

HB343 ENROLLED



1 HB343
2 XD8N5E7-2
3 By Representative Carns (N & P)
4 RFD: Jefferson County Legislation
5 First Read: 27-Feb-25



HB343 Enrolled

Enrolled, An Act,

Relating to the General Retirement System for Employees of Jefferson County; to amend Sections 45-37-123.01 and 45-37-123.50, Code of Alabama 1975, as last amended by Act 2024-260, 2024 Regular Session; to remove certain provisions tying eligibility to participate in the plan to an eligible employee's civil service classification with the Personnel Board of Jefferson County; to provide that every eligible employee other than part-time employees employed by the county on and after October 1, 2025, shall be a mandatory member of the system and make contributions thereto; to provide that individuals elected or appointed to a full-time county office created by the Legislature or otherwise provided for by the Constitution of Alabama of 2022, and part-time employees of the county shall remain optional members in the system on and after October 1, 2025; and to make nonsubstantive, technical revisions to update the existing code language to current style.

BE IT ENACTED BY THE LEGISLATURE OF ALABAMA:

Section 1. Sections 45-37-123.01 and 45-37-123.50, Code of Alabama 1975, as last amended by Act 2024-260, 2024 Regular Session, are amended to read as follows:

"§45-37-123.01

For the purposes of this part, the following terms ~~shall~~ have the following meanings:

(1) ACT. The act adding this part, to be called the General Retirement System for Employees of Jefferson County



HB343 Enrolled

Act.

(2) ACTIVE MEMBER. An individual who currently is employed by the county or other entities set forth in subdivision (20) and is making employee contributions to the system pursuant to Section 45-37-123.82.

(3) ACTUARIAL EQUIVALENT. Effective July 30, 1984, or such other dates as set forth in Exhibit A to the plan document, which is maintained in the office of the pension board, a form of benefit differing in time, period, or manner of payment from a specific benefit provided under the plan but having the same value when computed using the mortality tables, the interest rate, and any other assumptions last adopted by the pension board, which assumptions shall clearly preclude any discretion in the determination of the amount of a member's benefit.

(4) ACTUARIAL GAIN. As defined in Section 45-37-123.106(f)(1).

(5) ANNUITY STARTING DATE. As used in Subpart 6 and in Section 45-37-123.106, means, with respect to any member, the first day of the first period for which an amount is paid as an annuity, or, in the case of a benefit not payable in the form of an annuity, the first day on which all events have occurred which entitles the member to such benefit.

(6) BASIC AVERAGE SALARY. Generally means, effective as of February 1, 2010, the monthly compensation of a member averaged over the period of 36 consecutive months of paid membership time during which such member's average monthly compensation was higher than any other period of 36



HB343 Enrolled

consecutive months of paid membership time. For example, if a member terminated employment on June 20, 2010, and his or her highest consecutive 36-month period ends on the member's date of termination of employment, then the measuring period for determining basic average salary would be from June 21, 2007, through June 20, 2010. The following rules shall apply in calculating basic average salary:

a. Daily Compensation Calculation. Subject to the additional rules stated in this subdivision, the compensation earned in each year, or portion of a year, during the 36-month period shall be determined on a daily basis. The total of the compensation earned in each applicable year, or portion thereof, shall be added together and then divided by 36 to arrive at the member's basic average salary. If the foregoing process is not workable in some situations, then the pension board shall approve a different method which is reasonable given the terms of the act and the individual circumstances.

b. Use of Unpaid Membership Time. The compensation paid to a member during unpaid membership time shall only be considered in determining the member's basic average salary for periods of employment prior to August 16, 1996.

c. Tacking of Nonconsecutive Paid Membership Time. Separate periods of paid membership time may be tacked and considered as consecutive if the member does not have any paid membership time between the periods so tacked. For example, if the member did not have any paid membership time between two periods of paid membership time due to a leave of absence, the leave of absence would be ignored in calculating basic average



HB343 Enrolled

85 salary.

