

**SB12 ENROLLED**



1 SB12  
2 8NUPHHF-3  
3 By Senator Elliott  
4 RFD: County and Municipal Government  
5 First Read: 06-Feb-24  
6 PFD: 04-Jan-24



## SB12 Enrolled

1 Enrolled, An Act,

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4 Relating to the Retirement Systems of Alabama; to amend  
5 Section 16-25-26 and Section 36-27-8.2, as amended by Act  
6 2023-334 and Act 2023-564, Code of Alabama 1975, to remove  
7 certain conditions under which a person who has retired from  
8 the Teachers' Retirement System and the Employees' Retirement  
9 System may serve for his or her full compensation in an  
10 elected public office without suspension of retirement  
11 benefits.

12 BE IT ENACTED BY THE LEGISLATURE OF ALABAMA:

13 Section 1. Section 16-25-26 and Section 36-27-8.2, as  
14 amended by Act 2023-334 and Act 2023-564, of the Code of  
15 Alabama 1975, are amended to read as follows:

16 "§16-25-26

17 (a) Any person who is retired under the Teachers'  
18 Retirement System may perform duties in any capacity,  
19 including as an independent contractor, with any employer  
20 participating in the Employees' Retirement System or the  
21 Teachers' Retirement System without suspension of his or her  
22 retirement allowance provided that (1) the person is not  
23 employed in a permanent full-time capacity and (2) the  
24 person's compensation from the employer in calendar year 2016  
25 does not exceed thirty thousand dollars (\$30,000). Beginning  
26 in calendar year 2017, and each calendar year thereafter, the  
27 annual earning limit shall be increased by the same percentage  
28 increase as the increase in the Consumer Price Index for all



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29 urban consumers as published by the U.S. Department of Labor,  
30 Bureau of Labor Statistics. Any increase in the annual earning  
31 limit shall be rounded to the next lowest multiple of one  
32 thousand dollars (\$1,000) with any amount in excess of the one  
33 thousand dollar (\$1,000) multiple considered in determining  
34 the increase for the following year. Each adjustment shall be  
35 based on the increase in the index for the preceding 12-month  
36 period ending on September 30 and the increase shall be  
37 effective for the following calendar year.

38 (b) Any person serving as an elected official who has  
39 retired from the Teachers' Retirement System may serve for his  
40 or her full compensation in an elected public office with the  
41 state, a county, or an incorporated municipality without  
42 suspension of retirement benefits; provided that under no  
43 circumstances shall such a person participate in or accrue  
44 additional benefits under the Teachers' Retirement System or  
45 the Employees' Retirement System for that service, and  
46 provided that under no circumstances shall a person whose  
47 retirement is based upon service as an elected official  
48 continue in or return to such office and receive both pension  
49 benefits and salary; ~~provided further, that this subsection~~  
50 ~~shall apply to elected officials whose participation in the~~  
51 ~~Teachers' Retirement System or the Employees' Retirement~~  
52 ~~System is constitutionally required to be upon the same terms~~  
53 ~~and conditions as specified by law for other employees in the~~  
54 ~~retirement system if such elected official's compensation does~~  
55 ~~not exceed the annual earning limits provided in subsection~~  
56 (a). Any provision of this subsection to the contrary



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57 notwithstanding, a retiree serving as a local elected  
58 superintendent of education shall not receive both pension  
59 benefits and salary unless his or her compensation as a local  
60 elected superintendent of education does not exceed the annual  
61 earning limits provided in subsection (a).

62 (c) The responsibility for compliance with this section  
63 is placed upon the employing authority, and each retiree  
64 performing duties under this section shall certify to the  
65 employer any information required in order to carry out this  
66 section. The retiree shall provide written notice of the  
67 postretirement employment under this section to the Teachers'  
68 Retirement System and employing authority within 30 days after  
69 the date the retiree knows or should know that he or she will  
70 be performing duties on a full-time or permanent basis or will  
71 earn an amount in excess of the annual earning limit under  
72 this section."

