

**SB380 ENGROSSED**



1 SB380

2 PSF3QEG-2

3 By Senators Orr, Stutts, Barfoot, Butler, Carnley, Weaver,  
4 Price, Sessions, Melson, Bell, Waggoner, Smitherman, Kitchens,  
5 Figures, Stewart, Hatcher, Coleman, Coleman-Madison, Beasley,  
6 Singleton, Jones, Woods, Gudger, Livingston, Williams,  
7 Elliott, Chesteen, Kelley, Hovey, Chambliss, Albritton, Allen

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9 RFD: Finance and Taxation Education

10 First Read: 31-Mar-26



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A BILL  
TO BE ENTITLED  
AN ACT

Relating to the Teachers' Retirement System; to provide for a funded one-time longevity bonus payment in addition to the retirement benefits of certain retirees and beneficiaries of the Teachers' Retirement System.

BE IT ENACTED BY THE LEGISLATURE OF ALABAMA:

Section 1. (a) There is provided for fiscal year 2026-2027 a funded one-time, lump-sum payment, hereinafter referred to as longevity bonus payment, to each individual whose effective date of retirement for purposes of receiving benefits from the Teachers' Retirement System is prior to May 1, 2026, and is receiving, or is entitled to receive, a monthly allowance from the Teachers' Retirement System on September 30, 2026.

(b) The formula for calculating the longevity bonus payment shall be one dollar (\$1) per month for each year of service attained by the retiree.

(c) Beneficiaries of deceased members or deceased retirees, if the beneficiary is receiving or is entitled to receive a monthly allowance from the Teachers' Retirement System on September 30, 2026, shall receive a longevity bonus



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29 payment of one dollar (\$1) per month for each year of service  
30 of the deceased member or deceased retiree.

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

34 (e) Any individual who received benefits under the  
35 Medicaid program, and whose eligibility for Medicaid benefits  
36 would be impaired by the longevity bonus payment provided by  
37 this section, shall not be entitled to receive the  
38 aforementioned increase. Any individual who subsequently  
39 applies for benefits under the Medicaid program, and that  
40 individual's eligibility to receive benefits is impaired by  
41 the longevity bonus payment provided by this section, shall  
42 not be entitled to receive the increase subsequent to the date  
43 that the member files application for benefits under the  
44 Medicaid program.

45 (f) The longevity bonus payments provided under this  
46 section shall be paid to all eligible recipients by the  
47 Teachers' Retirement System in October 2026.

48 Section 2. It is not the intent of this act to make  
49 appropriations, but the amount required to pay the cost of the  
50 lump-sum payments provided under this act shall be  
51 appropriated to the Teachers' Retirement System in HB238 of  
52 the 2026 Regular Session.

53 Section 3. This act shall become effective on October  
54 1, 2026.

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56  
57 Senate

58 Read for the first time and referred .....31-Mar-26  
59 to the Senate committee on Finance  
60 and Taxation Education  
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62 Read for the second time and placed .....01-Apr-26  
63 on the calendar:  
64 1 amendment  
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66 Read for the third time and passed .....02-Apr-26  
67 as amended  
68 Yeas 33  
69 Nays 0  
70 Abstains 0

71  
72  
73 Patrick Harris,  
74 Secretary.  
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