86 d. Post-termination. Notwithstanding any provisions of
87 this plan to the contrary, a member's final paycheck from the
88 county shall be counted in computing a member's basic average
89 salary, but only to the extent that such paycheck constitutes
90 compensation, and the highest consecutive 36-month period
91 otherwise would end on the date of the member's termination of
92 employment.

93 (7) BENEFICIARY. The individual, or entity, designated
94 as provided in Section 45-37-123.103(d) to receive the
95 benefits which are payable under the plan upon or after the
96 death of a member.

97 (8) BENEFIT ENHANCEMENT. An across the board increase
98 to a previously awarded benefit to which a member is entitled.

99 (9) COMMISSION. The Jefferson County Commission.

100 (10) COMPENSATION.

101 a. With respect to any member means:

102 1. The regular salary or hourly wages paid to a member,
103 based on his or her pay grade, as established by the Personnel
104 Board of Jefferson County, or other appropriate authority, for
105 a calendar year ending with or within the applicable plan year
106 including any employee contributions pursuant to Section
107 45-37-123.82(a);

108 2. Plus any accumulated vacation time paid by the
109 county;

110 3. Plus Worker's Compensation benefits, only as
111 described in subdivision (65); and

112 4. Any differential wage payment, as defined in 26



HB343 Enrolled

U.S.C. § 3401(h)(2), generally relating to military pay.

b. Bonuses, overtime, longevity pay, paid accumulated sick leave that is paid in the form of a lump sum, uniform allowances, expense allowances, and any other nonregular forms of compensation are excluded.

c. Compliance with 26 U.S.C. § 401(a)(17). Because the transitional rule provided by Treasury Regulation § 1.401(a)(17)-1(d)(4) of the regulations issued under 26 U.S.C. § 401(a)(17) does not apply to the plan, compensation of each member taken into account in determining benefit accruals in any plan year beginning after December 31, 2001, shall not exceed two hundred thousand dollars (\$200,000), or any other amount provided in the Internal Revenue Code. The amount shall be adjusted for increases in the cost-of-living in accordance with 26 U.S.C. § 401(a)(17)(B), except that the dollar increase in effect on January 1 of any calendar year shall be effective for the calendar years beginning with the calendar year. For any short calendar year, the compensation limit shall be an amount equal to the compensation limit for the calendar year in which the calendar year begins multiplied by the ratio obtained by dividing the number of full months in the short calendar year by 12. For purposes of determining benefit accruals in a plan year beginning after December 31, 2001, compensation for any prior calendar year shall be limited to one hundred fifty thousand dollars (\$150,000) for any calendar year beginning in 1996, one hundred sixty thousand dollars (\$160,000) for any calendar year beginning in 1997, 1998, or 1999; and one hundred seventy thousand dollars



HB343 Enrolled

(\$170,000) for any calendar year beginning in 2000 or 2001.

(11) COUNTY. Jefferson County, Alabama, and any successor which shall maintain this plan. However, references herein to employment by the county also shall include employment by other entities set forth in subdivision (20) and by entities for which the county is acting as payroll agent or where the county is being reimbursed by an entity for the compensation of such entities' workers or where the entity has appointing authority with respect to the workers. Accordingly, such entities' workers shall be covered by the plan to the extent allowed under the act and as determined by the pension board in its administration of the plan.

(12) DEFERRED RETIREMENT BENEFIT. A benefit payable pursuant to the terms of Section 45-37-123.100(c).

(13) DESIGNATED BENEFICIARY. The individual or entity designated as provided in Section 45-37-123.103(d) to receive a benefit payable under the plan upon or after the death of a member or a beneficiary, as applicable.

(14) DISABILITY BENEFIT. A benefit payable pursuant to the terms of Section 45-37-123.102.

(15) DISABLED MEMBER. A member who is currently receiving a disability benefit from the system pursuant to Section 45-37-123.102.

(16) DISTRIBUTION CALENDAR YEAR. As defined in Section 45-37-123.106(f)(3).

(17) EARLY RETIREMENT BENEFIT. A benefit payable pursuant to the terms of Section 45-37-123.100(b).

(18) EFFECTIVE DATE. May 23, 2013, except as otherwise



HB343 Enrolled

provided.

