

SB166 INTRODUCED



1 SB166
2 3U3TEVE-1
3 By Senators Coleman-Madison, Waggoner, Roberts, Coleman,
4 Smitherman, Shelnuttt, Reed (N & P)
5 RFD: Jefferson County Legislation
6 First Read: 27-Feb-24



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A BILL
TO BE ENTITLED
AN ACT

Relating to the General Retirement System for Employees of Jefferson County; to amend Sections 45-37-123.01, 45-37-123.20, 45-37-123.21, 45-37-123.22, 45-37-123.23, 45-37-123.24, 45-37-123.25, 45-37-123.26, 45-37-123.27, 45-37-123.28, 45-37-123.29, 45-37-123.50, 45-37-123.54, 45-37-123.80, 45-37-123.82, 45-37-123.83, 45-37-123.84, 45-37-123.100, 45-37-123.101, 45-37-123.102, 45-37-123.103, 45-37-123.104, 45-37-123.106, 45-37-123.108, 45-37-123.132, 45-37-123.150, 45-37-123.191, 45-37-123.194, and 45-37-123.195, Code of Alabama 1975; to clarify who is a designated beneficiary; to identify the Personnel Board of Jefferson County as the civil service system of Jefferson County; to define missing participants and missing beneficiaries as a participant or beneficiary whose whereabouts are unknown to the system or who is nonresponsive; to clarify categories of membership and benefits; to clarify that all members who are not vested are nonvested; to clarify that a member's benefit becomes partially vested and nonforfeitable upon 10 years of paid service and fully vested and nonforfeitable upon 15 years of paid service; to



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29 accurately reflect the method by which the county remits
30 employer and employee contributions to the system; to
31 authorize the pension board to pay any sums reasonably
32 necessary to defray administrative expenses of the plan before
33 remitting employer and employee contributions to the trust
34 fund; to establish additional qualifications and procedures
35 for individuals elected or appointed to serve on the pension
36 board; to provide for electronic forms and notice; to clarify
37 that the election of pension board members number four and
38 five are supervised by members volunteering to serve as the
39 election board; to clarify that only a beneficiary designated
40 by the member shall constitute a beneficiary under the plan;
41 to authorize the pension board to adopt rules and regulations
42 for the administration of any benefit provided by the plan
43 subject to applicable law; to authorize the pension board to
44 suspend and reinstate benefits to missing participants and
45 missing beneficiaries; to provide the pension board with the
46 authority to authorize the plan to defend and indemnify the
47 pension board and each of its individual members, employees of
48 the system, and the system as a legal entity separate and
49 distinct from the plan from claims, actions, or judgments
50 connected with or arising from decisions, acts, or omissions
51 undertaken within the scope of its or their official capacity
52 in furtherance of the purposes for which the system is
53 established to the extent allowed by applicable law and
54 Section 401(a), Internal Revenue Code; to authorize the
55 pension board to interplead funds into a court of competent
56 jurisdiction when the pension board cannot determine the owner



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57 of those funds or for any other reason allowed under
58 applicable law; to clarify that records and data of the system
59 are not public records; to clarify that payment of benefits
60 and administrative expenses from the trust fund is subject to
61 the prohibition against diversion of funds for any purpose
62 other than the exclusive benefit of members; to authorize the
63 pension board to remit certain contributions to a system
64 depository account to be treated as general assets of the
65 system as a legal entity separate and distinct from the plan
66 and its trust; to authorize the payment of benefits and
67 expenses of administration from the general assets of the
68 system as a legal entity separate and distinct from the plan
69 and its trust; to clarify that three affirmative votes are
70 required for the pension board to act; to provide that in the
71 event a mandatory member subsequently occupies a position not
72 subject to the Personnel Board of Jefferson County, the member
73 shall remain a mandatory and contributing member of the
74 system; to clarify that an employee eligible for optional
75 membership must exercise the option in writing; to remove
76 provisions prohibiting an active member from remaining a
77 participant in the plan after the member elects to participate
78 in another plan; to remove provisions related to the
79 conversion of unpaid membership time to paid membership time;
80 to remove certain provisions relating to the forfeiture of
81 certain pension benefits and employee contributions; to
82 clarify when a reemployed member begins to accrue benefits; to
83 clarify that a member may terminate employee contributions
84 upon reaching 30 years of paid service regardless of whether



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85 the member has accumulated sufficient service to entitle the
86 member to the maximum benefit available under the plan; to
87 provide that the hourly equivalent of one-half month of work
88 is sufficient to entitle a member to one month of service; to
89 clarify that the payment of benefits does not commence until
90 the member or the member's designated beneficiary executes all
91 necessary forms required by the pension board; to provide that
92 disability benefits are only authorized for permanent
93 disabilities arising on or before separation from employment
94 with the county; to clarify certain conditions for eligibility
95 to receive a disability benefit; to clarify a disabled
96 member's membership status upon reemployment by Jefferson
97 County; to provide that procedures for proving a common law
98 marriage are applicable only to a marriage entered into before
99 January 1, 2017; to remove certain provisions terminating a
100 member's right to a benefit; to remove certain provisions
101 disqualifying a member from receiving benefits; to provide
102 that vested pension benefits are nonforfeitable; to add
103 Section 45-37-123.31 to the Code of Alabama 1975, to clarify
104 the scope of immunity afforded to the system, the pension
105 board, and the individual members of the pension board, and
106 the employees of the system, when acting in its or their
107 official capacity; to add Section 45-37-123.110 to the Code of
108 Alabama 1975, to allow the pension board to adopt procedures
109 for the forfeiture and restoration of benefits and employee
110 contributions for missing participants and missing
111 beneficiaries whose whereabouts are unknown to the system or
112 who are nonresponsive; to provide that, during any period of



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113 forfeiture, a missing participant or missing beneficiary shall
114 not be treated as a member under the plan; to make technical
115 corrections; to repeal Sections 45-37-123.52 and 45-37-123.53,
116 providing for termination of eligibility and the conversion of
117 unpaid membership time to paid membership time; and to provide
118 for an effective date.

119 BE IT ENACTED BY THE LEGISLATURE OF ALABAMA:

120 Section 1. Sections 45-37-123.01, 45-37-123.20,
121 45-37-123.21, 45-37-123.22, 45-37-123.23, 45-37-123.24,
122 45-37-123.25, 45-37-123.26, 45-37-123.27, 45-37-123.28,
123 45-37-123.29, 45-37-123.50, 45-37-123.54, 45-37-123.80,
124 45-37-123.82, 45-37-123.83, 45-37-123.84, 45-37-123.100,
125 45-37-123.101, 45-37-123.102, 45-37-123.103, 45-37-123.104,
126 45-37-123.106, 45-37-123.108, 45-37-123.132, 45-37-123.150,
127 45-37-123.191, 45-37-123.194, and 45-37-123.195 of the Code of
128 Alabama 1975, are amended to read as follows:

129 "§45-37-123.01

130 For the purposes of this part, the following terms
131 shall have the following meanings:

132 (1) ACT. The act adding this part, to be called the
133 General Retirement System for Employees of Jefferson County
134 Act.

135 (2) ACTIVE MEMBER. An individual who currently is
136 employed by the county or other entities set forth in
137 subdivision (20) and is making employee contributions to the
138 system pursuant to Section 45-37-123.82.

139 (3) ACTUARIAL EQUIVALENT. Effective July 30, 1984, or
140 such other dates as set forth in Exhibit A to the plan



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141 [document](#), which is maintained in the office of the pension
142 board, a form of benefit differing in time, period, or manner
143 of payment from a specific benefit provided under the plan but
144 having the same value when computed using the mortality
145 tables, the interest rate, and any other assumptions last
146 adopted by the pension board, which assumptions shall clearly
147 preclude any discretion in the determination of the amount of
148 a member's benefit.

149 (4) ACTUARIAL GAIN. As defined in Section
150 45-37-123.106(f)(1).

151 (5) ANNUITY STARTING DATE. As used in Subpart 6 and in
152 Section 45-37-123.106, means, with respect to any member, the
153 first day of the first period for which an amount is paid as
154 an annuity, or, in the case of a benefit not payable in the
155 form of an annuity, the first day on which all events have
156 occurred which entitles the member to such benefit.

