

1 SB312  
2 206668-1  
3 By Senator Albritton  
4 RFD: Finance and Taxation General Fund  
5 First Read: 12-MAR-20

SYNOPSIS: This bill would modify the retirement benefits for Tier II plan members of the Employees' Retirement System by providing 30-year service retirement, allowing the conversion of sick leave into creditable service, and, for firefighters, law enforcement officers, and correctional officers, providing hazardous duty time.

This bill would also increase the Tier II plan member contribution rate.

A BILL  
TO BE ENTITLED  
AN ACT

To amend Sections 36-26-36.1, 36-27-16, as amended by Act 2019-221 and Act 2019-316, 2019 Regular Session, 36-27-24, and 36-27-59, Code of Alabama 1975, relating to retirement benefits for employees who are members of the Employees' Retirement System; to modify the retirement benefits for Tier II plan members of the by providing 30-year

1 service retirement, allowing the conversion of sick leave into  
2 creditable service, and, for firefighters, law enforcement  
3 officers, and correctional officers, providing hazardous duty  
4 time; and to increase the Tier II plan member contribution  
5 rate.

6 BE IT ENACTED BY THE LEGISLATURE OF ALABAMA:

7 Section 1. Sections 36-26-36.1, 36-27-16, as  
8 amended by Act 2019-221 and Act 2019-316, 2019 Regular  
9 Session, 36-27-24, and 36-27-59 of the Code of Alabama 1975,

10 "§36-26-36.1.

11 "~~(a)~~ Any Tier I or Tier II plan member of the  
12 Teachers' or Employees' Retirement System of Alabama not  
13 otherwise covered by a provision to convert unused sick leave  
14 into membership service for purposes of service retirement  
15 may, at their option and in lieu of receiving payment for 50  
16 percent of their accrued and unused sick leave at the time of  
17 their retirement as provided in Section 36-26-36, or any other  
18 payment that may be provided for such unused sick leave, use  
19 their accrued sick leave, up to a maximum number of 180  
20 accrued sick leave days or as otherwise allowed by law,  
21 whichever is greater, to be included as membership service in  
22 determining the total years of creditable service in the  
23 Employees' Retirement System of Alabama or the Teachers'  
24 Retirement System of Alabama; provided that no employee of an  
25 employer participating in the Employees' Retirement System  
26 pursuant to Section 36-27-6 shall be entitled to the benefits  
27 provided herein unless such employer shall elect to come under

1 the provisions of this section and further elects to fund the  
2 benefits provided herein. Unused sick leave may be converted  
3 to membership service only for the purpose of applying for  
4 service retirement and may be considered in the determination  
5 of eligibility for retirement. The conversion shall not apply  
6 to eligibility for deferred retirement. It is further provided  
7 that if a Tier I or Tier II plan member eligible for service  
8 retirement is also eligible for disability retirement the  
9 member may elect disability retirement and also receive credit  
10 for accumulated sick leave pursuant to this section. No Tier I  
11 or Tier II plan member shall receive both service credit  
12 provided for by this section and payment or partial payment  
13 for accrued sick leave pursuant to any other provision of law.

14 ~~"(b) The conversion of accrued sick leave into~~  
15 ~~creditable service provided in this section shall not apply to~~  
16 ~~any Tier II plan member.~~

17 "§36-27-16.

18 "(a) (1) RETIREMENT, ETC., OF EMPLOYEES GENERALLY;  
19 ELIGIBILITY FOR SERVICE RETIREMENT BENEFITS.

20 "a. Any Tier I plan member who withdraws from  
21 service upon or after attainment of age 60 and any Tier II  
22 plan member who withdraws from service upon or after  
23 attainment of age 62 may retire upon written application to  
24 the Board of Control setting forth at what time, not less than  
25 30 days nor more than 90 days subsequent to the execution and  
26 filing thereof, he or she desires to be retired; provided,  
27 that any such member who became a member on or after October

1 1, 1963, shall have completed 10 or more years of creditable  
2 service; provided further, that a Tier I plan member employed  
3 as a state policeman shall be eligible to file application for  
4 service retirement upon attaining age 52 and a Tier II plan  
5 member employed as a state policeman or employed as a  
6 correctional officer, firefighter, or law enforcement officer  
7 as defined in Section 36-27-59 with at least ten years of  
8 creditable service as a correctional officer, firefighter, or  
9 law enforcement officer shall be eligible to file application  
10 for service retirement upon attaining age 56.

11 "b. Any Tier I plan member who has attained age 60,  
12 or age 52 in the case of a state policeman and any Tier II  
13 plan member who has attained age 62, or age 56 in the case of  
14 a state policeman or in the case of a correctional officer,  
15 firefighter, or law enforcement officer as defined in Section  
16 36-27-59 who has at least ten years of creditable service as  
17 a correctional officer, firefighter, or law enforcement  
18 officer, and has previously withdrawn from service may retire  
19 upon written application to the Board of Control setting forth  
20 at what time, not less than 30 days nor more than 90 days  
21 subsequent to the execution and filing thereof, he or she  
22 desires to be retired; provided, the member shall have at the  
23 time of his or her withdrawal from service completed the age  
24 and service requirements established by the Board of Control  
25 for eligibility for deferred benefits; provided, that such  
26 minimum number of years of creditable service shall not be  
27 less than 10 years nor more than 25 years.

1            "c. In addition to any law or part of law relating  
2 to service retirement under the Employees' Retirement System  
3 of Alabama, any Tier I plan member of the Employees'  
4 Retirement System who withdraws from service after completion  
5 of not less than 25 years of creditable service, or any Tier  
6 II plan member, who withdraws from service after completion of  
7 not less than 30 years of creditable service, may retire  
8 without a reduction in retirement allowance upon written  
9 application to the Board of Control of the Employees'  
10 Retirement System setting forth the first day of which month,  
11 not less than 30 days or more than 90 days subsequent to the  
12 execution and filing thereof, he or she desires to be retired,  
13 provided that no person whose employer participates in the  
14 Employees' Retirement System under Section 36-27-6 shall be  
15 entitled to the benefits provided in this paragraph for Tier I  
16 plan members unless such employer elects to come under the  
17 provisions of the paragraph. Any employer making such election  
18 must bear the cost of such benefit.

19            "(2) AMOUNT OF SERVICE RETIREMENT ALLOWANCE.