(19) ELIGIBLE COST-OF-LIVING INDEX. As defined in Section 45-37-123.106(f)(4).

(20) ELIGIBLE EMPLOYEE.

a. ~~The~~ Except for those individuals occupying positions listed in paragraph b., the following individuals ~~affiliated with Jefferson County, Alabama, or the State of Alabama~~ are eligible to participate in the plan:

1. Any individual employed by Jefferson County at a wage or salary payable at regular intervals, ~~whether or not the individual is subject to the Personnel Board of Jefferson County.~~

2. Any individual elected or appointed to a job or position with or for Jefferson County, whose compensation ~~was~~ is paid or shall be paid, in whole or in part, by Jefferson County while occupying the job or position.

3. Any individual who occupies a county office in Jefferson County that is created by an act of the Legislature ~~of the State of Alabama~~ or is provided for by the Constitution of Alabama of 2022, and the office requires full-time service. ~~The individual is an eligible county office employee.~~

4. Any individual employed by the General Retirement System for Employees of Jefferson County at a wage or salary payable at regular intervals, ~~whether or not the individual is subject to the Personnel Board of Jefferson County.~~

5. Any individual employed by the Personnel Board of Jefferson County at a wage or salary payable at regular intervals, ~~whether or not the individual is subject to the~~



HB343 Enrolled

~~Personnel Board of Jefferson County.~~

6. Any individual employed by an entity for which the county is acting as payroll agent or for which the county has agreed to be reimbursed by the entity for the compensation paid to the individual, ~~whether or not the individual is subject to the Personnel Board of Jefferson County.~~

b. An eligible employee shall not include:

1. Any individual who is appointed or elected as a member of any board or commission of Jefferson County, provided that service on the board or commission does not require full-time service or the members on the board or commission receive no compensation for their service except for meetings attended by them;i

2. Any individual whose employment is temporary so long as his or her employment remains temporary. An individual's employment shall be deemed to be temporary within the meaning of this subparagraph if the employment is temporary as defined by the Personnel Board of Jefferson County or any other individual or entity responsible for classifying employment, or if the officers, board, commission, or agency employing the individual certifies in writing to the pension board that the employment is temporary;i

3. Any leased employee and any independent contractor;i

4. Any employee or appointee of a city or county board of education or a library board;

5. Any employee of the State of Alabama;

6. The judge of any court;

7. Any employee of a city; or



HB343 Enrolled

225 8. Any employee of a public school district.

226 (21) EMPLOYEE. Any individual who is employed by the
227 county or elected or appointed to a job or position with or
228 for the county. An employee shall exclude any leased employee
229 and any independent contractor as the terms are defined by the
230 pension board or the Personnel Board of Jefferson County, or
231 any other individual or entity responsible for classifying
232 employment. See also subdivision (11), which covers situations
233 in which other entities may be the employer of eligible
234 employees.

235 (22) EMPLOYEE CONTRIBUTION. The amount a member is
236 required to contribute to the plan as a condition of
237 employment and participation in the plan pursuant to Section
238 45-37-123.82 and any amount required to be treated as an
239 employee contribution in accordance with Section
240 45-37-123.190(b), relating to transfers from 26 U.S.C. §
241 457(b), plans.

242 (23) EMPLOYER CONTRIBUTION. The amount the county is
243 required to contribute to the plan pursuant to Section
244 45-37-123.20(b) and Section 45-37-123.80(a).

245 (24) EXECUTIVE DIRECTOR. The individual designated by
246 the pension board to manage the employees and day-to-day
247 administration of the system. The individual shall not be
248 employed by the Jefferson County Commission or subject to the
249 Personnel Board of Jefferson County or any other individual or
250 entity responsible for classifying employment.

251 (25) FISCAL YEAR. The system's accounting year of 12
252 months commencing on October 1 of each year and ending the



HB343 Enrolled

253 following September 30.

