a terminated employee elects at any time to withdraw the
10 contributions from the system fund, then the contributions
11 shall be paid to the employee or his or her designee without
12 interest and the terminated employee and those claiming under
13 him or her shall have no further rights in the fund. The
14 amount payable, calculated by using the multiplier in the
15 applicable percentage effective on the date of retirement per
16 year of credited service, shall be reduced by being calculated
17 at a lower percentage per year of credited service if for any
18 reason current service retirees receive less percentage per
19 year of credited service.

20 "(e) That portion of a terminated participant's
21 benefit that is forfeited shall be used only to reduce future
22 costs of the system at such time as it becomes a forfeiture.

23 "§45-37A-51.225.

24 "(a) In the event a participant, after having
25 accrued five or more years of credited service, shall become

1 totally disabled to perform his or her customary duties as an
2 employee of the city and not be entitled to an extraordinary
3 disability allowance, he or she shall in such event be
4 entitled to a monthly ordinary disability allowance equal to
5 two percent of such participant's final average salary
6 multiplied by his or her years of credited service at the date
7 of disability.

8 "(b) Notwithstanding anything to the contrary
9 contained in this section, yet subject to subsections (e) and
10 (f), for all participants who first become participants on or
11 after July 1, 2017, in the event a participant, after having
12 accrued 10 or more years of credited service, becomes totally
13 disabled to perform his or her customary duties as an employee
14 of the city and who is not entitled to an extraordinary
15 disability allowance, he or she shall in that event be
16 entitled to a monthly ordinary disability allowance equal to
17 two percent of the participant's final average salary
18 multiplied by his or her years of credited service at the date
19 of disability.

20 "(c) Benefits payable hereunder shall commence upon
21 the cessation of the disabled participant's drawing a salary
22 from the city and shall continue until such time as the
23 participant is no longer totally disabled to perform his or
24 her customary duties or substantially comparable duties with
25 an employer.

1 "(d) ~~The~~ Except as provided in subsection (g), the
2 maximum ordinary disability allowance payable hereunder shall
3 be two percent of final average salary per credited year of
4 service, not to exceed 60 percent of final average salary.

5 "(e) Anything herein to the contrary
6 notwithstanding, an ordinary disability allowance shall be
7 computed and paid throughout the continuance of such
8 disability as provided and at the rate prescribed by the law
9 in effect at the time of the commencement of such disability.
10 If any disability beneficiary should become separated from the
11 service and withdraw such disability beneficiary's
12 contributions, his or her right to continuance of disability
13 benefits shall immediately cease.

14 "(f) Notwithstanding anything to the contrary
15 contained in this section, for all participants who incur a
16 disability on or after July 1, 2021, other than fire and
17 police employees, in the event the participant, after having
18 accrued 10 or more years of credited service, becomes totally
19 disabled to perform his or her customary duties as an employee
20 of the city and who is not entitled to an extraordinary
21 disability allowance, he or she shall in that event be
22 entitled to a monthly ordinary disability allowance equal to
23 1.75 percent of his or her final average salary multiplied by
24 his or her years of credited service at the date of
25 disability.

1 "(g) Notwithstanding anything to the contrary
2 contained in this section, for all participants who incur a
3 disability on or after July 1, 2021, other than fire and
4 police employees, the maximum ordinary disability allowance
5 payable hereunder shall be 1.75 percent of final average
6 salary per year of credited service, not to exceed 52.5
7 percent of final average salary.

8 "§45-37A-51.228.

9 "(a) Effective July 1, 2002, in the event of the
10 death of a retiree or participant who, on the date of his or
11 her death was eligible for voluntary retirement under Section
12 45-37A-51.220, there may be payable a monthly survivor's
13 benefit equal to 60 percent of the monthly retirement benefit
14 which the retiree was receiving or was entitled to receive
15 prior to his or her death or which the participant would have
16 been entitled to receive had he or she retired under Section
17 45-37A-51.220 on the day preceding his or her death;
18 notwithstanding anything to the contrary, the survivor's
19 benefit may be increased pursuant to Section 45-37A-51.242. In
20 the event any survivor is being paid an amount in excess of 60
21 percent of the retiree's monthly benefit on May 1, 2006, such
22 survivor's benefits shall not be decreased.