157 (6) BASIC AVERAGE SALARY. Generally means, effective as
158 of February 1, 2010, the monthly compensation of a member
159 averaged over the period of 36 consecutive months of paid
160 membership time during which such member's average monthly
161 compensation was higher than any other period of 36
162 consecutive months of paid membership time. For example, if a
163 member terminated employment on June 20, 2010, and his or her
164 highest consecutive ~~36-month~~ [36-month](#) period ends on the
165 member's date of termination of employment, then the measuring
166 period for determining basic average salary would be from June
167 21, 2007, through June 20, 2010. The following rules shall
168 apply in calculating basic average salary:



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169 a. Daily Compensation Calculation. Subject to the
170 additional rules stated in this subdivision, the compensation
171 earned in each year, or portion of a year, during the 36-month
172 period shall be determined on a daily basis. The total of the
173 compensation earned in each applicable year, or portion
174 thereof, shall be added together and then divided by 36 to
175 arrive at the member's basic average salary. If the foregoing
176 process is not workable in some situations, then the pension
177 board shall approve a different method which is reasonable
178 given the terms of the act and the individual circumstances.

179 b. Use of Unpaid Membership Time. The compensation paid
180 to a member during unpaid membership time shall only be
181 considered in determining the member's basic average salary
182 for periods of employment prior to August 16, 1996.

183 c. Tacking of Nonconsecutive Paid Membership Time.
184 Separate periods of paid membership time may be tacked and
185 considered as consecutive if the member does not have any paid
186 membership time between the periods so tacked. For example, if
187 the member did not have any paid membership time between two
188 periods of paid membership time due to a leave of absence, the
189 leave of absence would be ignored in calculating basic average
190 salary.

191 d. Post-termination. ~~Compensation. Compensation paid~~
192 ~~subsequent to termination of participation in the system~~
193 ~~pursuant to Section 45-37-123.52, due to ineligibility, shall~~
194 ~~not be recognized in computing basic average salary. However,~~
195 ~~notwithstanding~~ Notwithstanding any provisions of this plan to
196 the contrary, a member's final paycheck from the county shall



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197 be counted in computing a member's basic average salary, but
198 only to the extent that such paycheck constitutes
199 compensation, and the highest consecutive ~~36-month~~ 36-month
200 period otherwise would end on the date of the member's
201 termination of employment.

202 (7) BENEFICIARY. The ~~person~~ individual, or entity,
203 designated as provided in Section 45-37-123.103(d) to receive
204 the benefits which are payable under the plan upon or after
205 the death of a member.

206 (8) BENEFIT ENHANCEMENT. An across the board increase
207 to a previously awarded benefit to which a member is entitled.

208 ~~(9) CIVIL SERVICE SYSTEM. The personnel system~~
209 ~~administered and operated by the Jefferson County Personnel~~
210 ~~Board.~~

211 ~~(10)~~ (9) COMMISSION. The Jefferson County Commission.

212 ~~(11)~~ (10) COMPENSATION.

213 a. With respect to any member means:

214 1. The regular salary or hourly wages paid to a member,
215 based on his or her pay grade, as established by the ~~Jefferson~~
216 ~~County~~ Personnel Board of Jefferson County, or other
217 appropriate authority, for a calendar year ending with or
218 within the applicable plan year including any employee
219 contributions pursuant to Section 45-37-123.82(a);

220 2. Plus any accumulated vacation time paid by the
221 county;

222 3. Plus Worker's Compensation benefits, only as
223 described in subdivision ~~(59)~~ (65); and

224 4. Any differential wage payment, as defined in §



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225 3401(h)(2), Internal Revenue Code, generally relating to
226 military pay.

227 b. Bonuses, overtime, longevity pay, paid accumulated
228 sick leave that is paid in the form of a lump sum, uniform
229 allowances, expense allowances, and any other nonregular forms
230 of compensation are excluded.

231 c. Compliance with § 401(a)(17), Internal Revenue Code.
232 Because the transitional rule provided by Treasury Regulation
233 § 1.401(a)(17)-1(d)(4) of the regulations issued under §
234 401(a)(17), Internal Revenue Code, does not apply to the plan,
235 compensation of each member taken into account in determining
236 benefit accruals in any plan year beginning after December 31,
237 2001, shall not exceed two hundred thousand dollars
238 (\$200,000), or such other amount provided in the Internal
239 Revenue Code. Such amount shall be adjusted for increases in
240 the ~~cost-of-living~~cost-of-living in accordance with §
241 401(a)(17)(B), Internal Revenue Code, except that the dollar
242 increase in effect on January 1 of any calendar year shall be
243 effective for the calendar years beginning with such calendar
244 year. For any short calendar year, the compensation limit
245 shall be an amount equal to the compensation limit for the
246 calendar year in which the calendar year begins multiplied by
247 the ratio obtained by dividing the number of full months in
248 the short calendar year by 12. For purposes of determining
249 benefit accruals in a plan year beginning after December 31,
250 2001, compensation for any prior calendar year shall be
251 limited to one hundred fifty thousand dollars (\$150,000) for
252 any calendar year beginning in 1996, one hundred sixty



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253 thousand dollars (\$160,000) for any calendar year beginning in
254 1997, 1998, or 1999; and one hundred seventy thousand dollars
255 (\$170,000) for any calendar year beginning in 2000 or 2001.

256 ~~(12)~~ (11) COUNTY. Jefferson County, Alabama, and any
257 successor which shall maintain this plan. However, references
258 herein to employment by the county also shall include
259 employment by such other entities set forth in subdivision
260 (20) and by entities for which the county is acting as payroll
261 agent or wherein the county is being reimbursed by an entity
262 for the compensation of such entities' workers or wherein the
263 entity has appointing authority with respect to the workers.
264 Accordingly, such entities' workers shall be covered by the
265 plan to the extent allowed under the act and as determined by
266 the pension board in its administration of the plan.

267 ~~(13)~~ (12) DEFERRED RETIREMENT BENEFIT. A benefit payable
268 pursuant to the terms of Section 45-37-123.100(c).

269 ~~(14)~~ (13) DESIGNATED BENEFICIARY. ~~As defined~~ The
270 individual or entity designated as provided in Section
271 45-37-123.103(d) to receive a benefit payable under the plan
272 upon or after the death of a member or a beneficiary, as
273 applicable.

274 ~~(15)~~ (14) DISABILITY ~~RETIREMENT~~ BENEFIT. A benefit
275 payable pursuant to the terms of Section 45-37-123.102.

276 (15) DISABLED MEMBER. A member who is currently
277 receiving a disability benefit from the system pursuant to
278 Section 45-37-123.102.

279 (16) DISTRIBUTION CALENDAR YEAR. As defined in Section
280 45-37-123.106(f)(3).



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281 (17) EARLY RETIREMENT BENEFIT. A benefit payable
282 pursuant to the terms of Section 45-37-123.100(b).

283 (18) EFFECTIVE DATE. ~~January 1, 2010~~ May 23, 2013,
284 except as otherwise provided.

285 (19) ELIGIBLE COST-OF-LIVING INDEX. As defined in
286 Section 45-37-123.106(f)(4).

287 (20) ELIGIBLE EMPLOYEE.

288 a. The following individuals affiliated with Jefferson
289 County, Alabama, or the State of Alabama:

290 1. Any ~~person~~ individual employed by Jefferson County
291 at a wage or salary payable at regular intervals, whether or
292 not ~~such person~~ the individual is subject to the ~~civil service~~
293 ~~system in operation in~~ Personnel Board of Jefferson County.

294 2. Any ~~person~~ individual elected or appointed to a job
295 or position with or for Jefferson County, whose compensation
296 was paid or shall be paid, in whole or in part, by Jefferson
297 County while occupying ~~such~~ the job or position.

298 3. Any ~~person~~ individual who occupies a county office
299 in Jefferson County that is created by an act of the
300 Legislature of the State of Alabama or is provided for by the
301 Constitution of Alabama of ~~1901~~ 2022, and ~~such~~ the office
302 requires full-time service. ~~Such person~~ The individual is an
303 eligible county office employee.