73 "§36-27-8.2

74 (a) Any individual who is retired under the Employees'  
75 Retirement System may perform duties in any capacity,  
76 including as an independent contractor, with any employer  
77 participating in the Employees' Retirement System or the  
78 Teachers' Retirement System without suspension of his or her  
79 retirement allowance provided that (1) the individual is not  
80 employed in a permanent full-time capacity and (2) the  
81 individual's compensation from the employer in calendar year  
82 2016 does not exceed thirty thousand dollars (\$30,000).  
83 Beginning in calendar year 2017, and each calendar year  
84 thereafter, the annual earning limit shall be increased by the



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85 same percentage increase as the increase in the Consumer Price  
86 Index for all urban consumers as published by the U.S.  
87 Department of Labor, Bureau of Labor Statistics. Any increase  
88 in the annual earning limit shall be rounded to the next  
89 lowest multiple of one thousand dollars (\$1,000) with any  
90 amount in excess of the one thousand dollar (\$1,000) multiple  
91 considered in determining the increase for the following year.  
92 Each adjustment shall be based on the increase in the index  
93 for the preceding 12-month period ending on September 30 and  
94 the increase shall be effective for the following calendar  
95 year.

96 (b) Any individual serving as an elected official who  
97 has retired from the Employees' Retirement System may serve  
98 for his or her full compensation in an elected public office  
99 with the state, a county, or an incorporated municipality  
100 without suspension of retirement benefits; provided that under  
101 no circumstances shall such an individual participate in or  
102 accrue additional benefits under the Teachers' Retirement  
103 System or the Employees' Retirement System for that service,  
104 and provided that under no circumstances shall  
105 an individual whose retirement is based upon service as an  
106 elected official continue in or return to the office and  
107 receive both pension benefits and salary; ~~provided further,~~  
108 ~~that this subsection shall apply to elected officials whose~~  
109 ~~participation in the Teachers' Retirement System or the~~  
110 ~~Employees' Retirement System is constitutionally required to~~  
111 ~~be upon the same terms and conditions as specified by law for~~  
112 ~~other employees in the retirement system if the elected~~



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113 ~~official's compensation does not exceed the annual earning~~  
114 ~~limits provided in subsection (a).~~ Any provision of this  
115 subsection to the contrary notwithstanding, a retiree serving  
116 as a local elected superintendent of education shall not  
117 receive both pension benefits and salary unless his or her  
118 compensation as a local elected superintendent of education  
119 does not exceed the annual earning limits provided in  
120 subsection (a).

121 (c) The responsibility for compliance with this section  
122 is placed upon the employing authority, and each retiree  
123 performing duties under this section shall certify to the  
124 employer any information required in order to carry out this  
125 section. The retiree shall provide written notice of the  
126 postretirement employment under this section to the Employees'  
127 Retirement System and employing authority within 30 days after  
128 the date the retiree knows or should know that he or she will  
129 be performing duties on a full-time or permanent basis or will  
130 earn an amount in excess of the annual earning limit under  
131 this section.

132 (d) (1) Any individual who is retired under the  
133 Employees' Retirement System, has the applicable Alabama Peace  
134 Officers' Standards and Training certification, and was  
135 classified as either a law enforcement officer, as defined in  
136 Section 36-27-59, or a state policeman, as defined in Section  
137 36-27-1, prior to retirement, may perform duties as either a  
138 school resource officer, as defined in Section 16-1-44.1, or a  
139 correctional officer with the Department of Corrections  
140 without suspension of his or her retirement allowance,



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141 provided that the compensation earned does not exceed  
142 fifty-two thousand dollars (\$52,000) per year.

143 (2) Any individual who is retired under the Employees'  
144 Retirement System, has the applicable Alabama Peace Officers'  
145 Standards and Training certification, and meets any of the  
146 following criteria, may perform duties as a correctional  
147 officer with the Department of Corrections without suspension  
148 of his or her retirement allowance, provided that the  
149 compensation earned does not exceed fifty-two thousand dollars  
150 (\$52,000) per year:

151 a. Was classified as a law enforcement officer, as  
152 defined in Section 36-27-59, prior to retirement.

153 b. Was classified as a state policeman, as defined in  
154 Section 36-27-1, prior to retirement.

155 c. Was classified as a correctional officer, as defined  
156 in Section 36-27-59, prior to retirement, and retired pursuant  
157 to Section 36-27-16(a)(1)c.

158 (3) No individual may be employed pursuant to this  
159 subsection after December 31, 2026."

160 Section 2. This act shall become effective June 1,  
161 2024.



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President and Presiding Officer of the Senate

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Speaker of the House of Representatives

SB12

Senate 05-Mar-24

I hereby certify that the within Act originated in and passed the Senate, as amended.

Patrick Harris,  
Secretary.

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House of Representatives

Passed: 30-Apr-24

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By: Senator Elliott