254 (26) 415 COMPENSATION. With respect to any member means
255 the member's wages as defined in 26 U.S.C. § 3401(a) and all
256 other payments of compensation by the county, in the course of
257 the county's trade or business, for a calendar year ending
258 with or within the plan year for which the county is required
259 to furnish the member a written statement under 26 U.S.C. §§
260 6041(d), 6051(a)(3), and 6052. 415 compensation shall be
261 determined without regard to any rules under 26 U.S.C. §
262 3401(a) that limit the remuneration included in wages based on
263 the nature or location of the employment or the services
264 performed, such as the exception for agricultural labor in 26
265 U.S.C. § 3401(a)(2). Notwithstanding the above, the
266 determination of 415 compensation shall be made by including
267 any elective deferral, as defined in 26 U.S.C. § 402(g)(3),
268 and any amount which is contributed by the county at the
269 election of the member pursuant to a salary reduction
270 agreement and which is not includible in the gross income of
271 the member by reason of 26 U.S.C. §§ 125, 132(f)(4),
272 402(e)(3), 402(h)(1)(B), 403(b), or 457(b), and employee
273 contributions described in 26 U.S.C. § 414(h)(2), that are
274 treated as employer contributions. For this purpose, effective
275 January 1, 1998, amounts not includible in gross income under
276 26 U.S.C. § 125 shall be deemed to include any amounts not
277 available to a member in cash in lieu of group health coverage
278 because the member is unable to certify that the member has
279 other health coverage, provided the county does not request or
280 collect information regarding the member's other health



HB343 Enrolled

coverage as part of the enrollment process for the health plan.

a. Compensation Paid After Severance from Employment.

With respect to limitation years beginning on and after July 1, 2007, 415 compensation shall be adjusted for the following types of compensation paid after a member's severance from employment with the county, or any other entity that is treated as the county pursuant to 26 U.S.C. § 414(b), (c), (m), or (o).

1. The following amounts shall be included in 415 compensation to the extent these amounts are paid by the later of two months after severance from employment or by the end of the limitation year that includes the date of such severance from employment:

(i) Regular pay. 415 compensation shall include regular pay after severance from employment if:

A. The payment is regular compensation for services during the member's regular working hours, or compensation for services outside the member's regular working hours, such as overtime or shift differential, commissions, bonuses, or other similar payments; and

B. The payment would have been paid to the member prior to a severance from employment if the member had continued in employment with the county.

(ii) Leave cashouts. 415 compensation shall include leave cashouts if those amounts would have been included in the definition of 415 compensation if they were paid prior to the member's severance from employment, and the amounts are



HB343 Enrolled

309 payment for unused accrued bona fide sick, vacation, or other
310 leave, but only if the member would have been able to use the
311 leave if employment had continued.

312 (iii) Deferred compensation. 415 compensation shall
313 include deferred compensation if the compensation would have
314 been included in the definition of 415 compensation if it had
315 been paid prior to the member's severance from employment, and
316 the compensation is received pursuant to a nonqualified
317 unfunded deferred compensation plan, but only if the payment
318 would have been paid at the same time if the member had
319 continued in employment with the county and only to the extent
320 that the payment is includible in the member's gross income.

321 2. The following amounts shall not be included in 415
322 compensation:

323 (i) Salary continuation payments for military service
324 participants. 415 compensation does not include payments to an
325 individual who does not currently perform services for the
326 county by reason of qualified military service to the extent
327 those payments do not exceed the amounts the individual would
328 have received if the individual had continued to perform
329 services for the county rather than entering qualified
330 military service.

331 (ii) Salary continuation payments for disabled
332 participants. 415 compensation does not include compensation
333 paid to a member who is permanently and totally disabled, as
334 defined in 26 U.S.C. § 22(e)(3).

335 b. Administrative Delay or the First Few Weeks Rule.
336 With respect to limitation years beginning on and after July



HB343 Enrolled

1, 2007, 415 compensation does not include amounts earned but not paid during the limitation year solely because of the timing of pay periods and pay dates.

c. Back Pay. With respect to limitation years beginning on and after July 1, 2007, payments awarded by an administrative agency or court or pursuant to a bona fide agreement by the county to compensate a member for lost wages are 415 compensation for the limitation year to which the back pay relates, but only to the extent the payments represent wages and compensation that would otherwise be included in 415 compensation.