20            "a. Upon retirement from service a Tier I plan  
21 member shall receive a service retirement allowance which  
22 shall consist of:

23            "1. An annuity which shall be the actuarial  
24 equivalent of his or her accumulated contributions at the time  
25 of his or her retirement; except, that in the case of a state  
26 policeman who has completed 20 years of creditable service as  
27 a state policeman who retires after age 56 but prior to age

1 60, the annuity shall be equal to the annuity that would have  
2 been payable upon service retirement at age 60 had the member  
3 continued in service to age 60 without change in compensation;

4 "2. A pension which shall be equal to the annuity  
5 allowance at age of retirement, but not to exceed an annuity  
6 allowable at age 65, computed on the basis of contributions  
7 made prior to attainment of age 65; except, that in the case  
8 of a state policeman who has completed 20 years of creditable  
9 service as a state policeman who retires after age 56 but  
10 prior to age 60, the pension shall be equal to the annuity  
11 that he or she would have received had he or she contributed  
12 to age 60 without change in compensation; and

13 "3. An additional pension, if he or she has a prior  
14 service certificate in full force and effect, which shall be  
15 equal to the annuity which would have been provided at the age  
16 of retirement, but which shall not exceed an annuity allowable  
17 at age 65 by twice the contributions which he or she would  
18 have made during the period of prior service with which he or  
19 she is credited had the system been in operation and had he or  
20 she contributed thereunder; except, that in case of a state  
21 policeman who has completed 20 years of creditable service as  
22 a state policeman who retired after age 56 but prior to age  
23 60, an additional pension, if he or she has a prior service  
24 certificate in full force and effect, which shall be equal to  
25 the annuity which would have been provided at age 60, but  
26 which shall not exceed an annuity allowable at age 60 by twice  
27 the contributions which he or she would have made during the

1 period of prior service with which he or she is credited had  
2 the system been in operation and had he or she contributed  
3 thereunder.

4 "b. Notwithstanding the provisions of subparagraphs  
5 1, 2, and 3 of paragraph a. of this subdivision, a state  
6 policeman who is a Tier I plan member and who has completed 20  
7 years of service as a state policeman who retires after age 52  
8 but prior to age 56 shall receive:

9 "1. An annuity which shall be equal to the annuity  
10 that would have been payable had the member continued in  
11 service for four years without change in compensation;

12 "2. A pension which shall be equal to the annuity  
13 that he or she would have received had he or she contributed  
14 for four years without change in compensation; and

15 "3. An additional pension, if he or she has a prior  
16 service certificate in full force and effect, which shall be  
17 equal to the annuity which would have been provided at the age  
18 of retirement, but which shall not exceed an annuity allowable  
19 at the age of retirement plus four years by twice the  
20 contributions which he or she would have made during the  
21 period of prior service with which he or she is credited had  
22 the system been in operation and had he or she contributed  
23 thereunder. In lieu of a determination of the actual  
24 compensation of a member that was received during such prior  
25 service, the Board of Control may use for the purpose of this  
26 article the compensation rate which, if it had progressed with  
27 the rates of salary increase shown in the tables as prescribed



1 in subsection (n) of Section 36-27-23, would have resulted in  
2 the same average salary of the member for the five years  
3 immediately preceding the date of establishment as the records  
4 show the member actually received.

5 "c. The annual service retirement pension payable to  
6 a Tier I plan member not employed as a state policeman  
7 retiring on or after October 1, 1975, shall not be less than  
8 an amount which, when added to his or her annuity, is equal to  
9 the greater of the following two amounts:

10 "1. Two and one-eightieth percent of the member's  
11 average final compensation multiplied by the number of years  
12 of his or her creditable service; or

13 "2. If he or she became a member before October 1,  
14 1965, \$72.00 multiplied by the number of years of his or her  
15 creditable service not in excess of 25 years.

16 "d. The annual service retirement pension payable to  
17 a Tier I plan member employed as a state policeman retiring on  
18 or after October 1, 1975, shall not be less than an amount  
19 which, when added to his or her annuity is equal to the  
20 greater of the following two amounts:

21 "1. Two and seven-eighths percent of the member's  
22 average final compensation multiplied by the number of years  
23 of his or her creditable service. Creditable service for any  
24 state policeman under the age of 56 years who has completed 20  
25 years of creditable service as a state policeman shall include  
26 a bonus equal to four additional years. Creditable service for  
27 a state policeman 56 years or older shall include a bonus

1 equal to the years or portion thereof remaining until the  
2 member reaches age 60; or

3 "2. If he or she became a member before October 1,  
4 1965, \$86.40 multiplied by the number of years of his or her  
5 creditable service not in excess of 25 years; provided,  
6 however, that if such member has completed 20 years of  
7 creditable service as a state policeman and has not attained  
8 age 60 at the time of retirement, the pension shall be  
9 determined as provided in this subparagraph on the basis of  
10 the number of years of creditable service which he or she  
11 would have had if he or she had remained in service for four  
12 years, except that, in the case of those state policemen  
13 retiring at age 56 or after, the number of years in  
14 determining the pension shall not exceed the number of years  
15 of creditable service which he or she would have had if he or  
16 she had remained in service to age 60.

17 "e. Upon retirement from service, a Tier II plan  
18 member who is not employed as a state policeman shall receive  
19 a service retirement allowance which shall consist of an  
20 annuity which shall be the actuarial equivalent of the  
21 member's accumulated contributions at the time of retirement  
22 and a pension which, when added to the member's annuity, shall  
23 be equal to one and sixty-five hundredths percent (1.65%) of  
24 the member's average final compensation multiplied by the  
25 number of years of creditable service. Notwithstanding the  
26 foregoing, the service retirement allowance shall not exceed

1 eighty percent (80%) of the member's average final  
2 compensation.

3 "f. Upon retirement from service, a Tier II plan  
4 member who is employed as a state policeman shall receive a  
5 service retirement allowance which shall consist of an annuity  
6 which shall be the actuarial equivalent of the member's  
7 accumulated contributions at the time of retirement and a  
8 pension which, when added to the member's annuity, shall be  
9 equal to two and three-eighths percent (2.375%) of the  
10 member's average final compensation multiplied by the member's  
11 number of years of creditable service. Notwithstanding the  
12 foregoing, the service retirement allowance shall not exceed  
13 eighty percent (80%) of the member's average final  
14 compensation.

15 "g. Anything in this article to the contrary  
16 notwithstanding, in the application of the foregoing  
17 provisions of this subdivision to a member whose creditable  
18 service includes a period of service as a state policeman and  
19 a period of service in another employment classification, the  
20 benefit rates applicable to a member employed as a state  
21 policeman shall apply to all creditable service as a state  
22 policeman, and the benefit rates applicable to a member not  
23 employed as a state policeman shall apply to all creditable  
24 service, but in all other respects the pension under this  
25 subdivision shall be determined on the basis of the member's  
26 employment classification at the time of his or her withdrawal  
27 from service.