304 ~~4. Any person who is an officer or an employee of a~~
305 ~~hospital created by Jefferson County if such person's~~
306 ~~employment status with the hospital is such that if the person~~
307 ~~had the same employment status with Jefferson County, he or~~
308 ~~she would be an eligible employee. Such person is an eligible~~



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309 ~~hospital employee.~~

310 ~~5.4.~~ Any ~~person~~ individual employed by the General
311 Retirement System for Employees of Jefferson County at a wage
312 or salary payable at regular intervals, whether or not the
313 ~~person~~ individual is subject to the ~~civil service system in~~
314 ~~operation in~~ Personnel Board of Jefferson County.

315 ~~6.5.~~ Any ~~person~~ individual employed by the Personnel
316 Board of Jefferson County at a wage or salary payable at
317 regular intervals, whether or not the ~~person~~ individual is
318 subject to the ~~civil operation in~~ Personnel Board of Jefferson
319 County.

320 ~~7.6.~~ Any ~~person~~ individual employed by an entity for
321 which the county is acting as payroll agent or for which the
322 county has agreed to be reimbursed by the entity for the
323 compensation paid to the ~~person~~ individual, whether or not the
324 ~~person~~ individual is subject to the ~~civil service system in~~
325 ~~operation in~~ Personnel Board of Jefferson County.

326 b. An eligible employee shall not include:

327 1. Any ~~person~~ individual who is appointed or elected as
328 a member of any board or commission of Jefferson County,
329 provided that service on ~~such~~ the board or commission does not
330 require full-time service or the members on the board or
331 commission receive no compensation for their service except
332 for meetings attended by them.

333 2. Any ~~person~~ individual whose employment is temporary
334 so long as his or her employment remains temporary. ~~A person's~~
335 An individual's employment shall be deemed to be temporary
336 within the meaning of this subdivision if ~~such~~ the employment



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337 is temporary as defined by the ~~civil service system~~ Personnel
338 Board of Jefferson County, or if the officers, board,
339 commission, or agency employing ~~such person~~ the individual
340 certifies in writing to the pension board that the employment
341 is temporary.

342 3. Any leased employee and any independent contractor.

343 (21) EMPLOYEE. Any ~~person~~ individual who is employed by
344 the county or elected or appointed to a job or position with
345 or for the county. An employee shall exclude any leased
346 employee and any independent contractor as ~~such~~ the terms are
347 defined by the pension board or the ~~civil service system~~
348 Personnel Board of Jefferson County. See also subdivision ~~(12)~~
349 (11), which covers situations in which other entities may be
350 the employer of eligible employees.

351 (22) EMPLOYEE CONTRIBUTION. The amount a member is
352 required to contribute to the plan as a condition of
353 employment and participation in the plan pursuant to Section
354 45-37-123.82 and any amount required to be treated as an
355 employee contribution in accordance with Section
356 45-37-123.190(b), relating to transfers from § 457(b),
357 Internal Revenue Code, plans.

358 (23) EMPLOYER CONTRIBUTION. The amount the county is
359 required to contribute to the plan pursuant to Section
360 45-37-123.20(b) and Section 45-37-123.80(a).

361 (24) EXECUTIVE DIRECTOR. The individual designated by
362 the pension board to manage the employees and day-to-day
363 administration of the system. The individual shall not be
364 subject to the ~~civil service system~~ Personnel Board of



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365 Jefferson County.

366 (25) FISCAL YEAR. The system's accounting year of 12
367 months commencing on October 1 of each year and ending the
368 following September 30.

369 (26) 415 COMPENSATION. With respect to any member means
370 such member's wages as defined in § 3401(a), Internal Revenue
371 Code, and all other payments of compensation by the county, in
372 the course of the county's trade or business, for a calendar
373 year ending with or within the plan year for which the county
374 is required to furnish the member a written statement under §§
375 6041(d), 6051(a)(3), and 6052, Internal Revenue Code. 415
376 compensation shall be determined without regard to any rules
377 under § 3401(a), Internal Revenue Code, that limit the
378 remuneration included in wages based on the nature or location
379 of the employment or the services performed, such as the
380 exception for agricultural labor in § 3401(a)(2), Internal
381 Revenue Code. Notwithstanding the above, the determination of
382 415 compensation shall be made by including any elective
383 deferral, as defined in § 402(g)(3), Internal Revenue Code,
384 and any amount which is contributed by the county at the
385 election of the member pursuant to a salary reduction
386 agreement and which is not includible in the gross income of
387 the member by reason of §§ 125, 132(f)(4), 402(e)(3),
388 402(h)(1)(B), 403(b), or 457(b), Internal Revenue Code, and
389 employee contributions described in § 414(h)(2), Internal
390 Revenue Code, that are treated as employer contributions. For
391 this purpose, effective January 1, 1998, amounts not
392 includible in gross income under § 125, Internal Revenue Code,



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393 shall be deemed to include any amounts not available to a
394 member in cash in lieu of group health coverage because the
395 member is unable to certify that the member has other health
396 coverage, provided the county does not request or collect
397 information regarding the member's other health coverage as
398 part of the enrollment process for the health plan.

399 a. Compensation Paid After Severance from Employment.

400 With respect to limitation years beginning on and after July
401 1, 2007, 415 compensation shall be adjusted for the following
402 types of compensation paid after a member's severance from
403 employment with the county, or any other entity that is
404 treated as the county pursuant to § 414(b), (c), (m), or (o),
405 Internal Revenue Code~~+~~.

406 1. The following amounts shall be included in 415
407 compensation to the extent these amounts are paid by the later
408 of two months after severance from employment or by the end of
409 the limitation year that includes the date of such severance
410 from employment:

411 (i) Regular pay. 415 compensation shall include regular
412 pay after severance from employment if:

413 A. The payment is regular compensation for services
414 during the member's regular working hours, or compensation for
415 services outside the member's regular working hours, such as
416 overtime or shift differential, commissions, bonuses, or other
417 similar payments; and

418 B. The payment would have been paid to the member prior
419 to a severance from employment if the member had continued in
420 employment with the county.



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421 (ii) Leave cashouts. 415 compensation shall include
422 leave cashouts if those amounts would have been included in
423 the definition of 415 compensation if they were paid prior to
424 the member's severance from employment, and the amounts are
425 payment for unused accrued bona fide sick, vacation, or other
426 leave, but only if the member would have been able to use the
427 leave if employment had continued.

428 (iii) Deferred compensation. 415 compensation shall
429 include deferred compensation if the compensation would have
430 been included in the definition of 415 compensation if it had
431 been paid prior to the member's severance from employment, and
432 the compensation is received pursuant to a nonqualified
433 unfunded deferred compensation plan, but only if the payment
434 would have been paid at the same time if the member had
435 continued in employment with the county and only to the extent
436 that the payment is includible in the member's gross income.

437 2. The following amounts shall not be included in 415
438 compensation:

439 (i) Salary continuation payments for military service
440 participants. 415 compensation does not include payments to an
441 individual who does not currently perform services for the
442 county by reason of qualified military service to the extent
443 those payments do not exceed the amounts the individual would
444 have received if the individual had continued to perform
445 services for the county rather than entering qualified
446 military service.

447 (ii) Salary continuation payments for disabled
448 participants. 415 compensation does not include compensation



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449 paid to a member who is permanently and totally disabled, as
450 defined in § 22(e)(3), Internal Revenue Code.

451 b. Administrative Delay or the First Few Weeks Rule.

452 With respect to limitation years beginning on and after July
453 1, 2007, 415 compensation does not include amounts earned but
454 not paid during the limitation year solely because of the
455 timing of pay periods and pay dates.

456 c. Back Pay. With respect to limitation years beginning
457 on and after July 1, 2007, payments awarded by an
458 administrative agency or court or pursuant to a bona fide
459 agreement by the county to compensate a member for lost wages
460 are 415 compensation for the limitation year to which the back
461 pay relates, but only to the extent such payments represent
462 wages and compensation that would otherwise be included in 415
463 compensation.

464 (27) INVESTMENT MANAGER. An entity that has the power
465 to manage, acquire, or dispose of plan assets and acknowledges
466 fiduciary responsibility to the plan in writing. ~~Such~~ The
467 entity shall be ~~a person~~ an individual, firm, or corporation
468 registered as an investment adviser under the Investment
469 Advisers Act of 1940, a bank, or an insurance company.

470 (28) INVOLUNTARY DEFERRED RETIREMENT BENEFIT. A benefit
471 payable pursuant to the terms of Section 45-37-123.100(c)(3).

