

SB58 INTRODUCED



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



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 A BILL
27 TO BE ENTITLED
28 AN ACT



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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 funded by public funds 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:

(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~~



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~~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 remaining balance refunded to the retired member.

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



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

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

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