1            "h. The annual service retirement pension payable to  
2 any state employee who had attained age 60 on or before  
3 October 1, 1945, who declined membership in the Employees'  
4 Retirement System of Alabama in the manner prescribed in  
5 Section 36-27-4 and who retires as a state employee after  
6 completing a minimum of 15 years' service shall be \$72.00  
7 multiplied by the number of years of his or her service not in  
8 excess of 25 years.

9            "(b) (1) RETIREMENT OF DISABLED EMPLOYEES;  
10 ELIGIBILITY FOR DISABILITY RETIREMENT BENEFITS.

11            "a. Upon application of a Tier I plan member in  
12 service or of his or her employer, any member who has had 10  
13 or more years of creditable service who becomes disabled may  
14 be retired on a disability retirement allowance by the Board  
15 of Control not less than 30 nor more than 90 days next  
16 following the date of filing of the application; provided,  
17 that the medical board, after a medical examination of the  
18 member, shall certify that the member is mentally or  
19 physically incapacitated for the further performance of duty,  
20 that the incapacity is likely to be permanent, and that the  
21 member should be retired. Upon the application of a Tier II  
22 plan member in service or his or her employer, any member who  
23 has had 10 or more years of creditable service may be retired  
24 by the Board of Control on a disability retirement allowance  
25 not less than 30 nor more than 90 days next following the date  
26 of filing the application; provided, that the medical board,  
27 after a medical examination of the member, shall certify that

1 the member is totally and permanently mentally or physically  
2 incapacitated from regular and substantial gainful employment,  
3 and that such member should be retired.

4 "b. Without regard to the number of years of  
5 creditable service, a member employed as a state policeman, a  
6 municipal police officer or a deputy sheriff, or a member  
7 employed as a state, municipal, or county firefighter who is  
8 not covered through his or her current employer under the  
9 United States Social Security Act, who as a result of his or  
10 her employment, in the line of duty and not as a result of his  
11 or her own misconduct, shall become permanently and totally  
12 disabled to the extent that he or she cannot perform his or  
13 her duties or duties of a less strenuous nature, as an  
14 employee of the State of Alabama or as an employee of an  
15 employer participating under Section 36-27-6, shall be retired  
16 on a disability retirement allowance, not less than 30 nor  
17 more than 90 days next following the date of filing of such  
18 application, provided that the medical board, after a medical  
19 examination of such member shall certify that the member is  
20 mentally or physically incapacitated for the further  
21 performance of duty, that such incapacity is likely to be  
22 permanent, and that the member should be retired.

23 "(2) AMOUNT OF DISABILITY RETIREMENT ALLOWANCE.

24 "a. Upon retirement for disability a member shall  
25 receive a service retirement allowance if he or she is a Tier  
26 I plan member and he or she has attained age 60 or if he or  
27 she is a Tier II plan member and he or she has attained age

1 62, or if any law or part of any law pertaining to retirement  
2 under the Employees' Retirement System of Alabama provides for  
3 service retirement after the completion of 25 years of  
4 creditable service or 30 years of creditable service without a  
5 reduction in the retirement allowance and the member has  
6 completed 25 years of creditable service or 30 years of  
7 creditable service, whichever is applicable, or, in the case  
8 of a state policeman, if he or she is a Tier I plan member and  
9 he or she has attained age 52 or, in the case of a state  
10 policeman or a correctional officer, firefighter, or law  
11 enforcement officer as defined in Section 36-27-59 with at  
12 least ten years of creditable service as a correctional  
13 officer, firefighter, or law enforcement officer, if he or she  
14 is a Tier II plan member and he or she has attained age 56;  
15 otherwise, he or she shall receive a disability retirement  
16 allowance which shall consist of:

17 "1. An annuity which shall be the actuarial  
18 equivalent of his or her accumulated contributions at the time  
19 of his or her retirement;

20 "2. A pension which shall be equal to the pension  
21 that would have been payable under subparagraphs 2 and 3 of  
22 paragraph a. of subdivision (2) of subsection (a) upon service  
23 retirement at age 65 had the member continued in service to  
24 that age without change in compensation.

25 "b. The annual disability retirement pension payable  
26 to a Tier I plan member not employed as a state policeman  
27 retiring on or after October 1, 1975, shall not be less than

1 an amount which when added to his or her annuity is equal to  
2 the greatest of the following two amounts:

3 "1. Two and one-eightieth percent of the member's  
4 average final compensation multiplied by the number of years  
5 of creditable service.

6 "2. If he or she became a member before October 1,  
7 1965, \$54.00 multiplied by the number of years of his or her  
8 creditable service not in excess of 25 years.

9 "c. The annual disability retirement pension payable  
10 to a Tier I plan member employed as a state policeman retiring  
11 on or after October 1, 1975, shall not be less than an amount  
12 which when added to his or her annuity is equal to the greater  
13 of the following two amounts:

14 "1. Two and seven-eighths percent of the member's  
15 average final compensation multiplied by the number of years  
16 of his or her creditable service. Creditable service for any  
17 state policeman under the age of 56 years who has completed 20  
18 years of creditable service as a state policeman shall include  
19 a bonus equal to four additional years. Creditable service for  
20 a state policeman 56 years or older shall include a bonus  
21 equal to the years or portion thereof remaining until the  
22 member reaches age 60; or

23 "2. If he or she became a member before October 1,  
24 1965, \$64.80 multiplied by the number of years of his or her  
25 creditable service not in excess of 25 years.

26 "d. The annual disability retirement allowance  
27 payable to a Tier II plan member not employed as a state

1 policeman shall be equal to one and sixty-five hundredths  
2 percent (1.65%) of the member's average final compensation  
3 multiplied by the number of years of creditable service.

4 "e. The annual disability retirement allowance  
5 payable to a Tier II plan member employed as a state policeman  
6 shall be equal to two and three-eighths percent (2.375%) of  
7 the member's average final compensation multiplied by the  
8 number of years of creditable service.

9 "f. Anything in this chapter to the contrary  
10 notwithstanding, in the application of the provisions of this  
11 subdivision to a member whose creditable service includes a  
12 period of service as a state policeman and a period of service  
13 in another employment classification the benefit rates  
14 applicable to a member employed as a state policeman shall  
15 apply to all creditable service as a state policeman, and the  
16 benefit rates applicable to a member not employed as a state  
17 policeman shall apply to all other creditable service, but in  
18 all other respects the pension under this subdivision shall be  
19 determined on the basis of the member's employment  
20 classification at the time of his or her withdrawal from  
21 service.

