

1 SB114  
2 209022-4  
3 By Senator Shelnutt (N & P)  
4 RFD: Jefferson County Legislation  
5 First Read: 18-JAN-22

A BILL  
TO BE ENTITLED  
AN ACT

Relating to Jefferson County and the General Retirement System for employees of the county; to amend Section 45-37-123.54 of the Code of Alabama 1975, to eliminate the reduction to the pension benefit of a member who is receiving a pension on account of retirement and is reemployed by the county two or more years after the member severs employment from the county; to repeal Section 45-37-123.105 of the Code of Alabama 1975, providing for an offset of retirement or disability benefits, including worker's compensation, of a retired member who is reemployed by the county; and to specify prospective application of this act.

BE IT ENACTED BY THE LEGISLATURE OF ALABAMA:

Section 1. 45-37-123.54 of the Code of Alabama 1975, is amended to read as follows:

"§45-37-123.54.

1            "If a member of the system severs employment with  
2 the county or his or her term in an elected or appointed job  
3 or position terminates, and such member thereafter returns to  
4 the service of the county, he or she shall become a member of  
5 the system to the extent he or she meets the definition of an  
6 eligible employee, subject to the following rules:

7            "(1) MEMBER RECEIVING A PENSION BENEFIT. If a member  
8 receiving his or her pensions benefit is reemployed by the  
9 county two or more years after severing employment, the  
10 pension benefit of the member shall not be reduced. If a  
11 member is receiving his or her pension benefit ~~on account of~~  
12 ~~retirement and such member returns to the service of~~ and is  
13 reemployed by the county less than two years after severing  
14 employment, any amount otherwise payable by the system to such  
15 member on account of such member's retirement shall be reduced  
16 by the amount, if any, paid or payable to such member by the  
17 county on account of or by reason of the reemployment of such  
18 member. At the earlier of the time the member thereafter  
19 severs employment with the county or after two or more years  
20 of reemployment by the county, such member's pension benefit  
21 shall return to the amount it was prior to the member's  
22 reemployment. ~~Accordingly~~ However, notwithstanding  
23 subdivisions (3) and (4), such a member covered by this  
24 subdivision shall not accrue any additional pension benefit  
25 during his or her period of ~~rehire~~ reemployment.

26            "(2) MEMBER ELECTED A DEFERRED RETIREMENT. If a  
27 vested member who severed employment with the county and

1 elected a deferred retirement benefit is reemployed by the  
2 county before age 60, his or her election for a deferred  
3 retirement benefit shall be rescinded, and he or she shall  
4 begin to accrue benefits again upon the date of reemployment.  
5 Such member's benefit shall be calculated by aggregating the  
6 member's credited service during all periods of employment.

7 "(3) MEMBER DOES NOT RECEIVE A REFUND AND IS  
8 REEMPLOYED WITHIN FIVE YEARS. Except as set forth in  
9 subdivision (1), if a member, who severed employment with the  
10 county but did not receive a refund of his or her employee  
11 contributions to the system as provided in Section  
12 45-37-123.104, is reemployed by the county within five years  
13 of such severance from employment, he or she shall begin to  
14 accrue benefits again upon the date of reemployment. Such  
15 member's benefit shall be calculated by aggregating the  
16 member's credited service during all periods of employment.

17 "(4) MEMBER RECEIVED A REFUND OR FORFEITED PENSION  
18 BENEFIT. Except as set forth in subdivision (1), if a member  
19 who severed employment with the county and received a refund  
20 of his or her employee contributions to the system as provided  
21 in Section 45-37-123.104, or does not receive a refund within  
22 five years after severing from employment, is reemployed by  
23 the county, he or she shall rejoin the system in accordance  
24 with Sections 45-37-123.50 and 45-37-123.82 and begin to  
25 accrue benefits again upon the date of reemployment. In  
26 calculating such member's benefit, only credited service

1 rendered after the member is ~~rehired~~ reemployed shall be  
2 included."

3 Section 2. Section 45-37-123.105 of the Code of  
4 Alabama 1975, is repealed.

5 Section 3. This act shall apply prospectively only  
6 to retired members of the system who are reemployed by the  
7 county on or after the effective date of this act.

8 Section 4. This act shall become effective  
9 immediately following its passage and approval by the  
10 Governor, or its otherwise becoming law.