23 "(b) (1) Effective July 1, 2002, upon the death of
24 any retiree or participant who at the time of his or her death
25 was not eligible for voluntary retirement under Section

1 45-37A-51.220, but who prior to death had five or more years
2 of creditable time, there may be payable at the option of the
3 survivors and to the exclusion of any other death benefits
4 provided for in this subpart or in any other pension system
5 applicable to the city an optional survivor's benefit
6 according to the schedule of percentages hereinbelow set
7 forth. For the purpose of this subsection, the optional
8 survivor's benefit shall be 60 percent of the applicable
9 percentage of salary of the deceased retiree's or
10 participant's final average salary, figured as of the date of
11 death instead of the date of retirement, multiplied by his or
12 her years of creditable time and multiplied by the percentage
13 rate applicable to the decedent's completed years of credited
14 service as shown in the schedule of percentages as follows:

15 "a. Prior to July 1, 2002, the percentage rate,
16 effective to survivors, applicable to decedent's completed
17 years prior to July 1, 2002, credited service:

18 "Credited service, 10 years = 50 percent; 11 years =
19 60 percent; 12 years = 70 percent; 13 years = 80 percent; 14
20 years = 90 percent; and 15 or more years = 100 percent. The
21 surviving spouse and children of any firefighter or police
22 officer who is a member of the Firemen's and Policemen's
23 Supplemental Pension System applicable to the city and is
24 employed by the city at the time of his or her death shall not
25 be entitled to any benefit under this subsection.

1 "b. The percentage rate, effective to survivors,
2 applicable to decedent's completed years after July 1, 2002,
3 credited service:

4 "Credited service, five years = 50 percent; six
5 years = 60 percent; seven years = 70 percent; eight years = 80
6 percent; nine years = 90 percent; and 10 or more years = 100
7 percent. The surviving spouse and children of any firefighter
8 or police officer who is a member of the Firemen's and
9 Policemen's Supplemental Pension System applicable to the city
10 and is employed by the city at the time of his or her death
11 shall not be entitled to any benefit under this subsection.

12 "c. Notwithstanding anything to the contrary
13 contained in this section, for all participants who first
14 become participants on or after July 1, 2017, upon the death
15 of any retiree or participant who at the time of his or her
16 death was not eligible for voluntary retirement under Section
17 45-37A-51.220, but who prior to death had 10 or more years of
18 creditable time, there may be payable at the option of the
19 survivors and to the exclusion of any other death benefits
20 provided for in this subpart or in any other pension system
21 applicable to the city an optional survivor's benefit
22 according to the schedule of percentages hereinbelow set
23 forth. For the purpose of this subsection, the optional
24 survivor's benefit shall be 60 percent of the applicable
25 percentage of salary of the deceased retiree's or

1 participant's final average salary, figured as of the date of
2 death instead of the date of retirement, multiplied by his or
3 her years of creditable time and multiplied by the percentage
4 rate applicable to the decedent's completed years of credited
5 service as shown in the schedule of percentages as follows:

6 "Notwithstanding anything to the contrary contained
7 in this section, for all participants who first become
8 participants on or after July 1, 2017, the percentage rate,
9 effective to survivors, applicable to those decedents is as
10 follows:

11 "Credited service, 10 years = 50 percent; 11 years =
12 60 percent; 12 years = 70 percent; 13 years = 80 percent; 14
13 years = 90 percent; and 15 or more years = 100 percent. The
14 surviving spouse and children of any firefighter or police
15 officer who is a member of the Firemen's and Policemen's
16 Supplemental Pension System applicable to the city and is
17 employed by the city at the time of his or her death shall not
18 be entitled to any benefit under this subsection.

