

1 SB355
2 164198-1
3 By Senators Albritton and Waggoner
4 RFD: Finance and Taxation General Fund
5 First Read: 09-APR-15

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8 SYNOPSIS: Under existing law, the membership of the
9 State Employees' Insurance Board includes two
10 active state employees, two retired state
11 employees, two ex officio members, and five members
12 from the State Personnel Board.

13 This bill would remove the members of the
14 State Personnel Board from the State Employees'
15 Insurance Board and create appointments to fill
16 those positions.

17
18 A BILL
19 TO BE ENTITLED
20 AN ACT

21
22 To amend Section 36-29-2, Code of Alabama 1975,
23 relating to the State Employees' Insurance Board; to remove
24 the State Personnel Board members from the board and to create
25 appointments to fill those positions.

26 BE IT ENACTED BY THE LEGISLATURE OF ALABAMA:

1 Section 1. Section 36-29-2, Code of Alabama 1975, is
2 amended to read as follows:

3 "§36-29-2.

4 The State Employees' Insurance Board shall consist
5 of ~~the members of the State Personnel Board~~ two persons
6 appointed by the Governor; one person appointed by the Speaker
7 of the House of Representatives; one person appointed by the
8 Lieutenant Governor; ~~together with the Director of Finance,~~
9 ~~The State Treasurer,~~ the Secretary-Treasurer of the Employees'
10 Retirement System of Alabama, ~~two members who are regular~~
11 active employees of the state who are covered under the State
12 Employees' Health Insurance Plan and two retirees who are
13 covered under the State Employees' Health Insurance Plan ~~who~~
14 ~~are receiving benefits from the Employees' Retirement System~~
15 ~~of Alabama.~~

16 (a) The present ex officio officers named shall
17 constitute the membership of the board hereby created, and
18 their successors in office, by virtue of assuming such office,
19 shall succeed to membership on the board.

20 (b) The two active state employee members of the
21 board shall be elected at the regular election for officers of
22 the Alabama State Employees' Association. ~~as follows:~~

23 ~~At the expiration of the term of the existing state~~
24 ~~employee members of the board one state employee member of the~~
25 ~~board shall be elected for a two-year term and every four~~
26 ~~years thereafter, and the other state employee member of the~~
27 ~~board shall be elected for a four-year term, and every four~~

1 ~~years thereafter.~~ Vacancies of the active state employee
2 members of the board shall be filled for the remainder of the
3 term by special election of the Alabama State Employees'
4 Association. ~~The Chairman of the State Personnel Board shall~~
5 ~~serve as the Chairman of the State Employees' Insurance Board.~~

6 (c) Each of the appointees shall have a degree or
7 professional experience in one of the following areas:
8 finance, business administration, health care administration,
9 group health insurance management or health care law. None of
10 the appointed members shall be an owner or an employee of a
11 business that contracts with the State Employees' Insurance
12 Board.

13 (d) Upon the effective date of this Act, the State
14 Personnel Board members will cease to be members of the State
15 Employees' Insurance Board. The terms for the new appointees
16 shall be staggered as follows: the Governor's two appointees'
17 terms shall expire on January 31, 2016 and January 31, 2018;
18 the term of the Speaker's appointee shall expire January 31,
19 2017, and the term of the Lieutenant Governor's appointee
20 shall expire on January 31, 2019. The subsequent terms for all
21 appointed members of the board shall be for four years.

22 (e) The retired members shall be elected in a
23 statewide ballot conducted under the supervision and direction
24 of the board under such rules and regulations as are necessary
25 to insure that all eligible retirees are afforded the
26 opportunity to vote.

1 (f) The Board of Directors of the Alabama Retired
2 State Employees' Association shall submit one nomination for
3 each retired member position. The board shall determine the
4 procedure for qualification of additional candidates which
5 shall include but is not limited to the submission of a
6 petition or petitions which shall include the signature of at
7 least 50 eligible retirees. With the exception of the initial
8 election, each position shall be for a term of four years. The
9 initial terms shall be as follows:

10 (1) Retired member Place Number 1 for a period of
11 two years beginning November 1, 1985.

12 (2) Retired member Place Number 2 for a period of
13 four years beginning November 1, 1985.

14 Any vacancy in the office of either retired
15 positions shall be filled for the remainder of that term by
16 the board from a list of three eligible retired members
17 submitted by the Board of Directors of the Alabama Retired
18 State Employees' Association.

19 (g) The board shall annually elect from its members
20 a chairperson by a majority vote.

21 Section 2. This act shall become effective July 1,
22 2015, following its passage and approval by the Governor or
23 upon its otherwise becoming law.