(27) INVESTMENT MANAGER. An entity that has the power to manage, acquire, or dispose of plan assets and acknowledges fiduciary responsibility to the plan in writing. The entity shall be an individual, firm, or corporation registered as an investment adviser under the Investment Advisers Act of 1940, 15 U.S.C. §§ 80b-1 through 80b-21, a bank, or an insurance company.

(28) INVOLUNTARY DEFERRED RETIREMENT BENEFIT. A benefit payable pursuant to the terms of Section 45-37-123.100(c)(3).

(29) INTERNAL REVENUE CODE. The Internal Revenue Code of 1986, Title 26 of the United State Code, as amended or replaced from time to time.

(30) JOINT SURVIVOR. The designated beneficiary of a deceased member who shall become a member of the system upon the deceased member's death and who is eligible to receive payment of a preretirement joint survivorship pension benefit pursuant to Section 45-37-123.103 or a postretirement joint



HB343 Enrolled

365 survivorship pension benefit pursuant to Section
366 45-37-123.101.

367 (31) JOINT SURVIVORSHIP PENSION. Either a preretirement
368 joint survivorship pension or a postretirement joint
369 survivorship pension.

370 (32) LIFE EXPECTANCY. As defined in Section
371 45-37-123.106(f) (5).

372 (33) MEDICAL ADVISOR. The pension board's medical
373 advisors or other appointed physicians or vocational
374 specialists.

375 (34) MEMBER. Any eligible employee who, depending on
376 the context as used throughout this plan, participates, or
377 participated, in the plan as either an active member, a
378 retired member, a disabled member, or the joint survivor of a
379 deceased member who is receiving payment of a preretirement
380 joint survivorship pension benefit pursuant to Section
381 45-37-123.103 or a postretirement joint survivorship pension
382 benefit pursuant to Section 45-37-123.101.

383 (35) MISSING BENEFICIARY. The designated beneficiary of
384 a member whose whereabouts are unknown to the system or who is
385 nonresponsive, or both.

386 (36) MISSING PARTICIPANT. A member of the system who
387 has separated from employment with the county without refund
388 of his or her employee contributions and whose whereabouts are
389 unknown to the system or who is nonresponsive, or both.

390 (37) NONSERVICE CONNECTED DISABILITY. A total
391 disability or partial disability while the member is employed
392 by the county that is not a service connected disability.



HB343 Enrolled

393 (38) NONVESTED. All members who are not vested.

394 (39) PAID MEMBERSHIP TIME. The time during which a
395 member made, or shall have made, employee contributions to the
396 system and other previous retirement systems, provided,
397 however, that if a member, for any reason, including
398 termination of employment, withdraws his or her employee
399 contributions, the period during which the employee
400 contributions are withdrawn shall be considered unpaid
401 membership time, unless it was previously converted to paid
402 membership time. Paid membership time also shall include a
403 member's absence due to qualified military service. Years of
404 paid membership time shall be calculated in accordance with
405 Section 45-37-123.84.

406 (40) PARTIAL DISABILITY. A permanent disability that is
407 less than a total disability determined in accordance with
408 Section 45-37-123.102(a)(3).

409 (41) PENSION BENEFIT. A superannuation retirement
410 benefit, early retirement benefit, or deferred retirement
411 benefit payable pursuant to Section 45-37-123.100 or a
412 preretirement or postretirement joint survivorship pension
413 payable pursuant to Section 45-37-123.103 or Section
414 45-37-123.101.

415 (42) PENSION BOARD. The administrator of the plan,
416 whose powers and duties of administration are more fully
417 described in Subpart 2.

418 (43) PERSONNEL BOARD OF JEFFERSON COUNTY. The personnel
419 system for employees of the county.

420 (44) PLAN or SYSTEM. The General Retirement System for



HB343 Enrolled

Employees of Jefferson County, which plan or system may sue or be sued, and in such name all of its business shall be transacted.

(45) PLAN YEAR. The plan's accounting year of 12 months commencing on January 1 of each year and ending the following December 31.

(46) POSTRETIREMENT JOINT SURVIVORSHIP PENSION. The benefit described in Section 45-37-123.101.

