

1 HB65  
2 164663-3  
3 By Representative Rowe  
4 RFD: Public Safety and Homeland Security  
5 First Read: 03-MAR-15

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ENROLLED, An Act,

To amend Sections 36-21-68 and 36-21-73 of the Code of Alabama 1975, to provide that the membership fees for the Alabama Peace Officers' Annuity and Benefit Fund would be set by the board up to a certain amount based on the recommendation of the actuary of the board; and to clarify that adjustments to benefits are calculated based on the recommendation of the actuary.

BE IT ENACTED BY THE LEGISLATURE OF ALABAMA:

Section 1. Sections 36-21-68 and 36-21-73 of the Code of Alabama 1975, are amended to read as follows:

"§36-21-68.

"Nothing in this article shall be construed as requiring that any member of the fund become a member of the association or the order, or that any member of the association or the order become a member of the fund.

"Each peace officer who becomes a member shall pay to the fund a regular fee ~~of twenty dollars (\$20) per calendar month~~ in an amount of up to forty dollars (\$40) to be determined by the Board of Commissioners based upon the recommendation of the actuary, to be paid on or before the tenth calendar day of each month so long as he or she is a member or until he or she becomes entitled to benefits hereunder. A member who has 30 years of qualified service in

1 the fund and having met all other requirements of the law and  
2 thereby having earned maximum benefits provided will no longer  
3 be required to make monthly contributions for his or her  
4 membership and will retain all of the rights and privileges as  
5 provided any other member.

6 ~~"Six months from the passage of this section, all~~  
7 All applicants for membership must join the fund with the  
8 initial fee ~~of twenty dollars (\$20) and twenty dollars (\$20)~~  
9 per month as determined by the board based on the  
10 recommendation of the actuary and a monthly fee set by the  
11 board in the same manner as long as they maintain their  
12 membership, with no regard given for law enforcement service  
13 prior to the date of application.

14 "If any member shall not pay the monthly fee for 60  
15 days after its due date, the board shall give him or her  
16 notice of termination of his or her membership in the fund and  
17 of his or her right to a refund and unless he or she makes  
18 application for a refund pursuant to Section 36-21-74 within  
19 60 days after the mailing of the notice, all amounts  
20 heretofore paid by him or her to the fund shall be returned to  
21 him or her in accordance with Section 36-21-74. Any member so  
22 terminated who later applies for membership in the fund shall  
23 lose credit for all of his or her qualified service up to the  
24 time of such termination and, upon approval of his or her new  
25 application, will become a new member in the fund.

1           "§36-21-73.

2           "The board shall have appointed and employed an  
3     actuary to make an actuarial valuation every three years or  
4     earlier, if deemed required, of the receipts and income  
5     accruing to the fund based on age, expected mortality,  
6     disability, and retirement status of the members and the  
7     qualified service and membership service of members and to  
8     determine what percentage of the proposed payments, annuities,  
9     and benefits set forth in this article may be paid if the fund  
10    is to be kept on an actuarially sound basis and in an actuarially  
11    solvent condition. Upon receipt of the report of the actuary,  
12    the executive director shall present it to a meeting of the  
13    board which shall have the power and shall be required to make  
14    adjustments of annuities and benefits, up or down, as are  
15    recommended by the actuary. Any increase or reduction in  
16    benefits resulting from any actuarial study or from any  
17    subsequent amendment of this article shall be applicable to  
18    all persons then receiving such benefits, even though such  
19    persons had theretofore received benefits at a different rate.

20           "In no event shall the board, the fund, the  
21    association, the order, or any member, officer, director, or  
22    employee of any thereof or the state or any subdivision  
23    thereof or any municipality therein be liable to any member or  
24    any beneficiary or any representative of any member or any  
25    beneficiary of the fund for any deficiency in payments made

1 pursuant to this article and pursuant to any ~~pro rata~~  
2 ~~reduction of annuities or benefits~~ adjustments of annuities  
3 and benefits, up or down, as are recommended by the actuary."

4 Section 2. This act shall become effective  
5 immediately following its passage and approval by the  
6 Governor, or its otherwise becoming law.