22 "(3) REEXAMINATION OF BENEFICIARIES RETIRED ON  
23 ACCOUNT OF DISABILITY. Once each year during the first five  
24 years following the retirement of a member on a disability  
25 retirement allowance and once every three-year period  
26 thereafter, the Board of Control may, and upon his or her  
27 application shall, require any disability beneficiary who has



1 not yet attained age 60 if the beneficiary is a Tier I plan  
2 member or age 62 if the beneficiary is a Tier II plan member  
3 to undergo a medical examination, the examination to be made  
4 at the place of residence of the beneficiary or other place  
5 mutually agreed upon by a physician or physicians of or  
6 designated by the medical board. Should any disability  
7 beneficiary who has not yet attained age 60 if the beneficiary  
8 is a Tier I plan member or age 62 if the beneficiary is a Tier  
9 II plan member refuse to submit to the medical examination,  
10 his or her allowance may be discontinued until his or her  
11 withdrawal of such refusal, and, should his or her refusal  
12 continue for one year, all his or her rights in and to his or  
13 her pension may be revoked by the Board of Control; provided,  
14 that these requirements relative to the medical examination  
15 shall not apply in the case of a state policeman retired for  
16 disability and who has attained age 52 if he or she is a Tier  
17 I plan member or in the case of a state policeman or a  
18 correctional officer, firefighter, or law enforcement officer  
19 as defined in Section 36-27-59 with at least ten years of  
20 creditable service as a correctional officer, firefighter, or  
21 law enforcement officer retired for disability who has  
22 attained age 56 if he or she is a Tier II or Tier III plan  
23 member. Should the medical board report and certify to the  
24 Board of Control that a disability beneficiary who is a Tier I  
25 plan member is engaged in or is able to engage in a gainful  
26 occupation paying more than the difference between his or her  
27 retirement allowance and his or her average final compensation

1 and should the Board of Control concur in the report, then the  
2 amount of his or her pension shall be reduced to an amount  
3 which, together with his or her annuity and the amount  
4 earnable by him or her shall equal the amount of his or her  
5 average final compensation. Should his or her earning capacity  
6 be later changed, the amount of his or her pension may be  
7 further modified; provided, that the new pension shall not  
8 exceed the amount of the pension originally granted nor an  
9 amount which, when added to the amount earnable by the  
10 beneficiary, together with this annuity exceeds the amount of  
11 his or her average final compensation.

12 "Should the medical board report and certify to the  
13 Board of Control that a disability beneficiary who is a Tier  
14 II plan member has the capacity to engage in regular and  
15 substantial gainful employment, the Board of Control shall  
16 discontinue the beneficiary's retirement allowance until the  
17 beneficiary is otherwise eligible for service retirement.

18 "(c) Disposition of contributions and allowances  
19 upon death, etc., of member.

20 "(1) Should a member cease to be an employee except  
21 by death or by retirement under the provisions of this  
22 article, the contributions standing to the credit of his or  
23 her individual account in the Annuity Savings Fund shall be  
24 paid to him or her upon demand and, in addition to such  
25 payment, there shall be paid five-tenths of the interest  
26 accumulations standing to the credit of his or her individual  
27 account if he or she shall have not less than three but less

1 than 16 years of membership service, six-tenths of such  
2 interest accumulations if he or she shall have not less than  
3 16 but less than 21 years of membership service, seven-tenths  
4 of such interest accumulations if he or she shall have not  
5 less than 21 but less than 26 years of membership service and  
6 eight-tenths of such interest accumulations if he or she shall  
7 have not less than 26 years of membership service.

8 "(2) In case of the death of a member eligible for  
9 service retirement pursuant to subsection (a) of this section,  
10 an allowance shall be paid to the surviving spouse, or to such  
11 other person who the member shall have designated, in an  
12 amount that would have been payable if the member had retired  
13 immediately prior to his or her death and had elected Option  
14 3, as set forth in subsection (d) of this section or,  
15 alternatively, if the surviving spouse or other designee  
16 desires, he or she may choose to receive, in lieu of the  
17 allowance provided under Option 3, the accumulated  
18 contributions of the member plus an amount equal to the  
19 accumulated contributions of the member not to exceed  
20 \$5,000.00 or the accumulated contributions of the member plus  
21 the benefit provided by Section 36-27B-3 if a benefit is  
22 payable under such section;

23 "(3) In case of the death of a Tier I plan member  
24 not eligible for service retirement, after completion of 25  
25 years of creditable service, an allowance shall be paid to the  
26 surviving spouse, or to such other person who the member shall  
27 have designated, in an amount that would have been payable if

1 the member had retired for disability immediately prior to his  
2 or her death and had elected Option 3 as set forth in  
3 subsection (d) or, alternatively, if the surviving spouse or  
4 other designee desires, he or she may choose to receive, in  
5 lieu of the allowance provided under Option 3, the accumulated  
6 contributions of the member plus an amount equal to the  
7 accumulated contributions of the member not to exceed five  
8 thousand dollars (\$5,000) or the accumulated contributions of  
9 the member plus the benefit provided by Section 36-27B-3 if a  
10 benefit is payable under such section;

11 "(4) Upon the death of a member on account of whom  
12 no survivor allowance is payable under subdivision (2) or (3),  
13 the accumulated contributions of the member plus an amount  
14 equal to the accumulated contributions not to exceed five  
15 thousand dollars (\$5,000) or the accumulated contributions of  
16 the member plus the benefit provided by Section 36-27B-3 if a  
17 benefit is payable under such section shall be paid to his or  
18 her estate or to the person as he or she shall have nominated  
19 by written designation duly executed and filed with the Board  
20 of Control.

21 "(d) Optional allowances. With the provision that  
22 the election of an option shall be effective on the effective  
23 date of retirement, any member may elect prior to retirement  
24 to receive, in lieu of his or her retirement allowance payable  
25 throughout life, the actuarial equivalent, at that time, of  
26 his or her retirement allowance in a reduced retirement  
27 allowance payable throughout life with the provisions that:

1           "(1) OPTION 1. If he or she dies before he or she  
2 has received in annuity payments the present value of his or  
3 her annuity as it was at the time of his or her retirement,  
4 the balance shall be paid to his or her legal representatives  
5 or to the person as he or she shall nominate by written  
6 designation duly acknowledged and filed with the Board of  
7 Control;

8           "(2) OPTION 2. Upon his or her death, his or her  
9 reduced retirement allowance shall be continued throughout the  
10 life of and paid to the person as he or she shall nominate by  
11 written designation duly acknowledged and filed with the Board  
12 of Control at the time of his or her retirement;

13           "(3) OPTION 3. Upon his or her death, one half of  
14 his or her reduced allowance shall be continued throughout the  
15 life of and paid to the person as he or she shall nominate by  
16 written designation duly acknowledged and filed with the Board  
17 of Control at the time of his or her retirement; or

18           "(4) OPTION 4. Some other benefit or benefits shall  
19 be paid either to the member or to the person or persons as he  
20 or she shall nominate; provided, that such other benefits,  
21 together with the reduced retirement allowance, shall be  
22 certified by the actuary to be of equivalent actuarial value  
23 to his or her retirement allowance and shall be approved by  
24 the Board of Control.