19 "(2)a. The optional survivor's benefit provided for
20 under subdivision (1) may only accrue and be payable to the
21 benefit of a survivor or survivors from the date on which the
22 deceased retiree or participant would have attained age 60 had
23 he or she lived, or from the date on which such person would
24 have earned 20 years of creditable time had he or she lived
25 and continued in the employment of the city, whichever date

1 comes first. In order to obtain the benefit, a written request
2 therefor shall be submitted by or on the behalf of an eligible
3 survivor to the custodian of the fund within 180 days after
4 date of the death of the retiree or participant. The written
5 request may be made on behalf of surviving minor children as
6 provided in Section 45-37A-51.229. Any eligible survivor
7 failing to submit written request within the required time
8 shall be barred from any right to claim or to receive the
9 optional survivor's benefit. Such failure to submit the
10 written request on behalf of eligible surviving minor or
11 minors by their legal guardian or custodian as provided in
12 Section 45-37A-51.229 shall likewise bar such minor from
13 claiming or receiving the optional survivor's benefit.

14 "b. Notwithstanding anything to the contrary
15 contained in subsection (a), for all participants who first
16 become participants on or after July 1, 2017, the optional
17 survivor's benefit provided for under subdivision (1) may only
18 accrue and be payable to the benefit of a survivor or
19 survivors from the date on which the deceased retiree or
20 participant would have attained age 62 had he or she lived, or
21 from the date on which such person would have earned 20 years
22 of creditable time had he or she lived and continued in the
23 employment of the city, whichever date comes first. In order
24 to obtain the benefit, a written request shall be submitted by
25 or on the behalf of an eligible survivor to the custodian of

1 the fund within 180 days after date of the death of the
2 retiree or participant. The written request may be made on
3 behalf of surviving minor children as provided in Section
4 45-37A-51.229. Any eligible survivor failing to submit a
5 written request within the required time shall be barred from
6 any right to claim or to receive the optional survivor's
7 benefit. The failure to submit the written request on behalf
8 of an eligible surviving minor or minors by their legal
9 guardian or custodian as provided in Section 45-37A-51.229
10 shall likewise bar the minor from claiming or receiving the
11 optional survivor's benefit.

12 "(3)a. Upon the submission of a written request for
13 optional survivor's benefit, as provided in subdivision (2),
14 the contributions of the deceased paid into the fund shall
15 remain therein, any provisions of other sections of this
16 subpart to the contrary notwithstanding, regardless of whether
17 any or all of the deceased's eligible survivors die before
18 receiving any payment of benefits. The surviving spouse may
19 revoke any written request by giving written notice thereof to
20 the custodian at any time prior to a benefit payment being
21 made pursuant to such request and thereby ~~be~~ be the eligible
22 survivor has made such request and a benefit payment has been
23 made pursuant thereto none of the decedent's contributions
24 paid into the fund shall be withdrawn therefrom or paid to any

1 survivor as a return of contributions or for any other
2 purpose.

3 "b. A survivor to whom a benefit payment has been
4 made under this subsection shall not thereafter be entitled to
5 any survivor's benefit or death benefit under any other
6 provisions of this or other pension systems applicable to the
7 city and further, a survivor to whom a survivor's benefit or
8 death benefit payment has been made under any other provisions
9 of this subpart or under any other pension system applicable
10 to the city shall not thereafter be entitled to any benefits
11 under this subsection.

12 "(c) Notwithstanding anything to the contrary
13 contained in this section, for all participants who first
14 become participants on or after July 1, 2021, upon the
15 retirement of any legally married participant, prior to
16 payment of any retirement benefit and in accordance with
17 procedures established by the city, the participant shall
18 elect to either: a. Provide a monthly spousal survivor's
19 benefit upon the participant's death; or b. receive an
20 unreduced monthly retirement benefit.

