

SB58 ENGROSSED



1 SB58
2 NR6CGJ8-2
3 By Senator Orr
4 RFD: Finance and Taxation General Fund
5 First Read: 13-Jan-26



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A BILL

TO BE ENTITLED

AN ACT

Relating to public corruption convictions; to amend Section 36-27D-1, Code of Alabama 1975, to use retirement contributions made by a public servant found guilty of a criminal offense involving his or her government position to be used for restitution; to require a public servant to pay back compensation received while on leave with pay in certain circumstances; 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. Section 36-27D-1, Code of Alabama 1975, is amended to read as follows:

"§36-27D-1

(a) ~~On and after May 15, 2012, any~~An individual who is an active or inactive member of the Employees' Retirement System, the Teachers' Retirement System, ~~or~~ the Judicial Retirement Fund, or any other retirement plan administered by the Retirement Systems of Alabama who has an accrued benefit shall forfeit retirement benefits upon a guilty plea, a plea of no contest, or a final judgment by the trial court of ~~a~~ any of the following:



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(1) Any felony offense if that offense is related to or arises out of, or in connection with, ~~his or her the~~ individual's service in that public position, ~~and the individual shall be entitled to a refund of his or her retirement contributions and applicable interest.~~

~~(b) On and after July 1, 2024, any individual who is an active or inactive member of the Employees' Retirement System, the Teachers' Retirement System, or the Judicial Retirement Fund who has an accrued benefit shall forfeit retirement benefits upon a guilty plea, a plea of no contest, or a final judgment by the trial court of any~~

(2) Any offense set forth in Article 4A of Chapter 6 or Division 4 of Article 4 of Chapter 12 of Title 13A, ~~and the individual shall be entitled to a refund of his or her~~

(b) The retirement contributions and applicable interest forfeited pursuant to subsection (a) shall be used to pay restitution to the public agency, institution, or other entity harmed by the felony offense, if applicable, with any remaining balance refunded to the individual.

(c) A retired member receiving benefits, upon a plea or judgment set forth in subsection (a) ~~or (b)~~, shall have his or her retirement benefit suspended. ~~In the event~~ If a retired member receiving benefits has not received retirement benefits exceeding the amount of his or her contributions and interest, ~~he or she shall receive a refund of his or her the~~ remaining contributions and interest of the retired member shall be used to pay restitution to the public agency, institution, or other entity harmed by the felony offense, if applicable, with any



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57 remaining balance refunded to the retired member.

58 (d) Upon conviction of a crime ~~as~~ described in
59 subsection (a) ~~or (b)~~, the ~~trial court~~ prosecutor shall
60 promptly provide written notice of the conviction to: (i) the
61 Board of Control of the Employees' Retirement System, the
62 Board of Control of the Teachers' Retirement System, ~~or~~ the
63 Judicial Retirement Fund, or other retirement plan funded from
64 public funds, or any combination thereof, as applicable; or
65 (ii) if the convicted individual held a supernumerary
66 position, the state or a county, as applicable. Any failure by
67 the ~~convicting court~~ prosecutor to provide notice pursuant to
68 this subsection shall not affect or delay any forfeiture
69 provision or requirement to pay restitution set forth in this
70 section.

71 (e) Officers and employees of the Employees' Retirement
72 System, the Teachers' Retirement System, and the Judicial
73 Retirement Fund are immune from any civil or criminal
74 liability for any action taken pursuant to this section.

75 (f) The remedies provided in this section are not
76 exclusive and do not preclude any other available remedy at
77 law."

78 Section 2. (a) (1) Any public official or employee of
79 the state or a political subdivision thereof who is under any
80 investigation for committing a felony offense related to or
81 arising out of, or in connection with, the public official's
82 or employee's service in his or her public position may use,
83 if otherwise authorized by law, public funds to defend himself
84 or herself unless and until the public official or employee is



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indicted for that felony offense.

(2) If the public official or employee is indicted for the felony offense, the public official or employee may not use any public funds to pay for his or her legal defense.

(b) Any public official or employee described in subsection (a) who is placed on leave with pay while under investigation, upon conviction for that felony offense, shall be required to pay back all compensation received since the commission of the felony offense.

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



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98 Senate

99 Read for the first time and referred13-Jan-26
100 to the Senate committee on Finance
101 and Taxation General Fund
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103 Read for the second time and placed21-Jan-26
104 on the calendar:
105 0 amendments
106
107 Read for the third time and passed03-Feb-26
108 as amended
109 Yeas 33
110 Nays 0
111 Abstains 0
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Patrick Harris,
Secretary.