25           "(5) OPTION 5. At the time of retirement, he or she  
26 shall receive a partial lump sum distribution as a single  
27 payment not to exceed the sum of 24 months of the maximum

1 monthly retirement allowance the member could receive. This  
2 option may be elected in addition to the election of another  
3 option under this subsection and the further reduced monthly  
4 retirement allowance shall be calculated in accordance with  
5 the selected option. This option shall not be available to a  
6 member who is receiving a disability retirement.

7 "(6) Where the person designated by the member under  
8 this subsection to receive a continued retirement allowance is  
9 a beneficiary of a special needs trust established under Title  
10 42, United States Code, Section 1396p(d)(4)(A) or (C), as  
11 amended, the retirement allowance payable to the person may be  
12 paid by the retirement system to the special needs trust upon  
13 written direction to the retirement system by the member or,  
14 after the member is deceased, by the designated person or by  
15 his or her legal representative if the designated person is a  
16 minor or is incapacitated.

17 "(e) Effect of return to active service. Should any  
18 beneficiary be restored to active service, his or her  
19 retirement allowance shall be suspended until he or she again  
20 withdraws from service and he or she shall not again become a  
21 member of the retirement system nor shall he or she make  
22 contributions; except, that should such beneficiary who has  
23 been restored to active service continue in service for a  
24 period of two or more years from the date of his or her  
25 reentry into active service, he or she may request the Board  
26 of Control to allow him or her to again become a member of the  
27 retirement system. The Board of Control may grant the request

1 for restoration to membership; provided, that such beneficiary  
2 whose retirement allowance has been suspended shall repay to  
3 the system all moneys received by him or her as benefits  
4 during any periods subsequent to the date of his or her  
5 reentry into active service and shall make a contribution  
6 equal to the amount he or she would have contributed had he or  
7 she been a member during the period of his or her restoration  
8 to active service on a suspended allowance basis together with  
9 the interest which would have been credited to the  
10 contributions on account of such period of restoration up to  
11 the date such contribution is made.

12 "(f) (1) REDETERMINATION, ETC., OF CERTAIN  
13 ALLOWANCES. All retirement allowance payments due on or after  
14 October 1, 1975, to members who retired prior to that date  
15 shall be redetermined as if the provisions of this section in  
16 effect on October 1, 1975, were in effect at the time the  
17 member retired. Anything in this article to the contrary  
18 notwithstanding, the annual retirement allowance of any member  
19 not employed as a state policeman who retired on or before  
20 January 1, 1956, shall not be less than \$79.20 multiplied by  
21 the number of years of his or her creditable service not in  
22 excess of 30 years in the case of service retirement of \$59.40  
23 multiplied by the number of years of his or her creditable  
24 service not in excess of 30 years in the case of disability  
25 retirement. Any increase provided in the retirement allowance  
26 payment under this subdivision for a member who retired under  
27 the provisions of any optional benefit elected pursuant to

1 subsection (d) of this section shall accrue only to the  
2 retired member, and no person designated to receive any  
3 payments after the death of a retired member under the  
4 provisions of any such optional benefit shall receive any  
5 increase in such payments under this subdivision.

6 Notwithstanding, any member who retired prior to October 1,  
7 1975, and who chose either Option 2 or Option 3 may elect to  
8 receive a reduced allowance and to stipulate that the  
9 actuarial equivalent of the increase in his or her retirement  
10 allowance, which became effective on that date, be ascribed to  
11 his or her designated beneficiary; provided, that such member  
12 shall clearly express this intention by filing a written  
13 application to the effect with the Secretary-Treasurer of the  
14 Employees' Retirement System of Alabama prior to October 1,  
15 1976.

16 "(2) Any person who, prior to October 1, 1963, was  
17 in receipt of a benefit pursuant to Act No. 376, approved  
18 November 6, 1959, but was not a member of the system at the  
19 time of retirement shall not be entitled to receive an annual  
20 retirement allowance from the system, effective October 1,  
21 1971, as follows:

22 "a. If such person was retired on or before January  
23 1, 1956, an amount equal to \$79.20 multiplied by the number of  
24 years of his or her creditable service not in excess of 30  
25 years.

26 "b. If such person was retired after January 1,  
27 1956, an amount equal to \$72.00 multiplied by the number of



1 years of his or her creditable service not in excess of 25  
2 years.

3 "(3) Prior to October 31, 1975, any beneficiary may  
4 elect to leave on deposit with the system all or a specified  
5 part of any increase in his or her monthly retirement  
6 allowance payments arising in accordance with subdivisions (1)  
7 or (2) of this subsection over the monthly allowance which he  
8 or she was receiving prior to October 1, 1975. The portion of  
9 each monthly payment left in the system in accordance with  
10 such election shall be credited, together with regular  
11 interest thereon, to the individual account of such  
12 beneficiary. Upon the death of such beneficiary the total  
13 amount standing to his or her credit, including regular  
14 interest to the date of death, shall be paid in a lump sum to  
15 his or her legal representatives or to such person as he or  
16 she shall have nominated by written designation duly  
17 acknowledged and filed with the Board of Control.

18 "(g) Notwithstanding any other provisions of this  
19 section to the contrary, when a designated beneficiary for a  
20 member predeceases the member who is receiving a monthly  
21 benefit allowance provided under Option 2, 3, or 4, the member  
22 may designate a replacement beneficiary for the deceased  
23 beneficiary to become effective two years after the date of  
24 designation of the replacement beneficiary and an actuarial  
25 adjustment in the monthly benefit allowance of the member to  
26 cover any cost associated with designating a replacement  
27 beneficiary shall be reflected thereafter in the monthly

1 benefit allowance received by the member, commencing with the  
2 first benefit allowance check received by the member following  
3 the date of designation of the replacement beneficiary.