21 "(1) If a legally married participant elects to
22 provide a spousal survivor's benefit upon the participant's
23 death, then upon the participant's death: a. The monthly
24 spousal survivor's benefit shall be equal to 60 percent of the
25 monthly retirement benefit which the retiree was receiving or

1 was entitled to receive prior to his or her death or which the
2 participant would have been entitled to receive had he or she
3 retired under Section 45-37A-51.220 on the day preceding his
4 or her death; and b. the monthly retirement benefit payable to
5 the participant during his or her life shall be reduced to
6 reflect the spousal survivor's benefit on an actuarially
7 equivalent basis pursuant to certain actuarial factors adopted
8 by the board.

9 "(2) If a legally married participant elects to
10 receive an unreduced monthly retirement benefit, then upon the
11 participant's death, no monthly spousal survivor's benefit
12 will be payable, and the monthly retirement benefit payable to
13 the participant during his or her life will not be reduced to
14 reflect any spousal survivor's benefit. To effect a
15 participant's election to receive an unreduced monthly
16 retirement benefit, the participant's spouse, at the time of
17 the participant's election, shall agree to the participant's
18 election and waive any spousal survivor's benefits in
19 accordance with procedures established by the city.

20 "~~(c)~~(d) Notwithstanding anything contained in this
21 section, for all participants who first become participants
22 prior to July 1, 2021, the minimum survivor's benefit payable
23 to the spouse of the deceased retiree shall be three hundred
24 twenty dollars (\$320) per month under the conditions provided
25 in Section 45-37A-51.229.

1 "§45-37A-51.232.

2 "(a) Effective as of July 1, 2002, in the event a
3 firefighter or police officer retires under the supplemental
4 pension system established by Subpart 1, after having
5 accumulated 20 years of credited service under the system and
6 shall die prior to the date on which the participant would
7 have accumulated 30 years of credited service under this
8 system had he or she not retired but had he or she continued
9 in employment with the city, without interruption, as a
10 firefighter or police officer, the participant's survivor or
11 survivors shall not receive any benefit therefrom. However,
12 should the retired firefighter or police officer die
13 subsequent to the date on which he or she would have
14 accumulated 30 years of credited service hereunder, and should
15 the retiree or participant be survived by a spouse to whom he
16 or she was legally married at the time of the retiree's or
17 participant's death, regardless of whether the marriage
18 occurred before or after the retiree's departure from service,
19 the surviving spouse shall be entitled to receive until such
20 time as the spouse should remarry, a monthly survivor's
21 benefit in the amount equal to 60 percent of the monthly
22 retirement benefit which the retiree was receiving or entitled
23 to receive on the date of his or her death as if the surviving
24 spouse or survivors was entitled to a benefit under Section
25 45-37A-51.228 and Section 45-37A-51.229. If a survivor's

1 benefit ceases because the survivor remarries, in the event
2 the marriage is terminated by annulment, divorce, or death of
3 the survivor's spouse, then on such termination the survivor
4 again shall be eligible to receive the survivor's benefits.

5 "(b) Notwithstanding anything to the contrary
6 contained in this section, for all participants who first
7 become participants on or after July 1, 2021, in the event a
8 legally married firefighter or police officer retires under
9 the supplemental pension system established by Subpart 1,
10 after having accumulated 20 years of credited service under
11 the system, and dies prior to the date on which the
12 participant would have accumulated 30 years of credited
13 service under this system had he or she not retired but had
14 continued in employment with the city, without interruption,
15 as a firefighter or police officer, the participant's spousal
16 survivor shall not receive any benefit therefrom. However,
17 should the retired firefighter or police officer die after the
18 date on which he or she would have accumulated 30 years of
19 credited service hereunder and be survived by a spouse to whom
20 he or she was legally married at the time of the retiree's or
21 participant's death, regardless of whether the marriage
22 occurred before or after the participant's departure from
23 service, a spousal survivor's benefit may be payable pursuant
24 to any of the following:

1 "(1) Upon the retirement of the legally married
2 participant, prior to payment of any retirement benefit and in
3 accordance with procedures established by the city, the
4 participant shall elect to either: a. Provide a spousal
5 survivor's benefit upon the participant's death; or b. receive
6 an unreduced monthly retirement benefit.

