

1 HB598
2 139733-1
3 By Representatives Hurst and Wood
4 RFD: State Government
5 First Read: 22-MAR-12

2
3
4
5
6
7
8 SYNOPSIS: Under existing law, the Employees'
9 Retirement System is not open for a member of the
10 Oxford Emergency Medical Services, Inc., which
11 participates in the Employees' Retirement System to
12 purchase prior non-qualified service for employment
13 rendered to Oxford Emergency Medical Service.

14 This bill would allow an active and
15 contributing member of the Oxford Emergency Medical
16 Services to purchase prior non-qualified service
17 credit for employment rendered before July 14,
18 2009, to a non-participating employer that was not
19 eligible for participation in the Employees'
20 Retirement System.

21
22 A BILL
23 TO BE ENTITLED
24 AN ACT

25
26 To allow a member of the Oxford Emergency Medical
27 Services, Inc., under the Employees' Retirement System to

1 purchase certain prior non-qualified service credit in the
2 system for service rendered to an employer that was not
3 eligible for participation in the Employees' Retirement System
4 under Section 36-27-6.

5 BE IT ENACTED BY THE LEGISLATURE OF ALABAMA:

6 Section 1. (a) Any active and contributing member of
7 the Oxford Emergency Medical Services, Inc., that participates
8 in the Employees' Retirement System under Section 36-27-6 of
9 the Code of Alabama 1975, may purchase prior non-qualified
10 service for employment rendered to Oxford Emergency Medical
11 Services before July 14, 2009, as permitted by the IRC Section
12 415(n) (3) (B). Currently, under federal law the employee must
13 have five or more years of creditable service in the
14 Employees' Retirement System prior to purchasing up to five
15 years' non-qualified service.

16 (b) No member shall receive credit for any service
17 that the member is already credited with in the system or any
18 other public retirement plan, with the exception of the
19 federal Social Security program.

20 (c) Any member who is eligible to purchase service
21 credit shall furnish to the Secretary-Treasurer of the
22 Employees' Retirement System the full actuarially determined
23 cost for each year of claimed service as determined by the
24 system's actuary.

25 (d) Any year of service purchased under the
26 provisions of this act shall not be considered in determining
27 the out-of-pocket premium amount charged to retirees under the

1 provisions of Section 16-25A-8.1 or Section 36-29-19.7, Code
2 of Alabama 1975. Also, any service purchased under this act
3 shall not entitle a member to be eligible for benefits under
4 either the PEEHIP or SEIB any earlier than the member could
5 have reached eligibility under the plan without the service
6 purchased under the provisions of this act.

7 Section 2. This act shall become effective after its
8 passage and approval by the Governor, or its otherwise
9 becoming a law.