4 "(h) Notwithstanding any provision of this section  
5 to the contrary, if a retired member who is receiving a  
6 monthly benefit allowance provided under Option 2, 3, or 4  
7 divorces his or her designated beneficiary, the member may  
8 designate a replacement beneficiary for the beneficiary to  
9 become effective two years after the date of designation of  
10 the replacement beneficiary and an actuarial adjustment in the  
11 monthly benefit allowance of the member to cover any cost  
12 associated with designating a replacement beneficiary shall be  
13 reflected thereafter in the monthly benefit allowance received  
14 by the member, commencing with the first benefit allowance  
15 check received by the member following the date of designation  
16 of the replacement beneficiary.

17 "(i) Any future act to increase the retirement age  
18 for Tier II plan members above the age of 62 shall require a  
19 two-thirds vote of the elected membership of each house of the  
20 Legislature.

21 "§36-27-24.

22 "(a) Effective October 1, 1997, all the assets of  
23 the retirement system shall be credited according to the  
24 purpose for which they are held among three funds, namely, the  
25 Annuity Savings Fund, the Pension Accumulation Fund, and the  
26 Expense Fund. The operation of the former Pension Reserve Fund  
27 and the Annuity Reserve Fund shall be discontinued as of such

1 date and the balance of the former Pension Reserve Fund shall  
2 be transferred to the Pension Accumulation Fund, and the  
3 balance of the former Annuity Reserve Fund shall be  
4 transferred to the Pension Accumulation Fund.

5 "(b) Annuity Savings Fund. The Annuity Savings Fund  
6 shall be a fund in which shall be accumulated contributions  
7 from the compensation of members to provide for their  
8 annuities.

9 "Contributions to and payments from the Annuity  
10 Savings Fund shall be made as follows: Effective October 1,  
11 1971, each employer shall cause to be deducted from the salary  
12 of each member on each and every payroll of such employer for  
13 each and every payroll period five percent of his or her  
14 earnable compensation; except, that in the case of a state  
15 policeman, the rate of 10 percent of earnable compensation  
16 shall apply, and in computing all retirement benefits it shall  
17 be assumed that a seven percent rate of contribution had  
18 applied with respect to service as a state policeman prior to  
19 July 1, 1957. For all pay dates beginning on or after October  
20 1, 2011, each employer, except those employers participating  
21 pursuant to Section 36-27-6, shall cause to be deducted from  
22 the salary of each member on each and every payroll of such  
23 employer for each and every payroll period seven and  
24 one-quarter percent (7.25%) of his or her earnable  
25 compensation; except, that in the case of a state policeman,  
26 the rate of ten percent (10%) of earnable compensation shall  
27 apply. For all pay dates beginning on or after October 1,

1 2012, each employer, except those employers participating  
2 pursuant to Section 36-27-6, shall cause to be deducted from  
3 the salary of each Tier I plan member on each and every  
4 payroll of such employer for each and every payroll period  
5 seven and one-half percent (7.5%) of his or her earnable  
6 compensation; except, that in the case of a state policeman,  
7 the rate of ten percent (10%) of earnable compensation shall  
8 apply. For all pay dates beginning on or after January 1,  
9 2013, each employer shall cause to be deducted from the salary  
10 of each Tier II plan member on each and every payroll period  
11 six percent (6%) of his or her earnable compensation; except  
12 that in the case of a state policeman, the rate of ten percent  
13 (10%) shall apply and in the case of a correctional officer,  
14 firefighter, or law enforcement officer as defined in Section  
15 36-27-59, the rate of seven percent (7%) shall apply. For all  
16 pay dates beginning on or after October 1, 2020, for all  
17 employers, except those participating under Section 36-27-6,  
18 and for all pay dates beginning on or after October 1, 2021,  
19 for all employers participating under Section 36-27-6, each  
20 employer shall cause to be deducted from the salary of each  
21 Tier II plan member on each and every payroll period six and  
22 three quarters percent (6.75%) of his or her earnable  
23 compensation; except in the case of a Tier II plan member who  
24 is a correctional officer, firefighter, or law enforcement  
25 officer as defined in Section 36-27-59, the rate of eight  
26 percent (8%) shall apply. Any employer participating under  
27 Section 36-27-6, by adoption of a resolution, may elect for

1 the increases in employee contributions provided by Act  
2 2011-676 to be withheld from the earnable compensation of  
3 employees of the employer. In determining the amount earnable  
4 by a member in a payroll period, the Board of Control may  
5 consider the rate of annual compensation payable to such  
6 member on the first day of the payroll period as continuing  
7 through such payroll period, and it may omit deductions from  
8 compensation for any period less than a full payroll period if  
9 an employee was not a member on the first day of the payroll  
10 period, and, to facilitate the making of deductions, it may  
11 modify the deductions required of any member by such an amount  
12 as shall not exceed one tenth of one percent of the annual  
13 compensation upon the basis of which such deductions are made.

14 "The deductions provided for in this subsection  
15 shall be made notwithstanding that the minimum compensation  
16 provided for by law for any member shall be reduced thereby.  
17 Every member shall be deemed to consent and agree to the  
18 deduction made and provided for in this subsection and shall  
19 receipt for his or her full salary or compensation and payment  
20 of salary or compensation less such deductions shall be a full  
21 and complete discharge and acquittance of all claims and  
22 demands whatsoever for the services rendered by such person  
23 during the period covered by such payment, except as to the  
24 benefits provided under this article. The employer shall  
25 certify to the Board of Control in each and every payroll or  
26 in such other manner as the board may prescribe the amounts to  
27 be deducted, and each of the amounts shall be deducted and,

1 when deducted, shall be paid into the Annuity Savings Fund and  
2 shall be credited, together with regular interest thereon, to  
3 the individual account of the member from whose compensation  
4 the deduction was made.

5 "In addition to the contributions deducted from  
6 compensation as provided in this subsection, subject to the  
7 approval of the Board of Control, any member may deposit in  
8 the Annuity Savings Fund by a single payment or by an  
9 increased rate of contribution an amount computed to be  
10 sufficient to purchase an additional annuity which, together  
11 with his or her prospective retirement allowance, will provide  
12 for him or her a total retirement allowance not to exceed one  
13 half of his or her average final compensation at age 60. Such  
14 additional amounts so deposited shall become a part of his or  
15 her accumulated contributions, except in the case of  
16 retirement, when they shall be treated as excess contributions  
17 returnable to the member in cash or as an annuity of  
18 equivalent actuarial value and shall not be considered in  
19 computing his or her pension.