472 (29) ~~IRC~~ INTERNAL REVENUE CODE. The Internal Revenue
473 Code of 1986, as amended or replaced from time to time.

474 (30) JOINT SURVIVOR. The designated beneficiary of a
475 deceased member who shall become a member of the system upon
476 the deceased member's death and who is eligible to receive



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477 payment of a preretirement joint survivorship pension benefit
478 pursuant to Section 45-37-123.103 or a postretirement joint
479 survivorship pension benefit pursuant to Section
480 45-37-123.101.

481 ~~(30)~~ (31) JOINT SURVIVORSHIP PENSION. Either a
482 preretirement joint survivorship pension or a postretirement
483 joint survivorship pension.

484 ~~(31)~~ (32) LIFE EXPECTANCY. As defined in Section
485 45-37-123.106(f) (5).

486 ~~(32)~~ (33) MEDICAL ADVISOR. The pension board's medical
487 advisors or other appointed physicians or vocational
488 specialists.

489 ~~(33)~~ (34) MEMBER. Any eligible employee who, depending
490 on the context as used throughout this plan, participates, or
491 participated, in the plan as either an active member, a
492 retired member, a disabled member, or the joint survivor of a
493 deceased member who is receiving payment of a preretirement
494 joint survivorship pension benefit pursuant to Section
495 45-37-123.103 or a postretirement joint survivorship pension
496 benefit pursuant to Section 45-37-123.101.

497 (35) MISSING BENEFICIARY. The designated beneficiary of
498 a member whose whereabouts are unknown to the system or who is
499 nonresponsive, or both.

500 (36) MISSING PARTICIPANT. A member of the system who
501 has separated from employment with the county without refund
502 of his or her employee contributions and whose whereabouts are
503 unknown to the system or who is nonresponsive, or both.

504 ~~(34)~~ (37) NONSERVICE CONNECTED DISABILITY. A total



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505 disability or partial disability while the member is employed
506 by the county that is not a service connected disability.

507 ~~(38) NONVESTED. All members who are not vested.~~

508 ~~(35)~~ (39) PAID MEMBERSHIP TIME. The time during which a
509 member made, or shall have made, employee contributions to the
510 system and other previous retirement systems, provided,
511 however, that if a member, for any reason, including
512 termination of employment, withdraws his or her employee
513 contributions, the period during which the employee
514 contributions are withdrawn shall be considered unpaid
515 membership time, unless it ~~is~~ was previously converted to paid
516 membership time ~~as provided for in Section 45-37-123.53~~. Paid
517 membership time also shall include a member's absence due to
518 qualified military service. Years of paid membership time
519 shall be calculated in accordance with Section 45-37-123.84.

520 ~~(36)~~ (40) PARTIAL DISABILITY. A permanent disability
521 that is less than a total disability determined in accordance
522 with Section ~~45-37-123.102(e)~~ 45-37-123.102(a)(3).

523 ~~(37)~~ (41) PENSION BOARD. The administrator of the plan,
524 ~~as~~ whose powers and duties of administration are more fully
525 described in Subpart 2.

526 (42) PENSION BENEFIT. A superannuation retirement
527 benefit, early retirement benefit, or deferred retirement
528 benefit payable pursuant to Section 45-37-123.100 or a
529 preretirement or postretirement joint survivorship pension
530 payable pursuant to Section 45-37-123.103 or Section
531 45-37-123.101.

532 (43) PERSONNEL BOARD OF JEFFERSON COUNTY. The personnel



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533 system for employees of the county.

534 ~~(38)~~ (44) PLAN or SYSTEM. The General Retirement System
535 for Employees of Jefferson County, which plan or system may
536 sue or be sued, and in such name all of its business shall be
537 transacted.

538 ~~(39)~~ (45) PLAN YEAR. The plan's accounting year of 12
539 months commencing on January 1 of each year and ending the
540 following December 31.

541 ~~(40)~~ (46) POSTRETIREMENT JOINT SURVIVORSHIP PENSION. The
542 benefit described in Section 45-37-123.101.

543 ~~(41)~~ (47) PRERETIREMENT JOINT SURVIVORSHIP PENSION. The
544 benefit described in Section 45-37-123.103.

545 ~~(42)~~ (48) PREVIOUS RETIREMENT SYSTEMS. The retirement
546 systems established by Acts 1953, No. 551, 1953 Regular
547 Session (Acts 1953, p. 766), as amended, the Employees'
548 Retirement System of Jefferson County, and by Acts 1961, No.
549 843, 1961 Regular Session (Acts 1961, p. 1250), as amended,
550 the Employees General Retirement System of Jefferson County.

551 ~~(43)~~ (49) QUALIFIED MILITARY SERVICE. Except as
552 otherwise subsequently provided under § 414(u), Internal
553 Revenue Code, the performance of duty, on a voluntary or
554 involuntary basis, in a uniformed service under competent
555 authority, and includes active duty, active duty for training,
556 initial active duty for training, inactive duty training,
557 full-time national guard duty, a period for which ~~a person~~ an
558 individual is absent from a position of employment for the
559 purpose of an examination to determine the fitness of the
560 ~~person~~ individual to perform any ~~such~~ duty, and a period for



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561 which ~~a person~~ an individual is absent from employment for the
562 purpose of performing funeral honors duty.

563 ~~(44)~~ (50) REGULAR DEFERRED RETIREMENT BENEFIT. A benefit
564 payable pursuant to the terms of Section 45-37-123.100(c)(2).

565 ~~(45)~~ (51) REGULATION. The income tax regulations as
566 ~~promulgated~~ adopted by the Secretary of the Treasury or a
567 delegate of the Secretary of the Treasury, as amended from
568 time to time.

569 ~~(46)~~ (52) REQUIRED BEGINNING DATE. As defined in Section
570 45-37-123.106(f)(6).

571 ~~(47)~~ (53) RETIRED MEMBER. An individual who currently is
572 receiving a pension ~~benefits~~ benefit from the system pursuant
573 to Section 45-37-123.100.

574 ~~(48)~~ (54) SERVICE CONNECTED DISABILITY. A total
575 disability or partial disability, caused by an accident or
576 injury arising out of and in the course of a member's
577 employment with the county.

578 ~~(49)~~ (55) SERVICE RECORD. An employee's record of
579 service upon which the pension board bases all of the member's
580 benefit calculations, including records of the county.

581 ~~(50)~~ (56) SICK LEAVE RETIREMENT CONVERSION. A program
582 sponsored by the county or other entities set forth in
583 subdivision (20) wherein a member is paid for accumulated sick
584 leave time.

585 ~~(51)~~ (57) SUPERANNUATION RETIREMENT BENEFIT. A benefit
586 payable pursuant to ~~the terms of subsection (a) of~~ Section
587 ~~45-37-123.100~~ 45-37-123.100(a).

588 ~~(52)~~ (58) SYSTEM or PLAN. The General Retirement System



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589 for Employees of Jefferson County, which system or plan may
590 sue or be sued, and in such name all of its business shall be
591 transacted.

592 ~~(53)~~ (59) SPOUSE. The legal wife or husband of a member
593 as determined in accordance with federal law.

594 ~~(54)~~ (60) TOTAL DISABILITY. A permanent physical or
595 mental condition of a member resulting from bodily injury,
596 disease, or mental disorder which renders such member
597 incapable of continuing usual and customary employment with
598 the county. The disability of a member shall be determined by
599 a licensed medical advisor.

600 ~~(55)~~ (61) TRUSTEE. The pension board or the ~~person~~
601 individual or entity appointed by the pension board and named
602 as trustee herein or in any separate trust forming a part of
603 the plan, and any successors.

604 ~~(56)~~ (62) TRUST FUND. The tax-qualified trust in which
605 certain plan funds are held, disbursed, transferred, and
606 invested by the trustee at the pension board's, or its
607 designated investment manager's, discretion and in accordance
608 with this part, the Internal Revenue Code, and other
609 applicable laws and regulations.

610 ~~(57)~~ (63) UNPAID MEMBERSHIP TIME.

611 a. Subject to paragraph d., all of the following:

612 1. Time during which a member was employed by the
613 county, but the member did not make employee contributions to
614 the system ~~and/or~~ or other previous retirement systems, or
615 both.