(47) PRERETIREMENT JOINT SURVIVORSHIP PENSION. The benefit described in Section 45-37-123.103.

(48) PREVIOUS RETIREMENT SYSTEMS. The retirement systems established by Acts 1953, No. 551, 1953 Regular Session (Acts 1953, p. 766), as amended, the Employees' Retirement System of Jefferson County, and by Acts 1961, No. 843, 1961 Regular Session (Acts 1961, p. 1250), as amended, the Employees General Retirement System of Jefferson County.

(49) QUALIFIED MILITARY SERVICE. Except as otherwise subsequently provided under 26 U.S.C. § 414(u), the performance of duty, on a voluntary or involuntary basis, in a uniformed service under competent authority, and includes active duty, active duty for training, initial active duty for training, inactive duty training, full-time national guard duty, a period for which an individual is absent from a position of employment for the purpose of an examination to determine the fitness of the individual to perform any duty, and a period for which an individual is absent from employment for the purpose of performing funeral honors duty.

(50) REGULAR DEFERRED RETIREMENT BENEFIT. A benefit



HB343 Enrolled

payable pursuant to the terms of Section 45-37-123.100(c)(2).

(51) REGULATION. The income tax regulations as adopted by the Secretary of the Treasury or a delegate of the Secretary of the Treasury, as amended from time to time.

(52) REQUIRED BEGINNING DATE. As defined in Section 45-37-123.106(f)(6).

(53) RETIRED MEMBER. An individual who currently is receiving a pension benefit from the system pursuant to Section 45-37-123.100.

(54) SERVICE CONNECTED DISABILITY. A total disability or partial disability, caused by an accident or injury arising out of and in the course of a member's employment with the county.

(55) SERVICE RECORD. An employee's record of service upon which the pension board bases all of the member's benefit calculations, including records of the county.

(56) SICK LEAVE RETIREMENT CONVERSION. A program sponsored by the county or other entities set forth in subdivision (20) wherein a member is paid for accumulated sick leave time.

(57) SUPERANNUATION RETIREMENT BENEFIT. A benefit payable pursuant to Section 45-37-123.100(a).

(58) SYSTEM or PLAN. The General Retirement System for Employees of Jefferson County, which system or plan may sue or be sued, and in such name all of its business shall be transacted.

(59) SPOUSE. The legal wife or husband of a member as determined in accordance with federal law.



HB343 Enrolled

(60) TOTAL DISABILITY. A permanent physical or mental condition of a member resulting from bodily injury, disease, or mental disorder which renders the member incapable of continuing usual and customary employment with the county. The disability of a member shall be determined by a licensed medical advisor.

(61) TRUSTEE. The pension board or the individual or entity appointed by the pension board and named as trustee herein or in any separate trust forming a part of the plan, and any successors.

(62) TRUST FUND. The tax-qualified trust in which certain plan funds are held, disbursed, transferred, and invested by the trustee at the pension board's, or its designated investment manager's, discretion and in accordance with this part, the Internal Revenue Code, and other applicable laws and regulations.

(63) UNPAID MEMBERSHIP TIME.

a. Subject to paragraph d., all of the following:

1. Time during which a member was employed by the county, but the member did not make employee contributions to the system or other previous retirement systems, or both.

2. Time during which a member withdrew employee contributions for any reason, including upon a termination of employment, unless this period of time was later converted to paid membership time.

3. Time during which an individual held an elective office or was employed in a full-time job or position in the service of any municipality, governmental agency, or



HB343 Enrolled

subdivision or held an elective office, provided that at the time the individual served with the municipality, governmental agency, or subdivision, it was subject to the Personnel Board of Jefferson County.

b. Unpaid membership time shall not include any of the following:

1. Service with a municipality, governmental agency, or subdivision if the employee received a pension from the municipality, governmental agency, or subdivision, on account of such service or if such service was considered in the calculation of the pension.