7 "(2) If a participant elects to provide a spousal
8 survivor's benefit, then upon the participant's death: a. The
9 monthly spousal survivor's benefit shall be equal to 60
10 percent of the monthly retirement benefit which the retiree
11 was receiving or was entitled to receive prior to his or her
12 death or which the participant would have been entitled to
13 receive had he or she retired on the day preceding his or her
14 death as if the surviving spouse was entitled to a benefit
15 under Section 45-37A-51.228(c) and Section 45-37A-51.229; and
16 b. the monthly retirement benefit payable to the participant
17 during his or her life will be reduced to reflect the spousal
18 survivor's benefit on an actuarially equivalent basis pursuant
19 to certain actuarial factors adopted by the board. The
20 survivor's benefit shall cease if the survivor remarries;
21 provided, however, in the event the survivor remarries and
22 that marriage is terminated by annulment, divorce, or death of
23 the survivor's spouse, then on such termination, the survivor
24 again shall be eligible to receive the survivor's benefit.

1 "(3) If a legally married participant elects to
2 receive an unreduced monthly retirement benefit, then upon the
3 participant's death, no monthly spousal survivor's benefit
4 will be payable, and the monthly retirement benefit payable to
5 the participant during his or her life will not be reduced to
6 reflect any spousal survivor's benefit. To effect a
7 participant's election to receive an unreduced monthly
8 retirement benefit, the participant's spouse, at the time of
9 the participant's election, shall agree to the participant's
10 election and waive any spousal survivor's benefits in
11 accordance with procedures established by the city.

12 "§45-37A-51.244.

13 "(a) Participants in the city and other
14 participating employing entities, except the board of health,
15 having attained age 55 or older and completed 25 or more years
16 of credited service, shall be entitled, upon voluntary
17 retirement, to a monthly retirement benefit equal to 1.85
18 percent of the monthly final average salary of the participant
19 multiplied by the participant's years of credited service.
20 Subject to Section 45-37A-51.237, the amount of any retirement
21 benefit provided pursuant to this section shall continue to
22 accrue throughout the life of the retiree. Survivors of
23 participants retiring shall receive all survivors' benefits
24 available to normal retirees who are eligible for benefits
25 under Section 45-37A-51.220.

1 "(b) Notwithstanding anything to the contrary
2 contained in this section, for all participants who first
3 become participants on or after July 1, 2021, participants in
4 the city and other participating constructive subsidiaries,
5 except the board of health, having attained age 55 or older
6 and completed 25 or more years of credited service, shall be
7 entitled, upon voluntary retirement, to a monthly retirement
8 benefit equal to 1.45 percent of the monthly final average
9 salary of the participant multiplied by the participant's
10 years of credited service. Subject to Section 45-37A-51.237,
11 the amount of any retirement benefit provided pursuant to this
12 section shall continue to accrue throughout the life of the
13 retiree. Survivors of participants retiring shall receive all
14 survivor's benefits available to normal retirees who are
15 eligible for benefits under Section 45-37A-51.220 as provided
16 under Section 45-37A-51.228.

17 "§45-37A-51.302.

18 "(a) For the purpose of the application of the
19 system to the extent herein provided, and for that purpose
20 only, and except as may be otherwise or differently provided
21 herein, the employment by the civic center of employee members
22 shall be deemed constructively employment by the city during
23 all of their time in the service of the civic center after the
24 adoption of this section, with like effect as though the
25 employee members, while working for the civic center, were

1 actually working as employees of the city, subject to this
2 pension system. This section shall not apply unless all of the
3 conditions hereinafter specified are met.