616 2. Time during which a member withdrew employee



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617 contributions for any reason, including upon a termination of
618 employment, unless this period of time ~~is~~ was later converted
619 to paid membership time ~~as provided for in Section~~
620 ~~45-37-123.53~~.

621 3. Time during which ~~a person~~ an individual held an
622 elective office or was employed in a full-time job or position
623 in the service of any municipality, governmental agency, or
624 subdivision or held an elective office, provided that at the
625 time the ~~person~~ individual served with ~~such~~ the municipality,
626 governmental agency, or subdivision, it was subject to the
627 ~~countywide civil service law~~ Personnel Board of Jefferson
628 County.

629 b. Unpaid membership time shall not include any of the
630 following:

631 1. Service with a municipality, governmental agency, or
632 subdivision if the employee received a pension from such
633 municipality, governmental agency, or subdivision, on account
634 of such service or if such service was considered in the
635 calculation of the pension.

636 2. Any unpaid membership time that has been converted
637 to paid membership time.

638 3. Any service in a temporary job or position, as
639 determined by the pension board.

640 c. If such prior service with a municipality,
641 governmental agency, or subdivision was not an elective office
642 or in a classified position, such prior service shall not be
643 treated as unpaid membership time unless such employee
644 establishes to the satisfaction of the pension board that such



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645 service was a full-time job.

646 d. Only with respect to employees entering the system
647 on or before August 16, 1996, years of unpaid membership time
648 are used in computing accrued benefits under the plan, as are
649 months of unpaid membership time. Months are converted into a
650 fraction of a year as set forth in Section 45-37-123.84.
651 Notwithstanding any provision of the plan to the contrary,
652 unpaid membership time shall not accrue after August 16, 1996,
653 and shall not apply to members who initially join the system,
654 or members who rejoin the system after having withdrawn, after
655 August 16, 1996.

656 ~~(58)~~ (64) VESTED. The portion of a member's benefits
657 under the plan that ~~generally are~~ have accrued pursuant to
658 Section 45-37-123.100(c)(2)b. and are therefore
659 ~~nonforfeitable. Subject to Section 45-37-123.83, relating to~~
660 ~~failure to claim a refund of employee contributions within the~~
661 ~~five-year period, a~~ A member's benefit shall become
662 ~~nonforfeitable, or~~ vested, and nonforfeitable upon any of the
663 following events:

664 a. The member's accrual of at least 10 years of paid
665 service;

666 ~~a.~~ b. Partial or full termination of the plan as set
667 forth in Section 45-37-123.170; ~~and~~ or

668 ~~b.~~ c. Meeting the eligibility conditions for entitlement
669 to a benefit under Subpart 5.

670 ~~(59)~~ (65) WORKER'S COMPENSATION BENEFITS. Any benefit
671 paid to a member under any worker's compensation law of the
672 State of Alabama for any injury or disability suffered by such



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673 member while working for the county on the job or position by
674 reason of which he or she is a member. Additionally, worker's
675 compensation benefits are included in compensation for
676 purposes of determining employee contributions pursuant to
677 Section 45-37-123.82. Worker's compensation benefits are
678 included in compensation for purposes of calculating a
679 ~~retirement~~ pension benefit only if inclusion of such worker's
680 compensation benefits produces a higher benefit than exclusion
681 of such worker's compensation benefits."

682 "§45-37-123.20

683 (a) Provisions of records. The county shall provide all
684 records and documents necessary to determine an employee's
685 status and eligibility for membership in the plan, upon which
686 a service record shall be created.

687 (b) Contributions. The county shall contribute an
688 amount equal to six percent of an employee's compensation from
689 the county's general assets to the ~~trust fund~~ system, as
690 provided in Section 45-37-123.80. The county also shall
691 withhold six percent of an employee's compensation each pay
692 period as provided in Section 45-37-123.82. ~~The county also~~
693 ~~shall contribute any amounts received pursuant to Section~~
694 ~~45-37-233, attributable to pistol permits.~~ Additionally, the
695 county may pay into the ~~trust fund~~ system from the general
696 funds of the county, in such installments or times as the
697 county may elect, an amount or amounts sufficient to assure
698 that the system is actuarially sound. The system shall remit
699 contributions to the trust fund as soon as practicable. The
700 pension board may first pay any sums reasonably necessary to



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701 defray administrative expenses of the plan as determined by
702 the pension board subject to Section 45-37-123.194. The county
703 shall also contribute any amounts received pursuant to Section
704 45-37-233, attributable to pistol permits, to the system,
705 which shall not be considered plan assets. Any funds
706 contributed pursuant to Section 45-37-233 shall be remitted to
707 a system depository account and treated as general assets of
708 the system as a legal entity separate and distinct from the
709 plan and its trust."

710 "§45-37-123.21

711 (a) General administration. The role of the pension
712 board is established by the State of Alabama through
713 legislative act. The pension board is responsible for the
714 general administration and proper operation of the plan. The
715 pension board also is responsible for making effective the
716 provisions of the act.

717 (b) Qualifications of pension board members. In
718 addition to the qualifications set forth in subsection (c),
719 any individual elected or appointed to the pension board shall
720 complete a background check before the commencement of his or
721 her term. A prior conviction for a crime of moral turpitude
722 including, but not limited to, the misappropriation of the
723 funds or property of another, shall, as determined by the
724 pension board, disqualify any individual elected or appointed
725 to the pension board from serving on the pension board.

726 ~~(b)~~ (c) Composition of pension board. The pension board
727 is comprised of five members, designated respectively as
728 member number one, member number two, member number three,



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729 member number four, and member number five.

730 (1) MEMBER NUMBER ONE. Member number one shall be
731 appointed by the governing body of the county and shall serve
732 as chairman of the pension board. Member number one shall have
733 a minimum of 10 years' experience in an executive capacity in
734 insurance, investment management/consultant, or actuarial
735 work. The initial term of member number one shall be for one
736 year; and thereafter the term of member number one shall be
737 for three years.

738 (2) MEMBER NUMBER TWO. Member number two shall be
739 appointed by the judge of probate, who is an elected official
740 of the county. Member number two shall have a minimum of 10
741 years' experience in an executive capacity in investing or
742 banking. The initial term of member number two shall expire at
743 the end of two years; and thereafter the term of member number
744 two shall be for three years.

745 (3) MEMBER NUMBER THREE. Member number three shall be
746 appointed by the ~~Jefferson County~~ Personnel Board of Jefferson
747 County. Member number three shall have a minimum of 10 years'
748 experience as a certified public accountant. The initial term
749 of member number three shall expire at the end of three years;
750 and the term of member number three shall be for three years.

751 (4) MEMBERS NUMBER FOUR AND FIVE. Member number four
752 and member number five shall be elected by the members of the
753 system. Member number four shall be a retired member of the
754 system. Member number five shall be a member of the system.
755 The initial term of member number four shall be for one year;
756 and thereafter the term of member number four shall be for



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757 three years. Member number five shall be elected for terms of
758 three years.

759 ~~(e)~~ (d) Procedure for the election of board members four
760 and five and selection of the election board.

761 (1) Elections of member number four and member number
762 five shall be conducted by separate paper or electronic ballot
763 pursuant to procedures established by the pension board.

764 (2) The members of the system shall elect member number
765 four and member number five. The pension board shall give at
766 least 15 days' written notice of the time and procedure of the
767 election by posting the same ~~in at least three prominent~~
768 ~~places in the county courthouse~~ on the retirement system
769 website and by delivering ~~three copies of the same~~ an
770 electronic or paper copy of the written notice to the county
771 manager who shall inform all ~~persons~~ individuals on the county
772 payroll of the election; however, the failure to inform all
773 ~~such~~ employees of the election shall not invalidate the
774 election.

775 (3) The elections of member number four and member
776 number five shall be supervised by three members of the system
777 ~~erving~~ volunteering to serve as the election board. The
778 members that volunteer to serve as the election board shall be
779 appointed by the members of the system at the annual meeting
780 as provided for in Section 45-37-123.22(b)(14). If the members
781 of the system fail to appoint members to the election board,
782 or if any member so appointed cannot or will not volunteer to
783 serve on the election board, the pension board shall appoint
784 the members of the election board. The pension board may



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785 prescribe additional rules for the elections of member number
786 four and member number five not inconsistent with the
787 provisions hereof.

