

1 HB39
2 164458-8
3 By Representatives Chesteen, Boothe, Weaver, Rowe, Poole,
4 Harper, Holmes (M), Tuggle, Lee, Farley, Clouse, Sessions,
5 Sells, Ingram, Butler, Rich, Fridy, Garrett, Faulkner, Baker,
6 South, Hanes, Greer, Hammon, Hubbard, Hill (J), Martin,
7 McCutcheon, Wilcox, Williams (JW), Ledbetter, Henry, Pettus
8 and Williams (JD)
9 RFD: State Government
10 First Read: 03-MAR-15
11 PFD: 02/18/2015

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8 SYNOPSIS: Existing law does not require the State of
9 Alabama or local boards of education to provide an
10 annual itemized statement of all employee and
11 retirement benefits paid for its employees and
12 retirees.

13 This bill would require the State of Alabama
14 and local boards of education to provide an annual
15 itemized statement of all employee and retirement
16 benefits received or accrued by an employee or
17 retiree from his or her employer as well as
18 information about the total employer contributions
19 to retirement systems and health insurance plans.

20 Amendment 621 of the Constitution of Alabama
21 of 1901, now appearing as Section 111.05 of the
22 Official Recompilation of the Constitution of
23 Alabama of 1901, as amended, prohibits a general
24 law whose purpose or effect would be to require a
25 new or increased expenditure of local funds from
26 becoming effective with regard to a local
27 governmental entity, or a city or county board of

1 education, without enactment by a 2/3 vote unless:
2 it comes within one of a number of specified
3 exceptions; it is approved by the affected entity;
4 or the Legislature appropriates funds, or provides
5 a local source of revenue, to the entity for the
6 purpose.

7 The purpose or effect of this bill would be
8 to require a new or increased expenditure of local
9 funds within the meaning of the amendment.

10
11 A BILL
12 TO BE ENTITLED
13 AN ACT
14

15 To require the State of Alabama and local boards of
16 education to provide an annual itemized statement of all
17 employee and retirement benefits received or accrued by an
18 employee or retiree from his or her employer as well as
19 information about the total employer contributions to
20 retirement systems and health insurance plans; and in
21 connection therewith would have as its purpose or effect the
22 requirement of a new or increased expenditure of local funds
23 within the meaning of Amendment 621 of the Constitution of
24 Alabama of 1901, now appearing as Section 111.05 of the
25 Official Recompilation of the Constitution of Alabama of 1901,
26 as amended.

27 BE IT ENACTED BY THE LEGISLATURE OF ALABAMA:

1 Section 1. This act shall be known as and may be
2 cited as the "Truth in Salary Act."

3 Section 2. (a) As used in this section, the
4 following words have the following meanings:

5 (1) EMPLOYEE BENEFIT. Any benefit a public employee
6 received or accrued from his or her employer, including, but
7 not limited to, salary or wages; insurance; allowance for days
8 off such as vacation, holidays, sick leave, or personal days;
9 and contributions toward retirement or pension benefits.

10 (2) HEALTH INSURANCE PLAN. Either of the following
11 health insurance plans as it applies to an individual public
12 employee or retiree:

13 a. The State Employees' Health Insurance Plan.

14 b. The Public Education Employees' Health Insurance
15 Plan.

16 (3) RETIREE. A retiree or a beneficiary of a
17 deceased retiree who receives an employee benefit or pension
18 benefit from a retirement system.

19 (4) RETIREMENT SYSTEM. One of the following
20 retirement systems as it applies to an individual public
21 employee or retiree:

22 a. The State Employees' Retirement System.

23 b. The Teachers' Retirement System.

24 c. The Judicial Retirement Fund.

25 (5) STATE AGENCY. Any state department, board,
26 commission, bureau, agency, or office, including a legislative
27 or judicial office, and including a two-year or four-year

1 public college, university, institution of higher education,
2 or postsecondary educational institution.

3 (b) On or before January 31, 2016, and annually
4 thereafter, each state agency and each local board of
5 education shall provide each employee and retiree,
6 electronically and in paper form either by postal service or
7 internal mail system, the following information covering the
8 preceding fiscal year as it applies to that individual
9 employee or retiree:

10 (1) An itemized statement of all employee benefits
11 the employee or retiree accrued or received.

12 (2) An itemized statement of all pension benefits
13 the employee or retiree accrued or received.

14 (3) The total amount of employer contributions made
15 from funds appropriated by the Alabama Legislature to the
16 applicable retirement system.

17 (4) The approximate percentage of total employer
18 contributions made from funds appropriated by the Alabama
19 Legislature to the applicable retirement system, as compared
20 to the total amount of either General Fund or Education Trust
21 Fund appropriations, as applicable.

22 (5) The funded ratio of the applicable retirement
23 system, with a listing of the amounts of total assets and
24 total liabilities.

25 (6) The total amount of employer contributions made
26 from funds appropriated by the Alabama Legislature to the
27 applicable health insurance plan.

1 (7) The approximate percentage of total employer
2 contributions made from funds appropriated by the Alabama
3 Legislature to the applicable health insurance plan as
4 compared to the total amount of either General Fund or
5 Education Trust Fund appropriations, as applicable.

6 (c) All retirement systems and health insurance
7 plans shall cooperate fully with state agencies and local
8 boards of education, as applicable, in the implementation of
9 this act.

10 Section 3. This act shall become effective
11 immediately following its passage and approval by the
12 Governor, or its otherwise becoming law.