4 "(1) This section shall not apply to any employee
5 member unless within 30 days after he or she leaves the
6 service of the city he or she is employed by the civic center
7 on a salary payable at regular specified intervals; any person
8 employed by the civic center on a part time basis before he or
9 she leaves, or when he or she leaves, the service of the city
10 shall be within the scope of the next foregoing sentence, if
11 he or she continues in the employ of the civic center.

12 "(2) This section shall not apply unless the
13 employee member leaves in the system fund the contributions
14 made by him or her to the fund.

15 "(3) This section shall not apply unless, within the
16 time below stated, the civic center gives written notice to
17 the board of managers that the civic center elects for this
18 section to apply to the employment of the employee member by
19 the civic center. This section shall not apply unless the
20 board of managers receives notice within 45 days of the
21 employee member's leaving the service of the city. The board,
22 in its discretion, may accept and treat as binding notice
23 received after that time, if the board finds that delay in
24 forwarding the notice was justified. After giving notice, it
25 shall be the duty of the civic center to make or cause to be

1 made and paid into the pension fund deductions from the salary
2 of its employee who is the subject of the notice, and to do so
3 in all respects as is provided by the system for the city to
4 make deductions and pay into the fund from salaries of its
5 employees who are employee members, and it shall be the
6 further duty of the civic center to make ~~matching~~
7 ~~contributions~~ the employer's required contributions pursuant
8 to Section 45-37A-51.192 to the fund from its own funds in
9 respect to any employee who is the subject of the notice, in
10 all respects as it is made the duty of the city to make
11 ~~matching contributions~~ the employer's required contributions
12 pursuant to Section 45-37A-51.192 in respect of its employees
13 who are employee members, and it shall be the further duty of
14 the civic center to fully cooperate with the board of
15 managers, the city director of finance, and the custodian in
16 the administration of the system.

17 "(b) After the board of managers receives the
18 certificate from the civic center, the election made by civic
19 center for this section to apply to the employee member named
20 in the certificate shall be irrevocable.

21 "§45-37A-51.305.

22 "After September 1, 1969, it shall be the duty of
23 the civil defense agency, or its successor agency, as an
24 independent agency and not as a subsidiary board or department
25 of the city, to make or cause to be made and paid into the

1 fund deductions from the salaries of all of its employees who
2 are employee members, and to do so in all respects as is
3 provided by the system for the city to make deductions and pay
4 into the fund from salaries of its employees who are employee
5 members, and it shall be the further duty of the civil defense
6 agency, or its successor agency, as such independent agency,
7 to make ~~matching contributions~~ the employer's required
8 contributions pursuant to Section 45-37A-51.192 to the fund
9 from its own funds in respect of its employees who are
10 employee members, in all respects as it is made the duty of
11 the city to make ~~matching contributions~~ the employer's
12 required contributions pursuant to Section 45-37A-51.192 in
13 respect of its employees who are employee members, and it
14 shall be the further duty of the civil defense agency, as such
15 independent agency, to fully cooperate with the board of
16 managers, the city director of finance, and the custodian in
17 the administration of the system, and, thereinabout, to make
18 available to them all such records and information pertaining
19 to employees of the civil defense agency as they or either of
20 them may request for the purpose of administration of the
21 system.

22 "§45-37A-51.306.

23 "(a) Employees of the library board shall be deemed
24 constructive employees of the city during their time of
25 service with the library board, whether past, present, or

1 future. The retrospective and the prospective term of the
2 system shall be retrospectively applied to constructive
3 employees as though the library board was actually a
4 subsidiary department of the city at all times, past, present,
5 or future. The employees of the library board shall be
6 governed accordingly by the retrospective and prospective
7 provisions of the system.

