

1 201054-2 : n : 05/15/2019 : SMITHERMAN / hdd

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3 SENATE FINANCE AND TAXATION EDUCATION COMMITTEE SUBSTITUTE FOR
4 SB288

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9 SYNOPSIS: Under existing law, there is no provision
10 for retirees and beneficiaries receiving monthly
11 benefits from the Teachers' Retirement System (TRS)
12 to receive a funded one-time lump-sum addition to
13 their retirement allowances. This bill would
14 provide such a payment to certain retirees and
15 beneficiaries under the TRS.

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17 A BILL
18 TO BE ENTITLED
19 AN ACT

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21 Relating to retirement; to provide for a funded
22 one-time lump-sum addition to the retirement benefits of
23 certain retirees and beneficiaries of the Teachers' Retirement
24 System conditional upon the availability of funds in the
25 Education Trust Fund.

26 BE IT ENACTED BY THE LEGISLATURE OF ALABAMA:

1 Section 1. (a) There is hereby provided for fiscal
2 year 2019-2020 a funded one-time lump-sum payment, hereinafter
3 referred to as "lump-sum payment," in the amount of \$400.00 to
4 each person whose effective date of retirement for purposes of
5 receiving benefits from the Teachers' Retirement System is
6 prior to October 1, 2019, and who is receiving or is entitled
7 to receive a monthly allowance from the Teachers' Retirement
8 System on September 30, 2019.

9 (b) Beneficiaries of deceased members or deceased
10 retirees, if the date of death for the deceased member, or the
11 effective date of retirement for the deceased retiree for
12 purposes of receiving benefits from the Teachers' Retirement
13 System was prior to October 1, 2019, and if the beneficiary is
14 receiving or is entitled to receive a monthly allowance from
15 the Teachers' Retirement System on September 30, 2019, shall
16 receive a lump-sum payment of \$400.00.

17 (c) There is hereby provided for fiscal year
18 2019-2020 a funded one-time lump-sum payment to certain
19 persons identified in subsection (e) herein, whose effective
20 date of retirement for purposes of receiving benefits from the
21 Teachers' Retirement System is prior to October 1, 2019, and
22 who is receiving or is entitled to receive a monthly allowance
23 from the Teachers' Retirement System on September 30, 2019.

24 (d) For purposes of this section, service includes
25 the service under Section 16-25-1 and Section 16-25-150 et
26 seq., Code of Alabama 1975.

1 (e) Any person who received benefits under the
2 Medicaid program and whose eligibility for Medicaid benefits
3 would be impaired by the lump-sum payment provided by this
4 section shall not be entitled to receive the aforementioned
5 increase. Any person who subsequently applies for benefits
6 under the Medicaid program and that person's eligibility to
7 receive benefits is impaired by the lump-sum payment provided
8 by this section shall not be entitled to receive the increase
9 subsequent to the date that the member files application for
10 benefits under the Medicaid program.

11 (f) The lump-sum payments provided under this
12 section shall be paid to all eligible recipients by the
13 Teachers' Retirement System in December 2019.

14 Section 2. It is not the intent of this act to make
15 appropriations, but the appropriation required by this act is
16 conditioned upon the availability of funds in the annual
17 Education Trust Fund budget act for the fiscal year beginning
18 October 1, 2019, the recommendation of the Finance Director,
19 and the approval of the Governor.

20 Section 3. This act shall become effective
21 immediately following its passage and approval by the
22 Governor, or its otherwise becoming law.