788 ~~(d)~~ (e) Vacancy, how filled. If a vacancy occurs on the
789 pension board, such vacancy shall be filled for the unexpired
790 term in the same manner as the office was previously filled.

791 ~~(e)~~ (f) Resignation or removal of pension board member.
792 A member of the pension board may resign by delivering a
793 written resignation to the executive director or be removed by
794 the unanimous vote of the other members of the pension board
795 at a duly called meeting of the pension board.

796 ~~(f)~~ (g) Secretary. The secretary of the pension board
797 shall be the executive director.

798 ~~(g)~~ (h) Salary and expenses. ~~The~~ Subject to Section
799 45-37-123.194, the members of the pension board shall serve
800 without pay, but shall be reimbursed for expenses actually
801 paid or incurred in the discharge of their official duties,
802 and shall suffer no loss of salary or wages, if employed by
803 the county, through service on the board."

804 "§45-37-123.22

805 (a) The pension board shall be responsible for the
806 general administration and proper operation of the plan, and
807 shall administer the plan for the exclusive benefit of the
808 members and their designated beneficiaries, subject to the
809 specific terms of the plan. The pension board shall administer
810 the plan in accordance with its terms and shall have the power
811 and discretion to construe the terms of the plan and the act
812 and to determine all questions arising in connection with the



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813 administration, interpretation, and application of the plan.
814 Any ~~such~~ determination by the pension board shall be
815 conclusive and binding upon all ~~persons~~ individuals. The
816 pension board may establish procedures, correct any defect,
817 supply any information, or reconcile any inconsistency in such
818 manner and to such extent as shall be deemed necessary or
819 advisable to carry out the purpose of the plan; provided,
820 however, that any procedure, discretionary act,
821 interpretation, or construction shall be done in a
822 nondiscriminatory manner based upon uniform principles
823 consistently applied and shall be consistent with the intent
824 that the plan shall continue to be deemed a qualified plan
825 under the terms of § 401(a), Internal Revenue Code, and shall
826 comply with the terms of the act and all regulations issued
827 pursuant thereto. The pension board shall have all powers
828 necessary or appropriate to accomplish the pension board's
829 duties under the plan.

830 (b) The pension board shall be charged with the duties
831 of the general administration of the plan as set forth under
832 the terms of the plan, including, but not limited to, all of
833 the following:

834 (1) To determine all questions relating to the
835 eligibility of employees to participate or remain a member
836 hereunder and to receive benefits under the plan.

837 (2) To compute and certify the amount and the kind of
838 benefits to which any member shall be entitled hereunder.

839 (3) To maintain all necessary records for the
840 administration of the plan.



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841 (4) To interpret the provisions of the plan and to make
842 ~~and publish~~ such rules for regulation of the plan and the
843 administration of any benefit provided as are consistent with
844 the act and ~~the terms hereof~~ applicable law.

845 (5) To establish rules and regulations for the
846 administration of plan funds and for the transaction of the
847 plan's business including, without limitation, the suspension
848 or reinstatement of benefits to missing participants or
849 missing beneficiaries.

850 (6) To exercise any investment discretion in a manner
851 designed to accomplish specific objectives related to the
852 plan's long-term and short-term liquidity needs.

853 (7) To prepare and provide active members with an
854 annual estimated benefit statement notifying them of their
855 estimated benefits.

856 (8) To prepare and provide retired members with a
857 one-time notification of their benefit payment amounts, and to
858 provide retired members with periodic notification of ~~cost-of~~
859 ~~living~~ cost-of-living benefit increases which may be awarded
860 by the pension board in any form, lump sum, or otherwise.

861 (9) To determine the validity of, and take appropriate
862 action with respect to, any divorce decree, or other judicial
863 order presented to the pension board.

864 (10) To assist any member regarding the member's
865 rights, benefits, or elections available under the plan.

866 (11) To, by written agreement or designation, appoint
867 at its option an investment manager, qualified under the
868 Investment Company Act of 1940, as amended, investment



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869 adviser, or other agent to provide direction regarding any or
870 all of the plan assets. Such appointment shall specifically
871 identify the plan assets with respect to which the investment
872 manager or other agent shall have authority to direct the
873 investment.

874 (12) To establish an investment policy.

875 (13) To establish a privacy policy for the protection
876 of a member's personal information, subject to applicable law.

877 (14) To hold an annual meeting of the members at least
878 once per calendar year and provide at least seven days'
879 written notice of the meeting to all members on the retirement
880 system website or at either their place of work, last known
881 address, or by electronic mail.

882 (15) To determine appropriate rules and regulations to
883 determine how much service per calendar year is equivalent to
884 one year of service, in accordance with Section 45-37-123.84.

885 (16) To develop rules and regulations, amend the plan,
886 subject to the provisions of Section 45-37-123.150, and
887 provide for increases in benefits, subject to the provisions
888 of Section 45-37-123.151.

889 (17) Notwithstanding any provisions of the plan to the
890 contrary, to amend the plan in order to comply with federal
891 law, and any such amendment shall be given full effect under
892 Alabama law.

893 (18) To purchase insurance coverage in such forms and
894 amounts as may be determined by the pension board.

895 (19) To provide employees of the system with health,
896 dental, vision, and other forms of insurance, paid vacation,



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897 sick leave, tuition reimbursement, and any other benefits as
898 determined by the pension board.

899 (20) To provide members of the system with voluntary
900 life, disability, and other forms of insurance, the cost of
901 which is paid by the member.

902 (21) To conduct meetings and business in person or by
903 video conference, telephone conference, or electronic
904 communication.

905 (22) To participate in emergency relief programs of the
906 United States, the State of Alabama, and their departments,
907 agencies, and instrumentalities.

908 (23) To recover costs and reasonable attorney's fees in
909 actions in which the pension board seeks to recover funds of
910 the ~~retirement~~ system erroneously paid to members,
911 beneficiaries, and third parties.

912 (24) To authorize the plan to defend and indemnify the
913 pension board and each of its individual members, employees of
914 the system, and the system as a legal entity separate and
915 distinct from the plan from any claim, action, or judgment
916 connected with or arising from any decision, act, or omission
917 undertaken within the scope of its or their official capacity
918 in furtherance of the purposes for which the system is
919 established to the extent allowed by applicable law and §
920 401(a), Internal Revenue Code.

921 (25) To interplead funds into a court of competent
922 jurisdiction when the pension board cannot determine the owner
923 of said funds or for any other reason allowed under applicable
924 law.



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925 (c) Failure of the pension board to follow any
926 provisions or procedures in the plan shall not constitute a
927 waiver of any provision or procedure contained herein."

928 "§45-37-123.23

929 (a) Records. The pension board shall keep minutes of
930 its meetings. Additionally, the pension board shall keep all
931 other books of account, records, policies, compensation
932 records, service records, and other data that may be necessary
933 for proper administration of the plan and shall be responsible
934 for supplying all information and reports to the Internal
935 Revenue Service, members, designated beneficiaries, and others
936 as may be required by law. Records, as provided in this
937 subsection, are not public records.

938 (b) Correction of records.

939 (1) The pension board shall correct any error in a
940 member's service record which the pension board concludes is
941 necessary to correct or remove an injustice or prevent a
942 member from receiving less or more than such member is
943 entitled to receive under the plan. The pension board shall
944 adopt written rules prescribing the procedure the pension
945 board shall follow in considering whether an error in an
946 employee's service record should be corrected. Correction of
947 service records shall be subject to the following limitations:

948 a. No error in the service record shall be corrected
949 except by the pension board.

950 b. The pension board shall not correct any error in an
951 employee's service record until it has accorded, or offered to
952 accord, the employee a hearing regarding the proposed



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953 correction, which hearing shall not be conducted until after
954 the employee has received at least two weeks' notice of the
955 nature of the proposed correction and of the time and place at
956 which the proposed correction shall be considered.

957 c. No correction of an error shall be made at an
958 employee's request unless the employee files with the pension
959 board his or her written request for such correction before
960 the date that is one year subsequent to the employee's
961 discovery of the error requested to be corrected; provided,
962 however, the pension board may excuse an employee's failure to
963 file such application for correction within one year following
964 his or her discovery of such error if the pension board finds
965 that excusing such failure would be most equitable.

