

1 SB30
2 215988-2
3 By Senator Singleton
4 RFD: Finance and Taxation Education
5 First Read: 11-JAN-22
6 PFD: 01/06/2022

2
3
4 ENGROSSED

5
6
7 A BILL
8 TO BE ENTITLED
9 AN ACT

10
11 To provide for a funded one-time longevity bonus
12 payment in addition to the retirement benefits of certain
13 retirees and beneficiaries of the Teachers' Retirement System.

14 BE IT ENACTED BY THE LEGISLATURE OF ALABAMA:

15 Section 1. (a) There is provided for fiscal year
16 2021-2022 a funded one-time lump-sum payment, hereinafter
17 referred to as longevity bonus, to each individual whose
18 effective date of retirement for purposes of receiving
19 benefits from the Teachers' Retirement System is prior to
20 March 1, 2022, and who is receiving, or is entitled to
21 receive, a monthly allowance from the Teachers' Retirement
22 System on March 30, 2022.

23 (b) The formula for calculating the longevity bonus
24 payment shall be two dollars (\$2) per month for each year of
25 service attained by the retiree.

26 (c) Beneficiaries of deceased members or deceased
27 retirees, if the beneficiary is receiving or is entitled to

1 receive a monthly allowance from the Teachers' Retirement
2 System on March 30, 2022, shall receive a longevity bonus of
3 two dollars (\$2) per month for each year of service of the
4 deceased member or deceased retiree.

5 (d) For purposes of this section, service includes
6 the service under Section 16-25-1 and Article 9, commencing
7 with Section 16-25-150, Chapter 25, Title 16, Code of Alabama
8 1975.

9 (e) Any individual who received benefits under the
10 Medicaid program, and whose eligibility for Medicaid benefits
11 would be impaired by the bonus payment provided by this
12 section, shall not be entitled to receive the aforementioned
13 increase. Any individual who subsequently applies for benefits
14 under the Medicaid program, and that individual's eligibility
15 to receive benefits is impaired by the longevity bonus
16 provided by this section, shall not be entitled to receive the
17 increase subsequent to the date that the member files
18 application for benefits under the Medicaid program.

19 (f) The longevity bonuses provided under this
20 section shall be paid to all eligible recipients by the
21 Teachers' Retirement System in April 2022.

22 Section 2. The Board of Control of the Teachers'
23 Retirement System shall determine the amount required to pay
24 the cost of the longevity bonus payments provided under this
25 act and shall notify the chief fiscal officer of each employer
26 of the increases in the employer rate required to be paid to
27 the system for the fiscal year beginning October 1, 2023,

1 only. Each employer shall pay the increase in the employer
2 rate in the same manner and from the same funds as salaries of
3 active members are paid.

4 Section 3. This act shall become effective
5 immediately following its passage and approval by the
6 Governor, or its otherwise becoming law.

1
2
3
4
5
6
7
8
9
10

11
12
13
14
15
16
17

Senate

Read for the first time and referred to the Senate
committee on Finance and Taxation Education 11-JAN-22

Read for the second time and placed on the calen-
dar 1 amendment..... 17-FEB-22

Read for the third time and passed as amended 22-FEB-22

Yeas 32
Nays 0

Patrick Harris,
Secretary.