

**SB280 ENROLLED**



1 SB280  
2 SLA9377-3  
3 By Senator Waggoner  
4 RFD: Finance and Taxation Education  
5 First Read: 10-Feb-26



## SB280 Enrolled

1 Enrolled, An Act,

2

3

4 Relating to the Retirement Systems of Alabama; to add  
5 Section 36-27-49.4 to the Code of Alabama 1975, to allow  
6 participating members of the Teachers' Retirement System and  
7 the Employees' Retirement System to purchase certain federal  
8 service credit.

9 BE IT ENACTED BY THE LEGISLATURE OF ALABAMA:

10 Section 1. Section 36-27-49.4 is added to the Code of  
11 Alabama 1975, to read as follows:

12 §36-27-49.4

13 (a) (1) A member of the Teachers' Retirement System or a  
14 member of the Employees' Retirement System may receive up to  
15 four years of creditable service for federal nonmilitary  
16 employment rendered for the United States, provided: (i) the  
17 member of the retirement system claiming the credit shall have  
18 attained not less than 10 years of contributing membership  
19 service credit, exclusive of military service credit, under  
20 the retirement system of which he or she is a member; and (ii)  
21 the member performs and complies with the conditions  
22 prescribed in subdivision (2).

23 (2) Before receiving credit pursuant to subdivision (1)  
24 the member shall first:

25 a. Before the date of his or her retirement and for  
26 each year of service credit, contribute to his or her  
27 respective retirement system the full actuarially determined  
28 cost for each year of claimed service as determined by the



## SB280 Enrolled

29 system's actuary;

30 b. Have the public retirement system of the federal  
31 government certify in writing to the applicable state  
32 retirement system that the member had credit under the federal  
33 retirement system for the service claimed; and

34 c. Claim, purchase, and receive credit for qualified  
35 federal service in increments of not less than one year. If  
36 the member's total or balance of qualified federal service is  
37 less than one year, he or she may claim and purchase credit  
38 for the entire time period.

39 (b) Any provision of this section to the contrary  
40 notwithstanding, a member may not receive credit for federal  
41 employment rendered for the United States if, at the time of  
42 retirement, he or she has credit or is entitled to any  
43 benefits whatsoever for the same service under any other  
44 retirement or pension plan which is wholly or partly funded  
45 from public funds. Nothing in this subsection shall be  
46 construed to apply to participation in the federal Social  
47 Security program. If federal nonmilitary employment service  
48 credit is not qualified, any contribution made pursuant to  
49 this section by a member shall be refunded to him or her.

50 (c) The applicable retirement system may deduct in 12  
51 equal installments, from the retirement allowance payable to a  
52 retired member, any additional contribution necessary to pay  
53 the administrative cost incurred in granting the credit under  
54 this section if the applicable Board of Control and consulting  
55 actuary for the system determine that the amounts contributed  
56 by the member pursuant to this section are insufficient to pay



## SB280 Enrolled

57 the administrative cost.

58 Section 2. This act shall become effective on October

59 1, 2026.



**SB280 Enrolled**

60  
61  
62  
63  
64  
65  
66  
67  
68  
69  
70  
71  
72  
73  
74  
75  
76  
77  
78  
79  
80  
81  
82  
83  
84  
85  
86  
87  
88  
89  
90  
91  
92

---

President and Presiding Officer of the Senate

---

Speaker of the House of Representatives

SB280

Senate 10-Mar-26

I hereby certify that the within Act originated in and passed the Senate, as amended.

Patrick Harris,  
Secretary.

---

House of Representatives

Passed: 07-Apr-26

---

By: Senator Waggoner