20 "The contributions and interest credits of a member  
21 withdrawn by him or her or paid to his or her estate or to his  
22 or her designated beneficiary in event of his or her death  
23 shall be paid from the Annuity Savings Fund. Should a member  
24 cease to be a member other than by retirement under the  
25 provisions of this article, an amount equivalent to the  
26 difference, if any, between his or her accumulated  
27 contributions and the amount then paid shall be transferred to

1 the Expense Fund. Upon the retirement of a member or the death  
2 of an eligible member where an allowance to a surviving spouse  
3 or other designated beneficiary is payable, his or her  
4 accumulated contributions shall be transferred from the  
5 Annuity Savings Fund to the Pension Accumulation Fund.

6 "Notwithstanding the preceding provisions, no  
7 deductions shall be made from any member's salary on account  
8 of which the employer's contributions are in default.

9 "The State Personnel Board, with the approval of the  
10 Governor, may provide that the state shall pick up member  
11 contributions to the Employees' Retirement System of Alabama  
12 as required by this subsection on behalf of all state  
13 employees who participate in the Employees' Retirement System  
14 by a corresponding reduction in the salary of the member, such  
15 pick-up to be mandatory for all such employees, and the  
16 contributions so picked up shall be treated as employer  
17 contributions in determining tax treatment under the Internal  
18 Revenue Code. These contributions shall be paid from the same  
19 source of funds which is used in paying earnings to the  
20 employee. If employee contributions are so picked up they  
21 shall be treated for all other purposes of state law in the  
22 same manner and to the same extent as employee contributions  
23 made prior to the date picked up.

24 "(c) Pension Accumulation Fund. The Pension  
25 Accumulation Fund shall be the fund in which shall be  
26 accumulated all reserves other than the amounts held in the  
27 Annuity Savings Fund for the payment of all pensions, all

1 allowances granted to surviving spouses or other designated  
2 beneficiaries and other benefits payable from contributions  
3 made by the employer and from which shall be paid all  
4 pensions, all allowances granted to surviving spouses or other  
5 designated beneficiaries and other benefits on account of  
6 members with prior service credit.

7 "Contributions to and payments from the Pension  
8 Accumulation Fund shall be made as follows: On account of each  
9 member there shall be paid monthly by the employer an amount  
10 equal to a certain percentage of the earnable compensation of  
11 each member to be known as the "normal contribution" and an  
12 additional amount equal to a percentage of his or her earnable  
13 compensation to be known as the "accrued liability  
14 contribution," and these two amounts shall be paid monthly  
15 into the Pension Accumulation Fund; provided, that in the case  
16 of a state policeman, such percentage rates of contributions  
17 shall be calculated separately. The percentage rate of such  
18 contributions shall be fixed for each fiscal year on the basis  
19 of the liabilities of the retirement system as shown by the  
20 last annual actuarial valuation, and such percentage rate as  
21 established by such valuation shall take effect the following  
22 October 1 and continue in effect for the fiscal year.

23 "On the basis of regular interest and of such  
24 mortality and other tables as shall be adopted by the Board of  
25 Control, the actuary engaged by the board to make such  
26 valuation required by this article during the period over  
27 which the accrued liability contribution is payable shall,



1 immediately after making such valuation, determine the uniform  
2 and constant percentage of the earnable compensation of the  
3 average new entrant which, if contributed on the basis of his  
4 or her compensation throughout his or her entire period of  
5 active service, would be sufficient to provide for the payment  
6 of any pension payable on his or her account. The percentage  
7 rate so determined shall be known as the "normal contribution"  
8 rate. The normal rate of contributions shall be determined by  
9 the actuary after each valuation.

10 "The accrued liability contribution rate shall be  
11 computed by the actuary on the basis of each valuation as the  
12 percentage rate of the total annual compensation of all  
13 members which is sufficient to liquidate the accrued liability  
14 over a period to be determined by the Board of Control which  
15 shall be not less than 10 nor more than 30 years.

16 "The unfunded accrued liability shall be computed by  
17 the actuary as the total liabilities of the system which are  
18 not dischargeable by the assets of the Annuity Savings Fund  
19 and the Pension Accumulation Fund and the present value of the  
20 aforesaid normal contributions.

21 "For purposes of computing the unfunded accrued  
22 liability the assets shall be determined as follows:

23 "On September 30, 1997, the assets shall be  
24 determined by using the market value of such assets. For  
25 subsequent years the value of the assets shall be determined  
26 by the system's actuary using a five year smoothed market  
27 value.

1           "The total amount payable in each year to the  
2 Pension Accumulation Fund shall be not less than the sum of  
3 the percentage rates known as the normal contribution rate and  
4 the accrued liability contribution rate of the total  
5 compensation earnable by all members during the preceding  
6 year.

7           "All interest and dividends earned on the funds of  
8 the retirement system shall be credited to the Pension  
9 Accumulation Fund. The amounts needed to allow a regular  
10 interest on the reserves in the Annuity Savings Fund shall be  
11 transferred in accordance with this article from the Pension  
12 Accumulation Fund. The Board of Control, in its discretion,  
13 may transfer to and from the Pension Accumulation Fund the  
14 amounts of any surplus or deficit which may develop in the  
15 Annuity Savings Fund, or the Expense Fund.

16           "Upon the death of a member on account of whom no  
17 survivor allowance is payable under subdivisions (2) and (3)  
18 of subsection (c) of Section 36-27-16, the death benefit as  
19 provided in subdivision (4) of subsection (c) of Section  
20 36-27-16 equal to the accumulated contributions, not to exceed  
21 \$5,000.00, shall be payable from the Pension Accumulation  
22 Fund.

23           "(d) Expense Fund. The Expense Fund shall be the  
24 fund from which the expenses of the administration of the  
25 retirement system shall be paid, exclusive of amounts payable  
26 as retirement allowances and as other benefits provided in  
27 this chapter. In addition thereto and on account of each

1 member of the retirement system, there shall be paid monthly  
2 by the employer an amount equal to a certain percentage of the  
3 earnable compensation of each member for the administrative  
4 expenses of the retirement system. The percentage rate of such  
5 contribution shall be fixed by the Board of Control on the  
6 basis of the cost exclusive of that provided by interest not  
7 returnable. Any amounts credited to the accounts of the  
8 members withdrawing before retirement and not returnable under  
9 the provisions of subsection (c) of Section 36-27-16 shall be  
10 credited to the Expense Fund.

11 "(e) Employer's contributions. For each biennium  
12 beginning October 1, 1965, each employer shall pay to the  
13 retirement system the rates provided in this section and  
14 thereafter, at least 30 days preceding October 1 of each  
15 fiscal year, the Board of Control shall certify to the chief  
16 fiscal officer of each employer the percentage rates of  
17 earnable compensation of the members required to be paid to  
18 the retirement system in accordance with subsections (c) and  
19 (d) of this section.