966 (2) If the pension board determines that any amount has
967 been erroneously deducted from the compensation of an employee
968 and paid ~~into~~ to the ~~trust fund~~ system as an employee
969 contribution, or that any amount has been otherwise paid ~~into~~
970 to the ~~trust fund~~ system erroneously on behalf of any
971 employee, such amount shall be refunded to the employee, and
972 any amount which may have been paid erroneously to match such
973 erroneous contribution shall be refunded. The pension board is
974 authorized to determine whether interest shall be payable on
975 any amounts returned and to determine the amount of interest
976 to be paid, if any; provided, however, that no interest shall
977 be paid to any employee responsible for the error resulting in
978 the erroneous payment.

979 (c) Audit. The pension board shall cause an audit to be
980 made of its affairs by a certified public accountant at least



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981 once each calendar year."

982 "§45-37-123.24

983 The pension board may allocate responsibilities among
984 the members of the pension board ~~and/or~~ or may delegate
985 responsibilities to third parties, or both. The pension board
986 may employ, appoint, or contract with additional employees,
987 administrators, managers, counsel, specialists, advisers,
988 agents, including nonfiduciary agents, and other ~~persons~~
989 individuals as the pension board or the trustee deems
990 necessary or desirable in connection with the administration
991 of the plan, including, but not limited to, agents and
992 advisers to assist with the administration and management of
993 the plan, and thereby to provide, among such other duties as
994 the pension board may appoint, assistance with maintaining
995 plan records and the providing of investment information to
996 the plan's investment fiduciaries, and none of ~~such persons~~
997 those individuals shall be subject to the ~~civil service system~~
998 Personnel Board of Jefferson County."

999 "§45-37-123.25

1000 The county, the ~~Jefferson County~~ Personnel Board of
1001 Jefferson County, or the county's agent, as applicable, shall
1002 supply full and timely information, including, but not limited
1003 to, all payroll, service records, and personal history of
1004 members, to the pension board as the pension board may require
1005 in order to perform its duties hereunder. The pension board
1006 may rely upon such information as accurate and shall have no
1007 duty or responsibility to verify such information."

1008 "§45-37-123.26



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1009 ~~All~~Subject to Section 45-37-123.194, all payment of
1010 benefits, expenses of administration, and any other expenses
1011 arising hereunder, may be paid by the pension board out of the
1012 trust fund, unless otherwise paid by the county or from the
1013 general assets of the system as a legal entity separate and
1014 distinct from the plan and its trust. Such expenses shall
1015 include any expenses incident to the functioning of the
1016 pension board, or any ~~person or persons~~ individual retained or
1017 appointed by any fiduciary incident to the exercise of their
1018 duties under the plan, including, but not limited to, fees of
1019 accountants, counsel, investment managers, and other
1020 specialists and their agents, and other costs of administering
1021 the plan. Until paid, the expenses shall constitute a
1022 liability of the system."

1023 "§45-37-123.27

1024 Three members of the pension board shall constitute a
1025 quorum for the transaction of all business. Except where there
1026 has been an allocation and delegation of administrative
1027 authority pursuant to Section 45-37-123.24, three affirmative
1028 votes shall be necessary for a decision by the pension board."

1029 "§45-37-123.28

1030 (a) Claims for benefits under the plan shall be filed
1031 in writing with the executive director on forms which may
1032 include, but are not limited to, electronic forms provided by
1033 the pension board and filed in accordance with procedures
1034 established by the pension board or the executive director, or
1035 both. The procedure and documents to be produced by a member
1036 or designated beneficiary may differ depending on the type of



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1037 benefit claim being made.

1038 (b) The pension board may allow a properly designated
1039 power of attorney to act on behalf of a member or designated
1040 beneficiary so long as the act is authorized under the terms
1041 of the power of attorney documentation."

1042 "§45-37-123.29

1043 Any employee, former employee, or designated
1044 beneficiary of either, who has been denied a benefit by a
1045 decision of the pension board pursuant to a claim made under
1046 Section 45-37-123.28 shall be entitled to request the pension
1047 board to give further consideration to a claim by filing with
1048 the pension board a written request for a hearing. Such
1049 request shall be filed with the pension board no later than 60
1050 days after receipt of the written notification of denial. The
1051 pension board shall then conduct a hearing as soon as
1052 administratively feasible. The hearing shall typically be held
1053 at the pension board's regular meeting. A final decision as to
1054 the claim shall be made by the pension board as soon as
1055 administratively feasible after receipt of the appeal and the
1056 claimant shall be notified in writing of the decision. In the
1057 event of a denial of a disability-~~retirement~~ benefit claim, a
1058 new disability-~~retirement~~ benefit claim may not be made for at
1059 least six months from the date of the last appeal denial,
1060 unless otherwise determined in the discretion of the pension
1061 board or the executive director."

1062 "§45-37-123.50

1063 Any eligible employee may become a member of the system
1064 as described below. Notwithstanding the following, any-~~person~~



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1065 individual who was a member of the system prior to the
1066 effective date of the amendment and restatement of the plan
1067 shall continue to be a member of the system.

1068 (1) MANDATORY MEMBERSHIP.

1069 ~~a. Eligible Employees Subject to the Civil Service~~
1070 ~~System.~~ Except as otherwise provided in subdivision (2), every
1071 eligible employee who occupies a full-time position subject to
1072 the ~~civil service system applicable to~~ Personnel Board of
1073 Jefferson County shall become a member of the system and shall
1074 make employee contributions to the system in accordance with
1075 Section 45-37-123.82. If an employee subsequently occupies a
1076 position not subject to the Personnel Board of Jefferson
1077 County, the employee shall remain a mandatory and contributing
1078 member of the system, except as otherwise provided herein.

1079 ~~b. Hospital Employees. Every eligible hospital~~
1080 ~~employee, as defined in subdivision (21) of Section~~
1081 ~~45-37-123.01, shall become a member of the system and shall~~
1082 ~~make employee contributions to the system in accordance with~~
1083 ~~Section 45-37-123.82 if his or her relation to the hospital~~
1084 ~~corporation is such that if he or she had the same relation to~~
1085 ~~Jefferson County as he or she has to the hospital corporation,~~
1086 ~~his or her membership in the system would be mandatory.~~

1087 (2) OPTIONAL MEMBERSHIP. The following eligible
1088 employees may exercise the option to become a member of the
1089 system by filing with the ~~secretary of the pension board~~
1090 executive director an executed declaration stating that he or
1091 she elects to become a member of the system, subject to all of
1092 the rights and liabilities of members of the system. The



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1093 declaration shall be in such form and time as the pension
1094 board may prescribe. Once the declaration is accepted by the
1095 pension board or a representative of the pension board, such
1096 eligible employee then shall become a member of the system and
1097 shall begin to make employee contributions to the system in
1098 accordance with Section 45-37-123.82. The election to become
1099 or not become a member, once exercised, shall be irrevocable.

1100 a. Eligible Employees Not Subject to the ~~Civil Service~~
1101 ~~System~~ Personnel Board of Jefferson County. Any eligible
1102 employee who occupies a ~~full-~~ full-time or part-time position
1103 not subject to the ~~civil service system applicable to~~
1104 Personnel Board of Jefferson County shall not become a member
1105 of the system unless he or she exercises the written option to
1106 become a member.

1107 ~~b. Hospital Employees. Any eligible hospital employee,~~
1108 ~~as defined in subdivision (21) of Section 45-37-123.01, shall~~
1109 ~~have the option of becoming a member of the system if such~~
1110 ~~eligible hospital employee's relation to the hospital~~
1111 ~~corporation is such that if he or she had the same relation to~~
1112 ~~Jefferson County as he or she has to the hospital corporation,~~
1113 ~~he or she would have the option of becoming a member of the~~
1114 ~~system.~~

1115 ~~e.b.~~ Eligible County Office Employees, ~~Eligible Circuit~~
1116 ~~Solicitors, Eligible Deputy Solicitors,~~ and Eligible Part-Time
1117 Employees. Notwithstanding the mandatory membership provisions
1118 in subdivision (1), any eligible county office employee, ~~any~~
1119 ~~eligible circuit solicitor, any eligible deputy solicitor,~~ as
1120 ~~each is~~ defined in Section 45-37-123.01, and any part-time



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1121 employee who occupies a position subject to the ~~civil service~~
1122 ~~system applicable to~~ Personnel Board of Jefferson County shall
1123 not become a member of the system unless he or she exercises
1124 the written option to become a member."