8 "(b) After the first pay period after August 1,
9 1999, it shall be the duty of the library board as an
10 independent agency and not as a subsidiary or department of
11 the city, to do all of the following:

12 "(1) To pay into the fund deductions from the
13 salaries and wages of its employees who are members of the
14 system.

15 "(2) To make ~~matching contributions~~ the employer's
16 required contributions pursuant to Section 45-37A-51.192 to
17 the fund from its own funds in respect to its employees who
18 are members, in all respects as it is made the duty of the
19 city to make ~~matching contributions~~ the employer's required
20 contributions pursuant to Section 45-37A-51.192 in respect to
21 its employees.

22 "(3) To fully cooperate with the board of managers,
23 the finance director of the city, and the custodian in the
24 administration of the system.

1 "(4) To make available to the system all records and
2 information pertaining to employees of the library board as
3 they may request for the purpose of the administration of the
4 system.

5 "§45-37A-51.307.

6 "For the purpose of the application of the terms of
7 the system, and for such purpose only, employees of the
8 Birmingham Airport Authority, or for any other entity having
9 similar jurisdiction over the Birmingham Municipal Airport,
10 shall be deemed constructively employees of the city and the
11 airport authority shall be deemed constructively a department
12 of the city in the same manner and under the same terms as
13 apply to the classified and unclassified employees of the
14 city. The airport authority shall make or cause to be made and
15 paid into the fund, deductions from the salaries of all of its
16 employees who are employee members, and shall make ~~matching~~
17 ~~contributions~~ the employer's required contributions pursuant
18 to Section 45-37A-51.192, all under the same terms as the city
19 employee deduction and ~~matching contributions~~ the employer's
20 required contributions pursuant to Section 45-37A-51.192 are
21 made. The airport authority shall make this information
22 available to the board of managers, the director of finance,
23 and the custodian in the administration of the system. This
24 provision shall not apply until a resolution of the airport
25 authority requesting participation in the system is delivered

1 to and approved by the board of managers. The airport
2 authority may choose to allow its executive director and
3 department heads, or any of them, to decline participation in
4 the system and thereby waive and forfeit all service credit.
5 The airport authority shall determine which of its job
6 classifications are to be considered in the classified service
7 for the purposes of this system.

8 "§45-37A-51.308.

9 "(a) Employees of the Birmingham Emergency
10 Management Agency/District, or for any other entity having
11 similar jurisdiction over the emergency management countywide,
12 shall be deemed constructive employees of the city during such
13 time in the service of the agency, whether past, present, or
14 future. The retrospective and prospective term of the system
15 shall be applied retrospectively to constructive employees as
16 though the district were actually a subsidiary department of
17 the city at all times past, present, or future. For the
18 purpose of the application of the system, constructive
19 employees shall be deemed as employees in the classified
20 service of the city during the period or periods, whether
21 past, present, or future, as the case may be, or may have been
22 subject to the civil service system as that to which employees
23 of the city may be or may have been contemporaneously subject.
24 The employees of the agency shall be governed accordingly by
25 the retrospective and prospective provisions of the system.

1 "(b) It shall be the duty of the emergency
2 management agency/district, as an independent agency and not
3 as a subsidiary or department of the city, to pay into the
4 fund deductions from the salaries and wages of its employees
5 who are members of the system. It shall be the further duty of
6 the district, as an independent agency, to make ~~matching~~
7 ~~contributions~~ the employer's required contributions pursuant
8 to Section 45-37A-51.192 to the fund from its own funds in
9 respect to its employees who are members, in all respects as
10 it is made the duty of the city to make ~~matching contributions~~
11 the employer's required contributions pursuant to Section
12 45-37A-51.192 in respect to its employees who are members of
13 the system. It shall further be the duty of the district, as
14 an independent agency, to fully cooperate with the board of
15 managers, the finance director of the city, and the custodian
16 in the administration of the system, to make available to them
17 all records and information pertaining to employees of the
18 district as they may request for the purpose of the
19 administration of the system."

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