20 "The employer's contribution on account of the  
21 membership of employees whose salaries are paid in whole or in  
22 part from funds derived from federal grants shall be paid from  
23 funds derived from the federal grants in accordance with  
24 statutes governing the administration of the grants and in  
25 proportion to salaries paid therefrom. At such time and in  
26 such manner as may be required, the Board of Control shall  
27 certify to each department of state receiving a federal grant

1 the amount due and payable from the grant as the employer's  
2 contribution to the retirement system on account of the  
3 membership of the department whose salaries are paid in whole  
4 or in part from funds derived from such federal grants. The  
5 fiscal agent of the department shall authorize the state  
6 Comptroller to draw a warrant or warrants in payment of the  
7 amount certified as due and payable from federal grants.

8 "(f) Appropriations. There is hereby appropriated  
9 annually from the fund from which salaries of the employees of  
10 each employer are paid the amounts sufficient to carry out the  
11 provisions of this section. In the case of those departments  
12 supported wholly by transfers from other state funds, there is  
13 hereby appropriated from the supporting funds such additional  
14 amounts as may be necessary to pay the employer contribution  
15 of each department so supported in the same proportion as the  
16 other state funds contribute to the support and maintenance of  
17 such department.

18 "(g) Employer cost provided for in this article  
19 together with member contributions required under this article  
20 shall be paid to the Employees' Retirement System on the first  
21 day of the month following the month in which the related  
22 member salary is earned. Delinquent accounts shall accrue  
23 interest at the actuarial assumed investment rate beginning 30  
24 days after the original due date. The member contributions for  
25 each member shall be reported to the Employees' Retirement  
26 System in a format prescribed by the Employees' Retirement  
27 System.

1           "§36-27-59.

2           "(a) When used in this section, the following terms  
3 shall have the following meanings, unless the context clearly  
4 indicates otherwise:

5           "(1) CORRECTIONAL OFFICER. A full-time correctional  
6 officer who is certified as a correctional officer by the  
7 Alabama Peace Officers' Standards and Training Commission.

8           "(2) FIREFIGHTER. A full-time firefighter employed  
9 with the State of Alabama, a municipal fire department, or a  
10 fire district who has a level one minimum standard  
11 certification by the Firefighters Personnel Standards and  
12 Education Commission, or a firefighter employed by the Alabama  
13 Forestry Commission who has been certified by the State  
14 Forester as having met the wild land firefighter training  
15 standard of the National Wildfire Coordinating Group.

16           "(3) LAW ENFORCEMENT OFFICER. A full-time law  
17 enforcement officer, not covered as a state policeman,  
18 employed with any state agency, department, board, commission,  
19 or institution or a full-time law enforcement officer employed  
20 by a local unit of the Employees' Retirement System under  
21 Section 36-27-6 who is certified as a law enforcement officer  
22 by the Alabama Peace Officers' Standards and Training  
23 Commission.

24           "(b) (1) Any firefighter, law enforcement officer, or  
25 correctional officer covered under the Employees' Retirement  
26 System or the Teachers' Retirement System as a Tier I plan  
27 member, upon attainment of the requisite years of creditable

1 service or who otherwise qualifies for service or disability  
2 retirement, shall be awarded one year of hazardous duty time  
3 for every five years of service as a firefighter, a law  
4 enforcement officer, or a correctional officer provided that  
5 the person has made the additional contribution provided in  
6 subdivision (2) or paid the additional contribution required  
7 in subsection (c) for each year of service used in determining  
8 hazardous duty time for the person. Proportional credit shall  
9 be awarded for any period of service less than five years.

10 "(2) Effective January 1, 2001, and each pay period  
11 thereafter, each active employee who is a firefighter, law  
12 enforcement officer, or correctional officer, as defined in  
13 subsection (a), shall contribute to the Teachers' or  
14 Employees' Retirement System of Alabama six percent of his or  
15 her earnable compensation. For all pay dates beginning on or  
16 after October 1, 2011, each active employee who is a  
17 firefighter, law enforcement officer, or correctional officer,  
18 as defined in subsection (a), except those employees  
19 participating pursuant to Section 36-27-6, shall contribute to  
20 the Teachers' or Employees' Retirement System of Alabama eight  
21 and one-quarter percent (8.25%) of his or her earnable  
22 compensation. For all pay dates beginning on or after October  
23 1, 2012, each active employee who is a Tier I plan member and  
24 who is a firefighter, law enforcement officer, or correctional  
25 officer, as defined in subsection (a), except those employees  
26 participating pursuant to Section 36-27-6, shall contribute to  
27 the Teachers' or Employees' Retirement System of Alabama eight

1 and one-half percent (8.5%) of his or her earnable  
2 compensation. Any employer participating under Section  
3 36-27-6, by adoption of a resolution, may elect for the  
4 increases in employee contributions provided by Act 2011-676  
5 to be withheld from the earnable compensation of employees of  
6 the employer.

7 "(c) Any member of the Employees' Retirement System  
8 or the Teachers' Retirement System eligible under subsection  
9 (b) may receive credit for his or her eligible prior service  
10 provided the member pays to the Secretary-Treasurer of the  
11 Employees' Retirement System or the Secretary-Treasurer of the  
12 Teachers' Retirement System one percent of his or her current  
13 annual earnable compensation or previous year's annual  
14 earnable compensation, whichever is higher, for each year of  
15 claimed credit within two years of January 1, 2001, except  
16 that any firefighter employed by the Alabama Forestry  
17 Commission shall make such payment within two years of  
18 December 28, 2001. Any member participating in the Employees'  
19 Retirement System under Section 36-27-6, who has eligible  
20 prior service under this section and who also had no prior  
21 eligibility to purchase prior service credit under this  
22 subsection, may purchase prior service credit under this  
23 section at the same rate provided in subsection (b) within one  
24 year of the effective date of his or her enrollment with the  
25 Employees' Retirement System or within one year of August 1,  
26 2004. The member may purchase his or her claimed credit in  
27 increments of five years, unless the total service credit is

1 less than five years, in which case the service shall be  
2 purchased in its entirety. The member shall provide  
3 certification from each employing agency, on forms prescribed  
4 by the Teachers' or Employees' Retirement System, of each year  
5 of claimed service, as a prerequisite to payment under this  
6 section.

7 ~~"(d) The provisions of this section shall not apply~~  
8 ~~to any Tier II plan member."~~

9 Section 2. This act shall become effective  
10 immediately following its passage and approval by the  
11 Governor, or its otherwise becoming law.