2. Any unpaid membership time that has been converted to paid membership time.

3. Any service in a temporary job or position, as determined by the pension board.

c. If the prior service with a municipality, governmental agency, or subdivision was not an elective office or in a classified position, the prior service shall not be treated as unpaid membership time unless the employee establishes to the satisfaction of the pension board that the service was a full-time job.

d. Only with respect to employees entering the system on or before August 16, 1996, years of unpaid membership time are used in computing accrued benefits under the plan, as are months of unpaid membership time. Months are converted into a fraction of a year as set forth in Section 45-37-123.84. Notwithstanding any provision of the plan to the contrary, unpaid membership time shall not accrue after August 16, 1996,



HB343 Enrolled

and shall not apply to members who initially join the system, or members who rejoin the system after having withdrawn, after August 16, 1996.

(64) VESTED. The portion of a member's benefits under the plan that have accrued pursuant to Section 45-37-123.100(c)(2)b. and are therefore nonforfeitable. A member's benefit shall become vested and nonforfeitable upon any of the following events:

a. The member's accrual of at least 10 years of paid ~~service;~~ membership time.

b. Partial or full termination of the plan as set forth in Section 45-37-123.170~~;~~ or.

c. Meeting the eligibility conditions for entitlement to a benefit under Subpart 5.

(65) WORKER'S COMPENSATION BENEFITS. Any benefit paid to a member under any worker's compensation law of the State of Alabama for any injury or disability suffered by the member while working for the county on the job or position by reason of which he or she is a member. Additionally, worker's compensation benefits are included in compensation for purposes of determining employee contributions pursuant to Section 45-37-123.82. Worker's compensation benefits are included in compensation for purposes of calculating a pension benefit only if inclusion of the worker's compensation benefits produces a higher benefit than exclusion of such worker's compensation benefits."

"§45-37-123.50

Any eligible employee may become a member of the system



HB343 Enrolled

as described in this section. Notwithstanding the following, any individual who was a member of the system prior to the effective date of the amendment and restatement of the plan shall continue to be a member of the system.

(1) MANDATORY MEMBERSHIP. ~~Except~~ On and after October 1, 2025, and except as otherwise provided in subdivision (2), every eligible employee who occupies a full-time position ~~subject to the Personnel Board of Jefferson County~~ shall become a member of the system and shall make employee contributions to the system in accordance with Section 45-37-123.82. If an employee subsequently occupies a position not subject to the Personnel Board of Jefferson County, the employee shall remain a mandatory and contributing member of the system, except as otherwise provided herein.

(2) OPTIONAL MEMBERSHIP. ~~The following eligible employees may exercise~~ On and after October 1, 2025, any individual elected or appointed to a full-time county office in Jefferson County that is created by an act of the Legislature or pursuant to the Constitution of Alabama of 2022, and any part-time employee of the county shall have the option to become a member of the system by filing with the executive director an executed declaration stating that he or she elects to become a member of the system, subject to all of the rights and liabilities of members of the system. The declaration shall be in such form and time as the pension board may prescribe. Once the declaration is accepted by the pension board or a representative of the pension board, the eligible employee then shall become a member of the system and



HB343 Enrolled

shall begin to make employee contributions to the system in accordance with Section 45-37-123.82. The election to become or not become a member, once exercised, shall be irrevocable.

~~a. Eligible Employees Not Subject to the Personnel Board of Jefferson County. Any eligible employee who occupies a full-time or part-time position not subject to the Personnel Board of Jefferson County may not become a member of the system unless he or she exercises the written option to become a member.~~

~~b. Eligible County Office Employees and Eligible Part-Time Employees. Notwithstanding the mandatory membership provisions in subdivision (1), any eligible county office employee, as defined in Section 45-37-123.01, and any part-time employee who occupies a position subject to the Personnel Board of Jefferson County may not become a member of the system unless he or she exercises the written option to become a member."~~

Section 2. This act shall become effective on October 1, 2025.



HB343 Enrolled

608
609
610
611
612
613
614
615
616
617
618
619
620
621
622
623
624
625
626
627
628
629
630
631
632
633
634
635
636
637
638
639
640
641

Speaker of the House of Representatives

President and Presiding Officer of the Senate

House of Representatives

I hereby certify that the within Act originated in and
was passed by the House 18-Mar-25.

John Treadwell
Clerk

Senate

14-May-25

Passed