

**SB58 INTRODUCED**



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



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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.

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                  A BILL

                  TO BE ENTITLED

                  AN ACT



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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

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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.