

SB58 INTRODUCED



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



1
2
3

4 SYNOPSIS:

5 Under existing law, a public servant who is
6 found guilty of certain felony offenses involving his
7 or her position in government forfeits his or her
8 retirement benefits but is entitled to a refund of his
9 or her personal contributions plus interest paid into
10 the retirement system.

11 This bill would require the personal
12 contributions made by a public servant plus interest to
13 be used to pay restitution to the agency or other
14 victim of his or her criminal offense.

15 This bill would require a public servant who is
16 on paid leave pending an investigation of an alleged
17 criminal offense involving his or her position in
18 government to pay back, upon conviction of a crime, all
19 compensation received since the criminal offense was
20 committed.

21 This bill would also make nonsubstantive,
22 technical revisions to update the existing code
23 language to current style.

24
25
26
27
28

 A BILL

 TO BE ENTITLED

 AN ACT



29

30 Relating to public corruption convictions; to amend
31 Section 36-27D-1, Code of Alabama 1975, to use retirement
32 contributions made by a public servant found guilty of a
33 criminal offense involving his or her government position to
34 be used for restitution; to require a public servant to pay
35 back compensation received while on leave with pay in certain
36 circumstances; and to make nonsubstantive, technical revisions
37 to update the existing code language to current style.

38 BE IT ENACTED BY THE LEGISLATURE OF ALABAMA:

39 Section 1. Section 36-27D-1, Code of Alabama 1975, is
40 amended to read as follows:

41 "§36-27D-1

42 (a) ~~On and after May 15, 2012, any~~An individual who is
43 an active or inactive member of the Employees' Retirement
44 System, the Teachers' Retirement System, ~~or~~the Judicial
45 Retirement Fund, or any other retirement plan funded by public
46 funds who has an accrued benefit shall forfeit retirement
47 benefits upon a guilty plea, a plea of no contest, or a final
48 judgment by the trial court of~~a~~ any of the following:

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

54 (b) On and after July 1, 2024, any individual who is an
55 active or inactive member of the Employees' Retirement System,
56 the Teachers' Retirement System, or the Judicial Retirement



57 ~~Fund who has an accrued benefit shall forfeit retirement~~
58 ~~benefits upon a guilty plea, a plea of no contest, or a final~~
59 ~~judgment by the trial court of any~~

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

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

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

78 (d) Upon conviction of a crime ~~as~~ described in
79 subsection (a) ~~or (b)~~, the ~~trial court~~prosecutor shall
80 promptly provide written notice of the conviction to: (i) the
81 Board of Control of the Employees' Retirement System, the
82 Board of Control of the Teachers' Retirement System, ~~or~~ the
83 Judicial Retirement Fund, or other retirement plan funded from
84 public funds, or any combination thereof, as applicable; or

SB58 INTRODUCED



85 (ii) if the convicted individual held a supernumerary
86 position, the state or a county, as applicable. Any failure by
87 the ~~convicting court~~ prosecutor to provide notice pursuant to
88 this subsection shall not affect or delay any forfeiture
89 provision or requirement to pay restitution set forth in this
90 section.

91 (e) Officers and employees of the Employees' Retirement
92 System, the Teachers' Retirement System, and the Judicial
93 Retirement Fund are immune from any civil or criminal
94 liability for any action taken pursuant to this section."

95 Section 2. (a) (1) Any public official or employee of
96 the state or a political subdivision thereof who is under any
97 investigation for committing a felony offense related to or
98 arising out of, or in connection with, the public official's
99 or employee's service in his or her public position may use,
100 if otherwise authorized by law, public funds to defend himself
101 or herself unless and until the public official or employee is
102 indicted for that felony offense.

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

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

111 Section 3. This act shall become effective on October
112 1, 2026.