

1 HB501
2 129178-1
3 By Representative Wood
4 RFD: Ways and Means General Fund
5 First Read: 12-APR-11

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8 SYNOPSIS: Under existing law, capitol police officers
9 are not under the same retirement system as state
10 troopers.

11 This bill would further define State
12 Policeman under the Employees' Retirement System to
13 include capitol police officers.

14
15 A BILL
16 TO BE ENTITLED
17 AN ACT
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19 To amend Section 36-27-1 of the Code of Alabama
20 1975, relating to definitions under the Employees' Retirement
21 System; to include capitol police officers.

22 BE IT ENACTED BY THE LEGISLATURE OF ALABAMA:

23 Section 1. Section 36-27-1 of the Code of Alabama
24 1975, is amended to read as follows:

25 "§36-27-1.

1 "When used in this article, the following terms
2 shall have the following meanings, respectively, unless the
3 context clearly indicates otherwise:

4 "(1) RETIREMENT SYSTEM. The Employees' Retirement
5 System of Alabama as defined in Section 36-27-2.

6 "(2) EMPLOYEE. Any regular employee of the State of
7 Alabama whose salary is paid by state warrant by the state,
8 except a member of the Legislature of the state, a person who
9 is covered or eligible to be covered under the Teachers'
10 Retirement System of Alabama or any other retirement system to
11 which contributions are made by the state, an elective
12 official of the state government, and a temporary employee or
13 person engaged under retainer or special agreement. In all
14 cases of doubt the Board of Control shall determine who is an
15 employee within the meaning of this article. The term shall
16 include any regular employee of the Alabama state hospitals
17 and Partlow State School and Hospital and the Alabama State
18 Port Authority, however paid.

19 "(3) EMPLOYER. The State of Alabama or any
20 department, commission, institution, or any other agency of
21 and within the state by which an employee is paid, including
22 employers as provided in Section 36-27-6.

23 "(4) MEMBER. Any employee included in the membership
24 of the system as provided in Section 36-27-4.

25 "(5) BOARD OF CONTROL. The board provided for in
26 Section 36-27-23 to administer the retirement system.

1 "(6) MEDICAL BOARD. The board of physicians provided
2 for in Section 36-27-23.

3 "(7) SERVICE. Service as an employee paid for by an
4 employer.

5 "(8) PRIOR SERVICE. Service rendered prior to the
6 date of establishment of the retirement system for which
7 credit is allowable under Section 36-27-11.

8 "(9) MEMBERSHIP SERVICE. Service as an employee
9 rendered while a member of the retirement system and on
10 account of which contributions are made.

11 "(10) CREDITABLE SERVICE. "Prior service" plus
12 "membership service" rendered since last becoming a member.

13 "(11) BENEFICIARY. Any person in receipt of a
14 pension, an annuity, a retirement allowance or other benefit
15 as provided by this article.

16 "(12) REGULAR INTEREST. Interest compounded annually
17 at the rate determined by the Board of Control in accordance
18 with subsection (f) of Section 36-27-25.

19 "(13) ACCUMULATED CONTRIBUTIONS. The sum of all the
20 amounts deducted from the compensation of a member credited to
21 his or her individual account in the Annuity Savings Fund,
22 together with regular interest thereon, as provided in Section
23 36-27-24.

24 "(14) EARNABLE COMPENSATION. The full rate of
25 compensation that would be payable to an employee if he or she
26 worked the full normal work-time. In cases where compensation
27 includes maintenance, the Board of Control shall fix the value

1 of that part of the compensation not paid in money. Earnable
2 compensation shall not exceed the limitations imposed by
3 Section 401(a) (17) of the Internal Revenue Code for public
4 pension funds, except that any employee who was a member of
5 the Employees' Retirement System before the first plan year
6 beginning after December 31, 1995, shall not be subject to the
7 earning limitations set forth in Section 401(a) (17).

8 "(15) AVERAGE FINAL COMPENSATION. The average annual
9 compensation of an employee, with respect to which he or she
10 had made contributions pursuant to subsection (b) of Section
11 36-27-24 during the three years, in his or her last 10 years
12 of creditable service for which the average is highest or
13 during his or her entire period of creditable service if less
14 than three years; except, that for any period prior to
15 November 1, 1959, the compensation used in computing the
16 average shall include compensation in excess of the maximum
17 amount with respect to which members were required to
18 contribute.

19 "(16) ANNUITY. Payments for life derived from the
20 "accumulated contributions" of a member. All annuities shall
21 be payable in equal monthly installments.

22 "(17) PENSION. Payments for life derived from money
23 provided by the employer. All pensions shall be payable in
24 equal monthly installments.

25 "(18) RETIREMENT ALLOWANCE. The sum of the "annuity"
26 and the "pension."

1 "(19) RETIREMENT. Withdrawal from active service
2 with a retirement allowance or optional benefit in lieu
3 thereof granted under this article.

4 "(20) ANNUITY RESERVE. The present value of all
5 payments to be made on account of any annuity or benefit in
6 lieu of any annuity computed upon the basis of the mortality
7 tables adopted by the Board of Control and regular interest.

8 "(21) PENSION RESERVE. The present value of all
9 payments to be made on account of any pension or benefit in
10 lieu of any pension computed upon the basis of the mortality
11 tables adopted by the Board of Control and regular interest.

12 "(22) ACTUARIAL EQUIVALENT. A benefit of equal value
13 when computed upon the basis of the mortality tables adopted
14 by the Board of Control and regular interest.

15 "(23) STATE POLICEMAN. An employee in the classified
16 service under the Merit System Act approved by the State
17 Personnel Board to perform the duties of highway patrolman,
18 capitol police officer, ~~or~~ a beverage control agent,
19 or a crime investigator. The term shall not include a member
20 employed as a policeman under Section 36-27-6."

21 Section 2. This act shall become effective on the
22 first day of the third month following its passage and
23 approval by the Governor, or its otherwise becoming law.