1125 "§45-37-123.54

1126 If a member of the system severs employment with the
1127 county or his or her term in an elected or appointed job or
1128 position terminates, and ~~such the~~ member thereafter returns to
1129 the service of the county, he or she shall become a member of
1130 the system to the extent he or she meets the definition of an
1131 eligible employee, subject to the following rules:

1132 (1) RETIRED MEMBER RECEIVING A PENSION BENEFIT. If a
1133 member receiving his or her pension benefit is reemployed by
1134 the county two or more years after severing employment, the
1135 pension benefit of the member shall not be reduced. If a
1136 member is receiving his or her pension benefit and is
1137 reemployed by the county less than two years after severing
1138 employment, any amount otherwise payable by the system to the
1139 member on account of the member's retirement shall be reduced
1140 by the amount, if any, paid or payable to the member by the
1141 county on account of or by reason of the reemployment of the
1142 member. At the earlier of the time the member thereafter
1143 severs employment with the county or after two or more years
1144 ~~of reemployment by the county~~ after the date on which the
1145 member retired, ~~such the~~ member's pension benefit shall return
1146 to the amount it was prior to the member's reemployment.
1147 However, notwithstanding subdivisions (3) and (4), such a
1148 member covered by this subdivision shall not make any



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1149 additional employee contributions or accrue any additional
1150 pension benefit during his or her period of reemployment.

1151 (2) MEMBER ELECTED A DEFERRED RETIREMENT. If a vested
1152 member who severed employment with the county and elected a
1153 deferred retirement benefit is reemployed by the county before
1154 age 60, his or her election for a deferred retirement benefit
1155 shall be rescinded, and he or she shall resume making employee
1156 contributions and begin to accrue benefits again upon the date
1157 of reemployment if the member's position is subject to
1158 mandatory membership pursuant to Section 45-37-123.50(1). Such
1159 member's benefit, if any, shall be calculated by aggregating
1160 the member's credited service during all periods of ~~employment~~
1161 membership in the system. Alternatively, if the member's
1162 position is subject to optional membership pursuant to Section
1163 45-37-123.50(2), the member shall resume employee
1164 contributions and begin to accrue benefits again only if he or
1165 she has exercised the option to become a member in accordance
1166 with Section 45-37-123.50(2).

1167 (3) DISABLED MEMBER RECEIVING A DISABILITY BENEFIT. If
1168 a disabled member receiving a disability benefit is reemployed
1169 by the county, his or her disability benefit shall terminate
1170 effective upon the date of reemployment.

1171 ~~(3)~~ (4) MEMBER DOES NOT RECEIVE A REFUND AND IS
1172 REEMPLOYED WITHIN FIVE YEARS. Except as set forth in
1173 subdivision (1), if a member, who severed employment with the
1174 county but did not receive a refund of his or her employee
1175 contributions to the system as provided in Section
1176 45-37-123.104, is reemployed by the county within five years



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1177 of such severance from employment, he or she shall resume
1178 making employee contributions and begin to accrue benefits
1179 again upon the date of reemployment. The member's benefit
1180 shall be calculated by aggregating the member's credited
1181 service during all periods of employment.

1182 ~~(4)~~ (5) MEMBER RECEIVED A REFUND ~~OR FORFEITED PENSION~~
1183 ~~BENEFIT~~. Except as set forth in subdivision (1), if a member
1184 who severed employment with the county and received a refund
1185 of his or her employee contributions to the system as provided
1186 in Section 45-37-123.104, ~~or does not receive a refund within~~
1187 ~~five years after severing from employment~~, is reemployed by
1188 the county, he or she shall rejoin the system in accordance
1189 with Sections 45-37-123.50 and 45-37-123.82 and begin to
1190 accrue benefits again upon the date of reemployment. In
1191 calculating the member's benefit, only credited service
1192 rendered after the member is reemployed shall be included."

1193 "§45-37-123.80

1194 (a) Employer contributions. Each payroll period, an
1195 amount equal to the total of all members' employee
1196 contributions that is deducted from the members' compensation
1197 pursuant to Section 45-37-123.82 shall be contributed by the
1198 county and shall be paid ~~into~~ to the ~~trust fund~~ system. The
1199 system shall remit the contributions to the trust fund as soon
1200 as practicable, however the pension board may first pay any
1201 sums reasonably necessary to defray administrative expenses of
1202 the plan as determined in the sole discretion of the pension
1203 board subject to Section 45-37-123.194.

1204 (b) Employer contributions upon reinstatement from



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1205 qualified military service. If any member leaves the service
1206 of the county for the purposes of performing qualified
1207 military service and shall have been reinstated to the service
1208 of the county within 90 days after such member's separation
1209 from such qualified military service, then the county shall
1210 promptly pay ~~into~~ to the ~~trust fund~~ system an amount equal to
1211 twice the employee contribution which the employee would have
1212 made if he or she had not been absent on such leave, and if
1213 his or her compensation had continued to be the same as he or
1214 she was earning at the time of the commencement of the leave;
1215 provided, however, that no part of such payment by the county
1216 shall be refundable to the employee pursuant to Section
1217 45-37-123.104."

1218 "§45-37-123.82

1219 (a) Employee contributions generally. As a condition of
1220 employment and of accruing benefits under the plan, each
1221 member shall contribute six percent of such member's
1222 compensation to the plan. The employee contributions shall be
1223 after tax, or if approved by the pension board such employee
1224 contributions shall be pre-tax and treated as "picked-up" and
1225 contributed by the county to the plan pursuant to ~~Section~~ §
1226 414(h)(2) of the Internal Revenue Code. The county shall
1227 process such employee contributions each payroll period and
1228 the aggregate amount shall be deposited in the ~~trust fund~~
1229 system. Employee contributions shall begin on the member's
1230 first paycheck after a member becomes eligible for membership
1231 in the system as provided for in Section 45-37-123.50. In the
1232 event that the county fails to withhold any employee



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1233 contributions, the county may withhold such amounts, whether
1234 treated by the county as after-tax contributions or treated as
1235 "picked-up" contributions, from future paychecks as are
1236 necessary to restore the amounts not withheld.

1237 (b) Withdrawal or refunds of employee contributions.
1238 Employee contributions may be withdrawn or refunded only as
1239 provided in Section 45-37-123.104.

1240 (c) Cessation of employee contributions. A member may
1241 terminate employee contributions ~~when the member's service~~
1242 ~~entitles him or her to receive the maximum benefit available~~
1243 after 30 years of paid service, as further provided in Section
1244 45-37-123.104 (3)."

1245 "§45-37-123.83

1246 The pension board and county are authorized to
1247 contribute to the system or trust fund any monies received in
1248 the form of donations, gifts, appropriations, bequests, or
1249 otherwise, or derived therefrom. ~~Additionally, any member or~~
1250 ~~beneficiary who fails to make timely application for the~~
1251 ~~amount of his or her employee contributions pursuant to~~
1252 ~~Section 45-37-123.104 shall be deemed to have forfeited and~~
1253 ~~donated employee contributions to the trust fund. In no event~~
1254 ~~shall any forfeitures under the plan result in an increase in~~
1255 ~~the benefit to be paid to any member. The executive director~~
1256 ~~shall provide one certified letter to the member within 60~~
1257 ~~days following the member's termination of employment advising~~
1258 ~~the member of the foregoing forfeiture provisions. See also~~
1259 ~~Section 45-37-123.194 for additional forfeiture provisions."~~

1260 "§45-37-123.84



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1261 Except as otherwise specifically stated herein, the
1262 rules below shall apply in determining length of service for
1263 all purposes under the plan.

1264 (1) In no case may more than one year of service be
1265 credited for service in one calendar year.

1266 (2) A member shall work over one-half of a month,
1267 including all calendar days or the hourly equivalent thereof,
1268 in order to earn one month of service.

1269 (3) Except as otherwise specifically stated herein or
1270 required by federal law, a member shall not be allowed service
1271 credit for any period of more than one-half of a month during
1272 which such member is absent without pay.

1273 (4) A member shall receive service credit for any and
1274 all paid leaves of absence, including a paid Family and
1275 Medical Leave Act leave, regardless of the length of the leave
1276 and regardless of the performance of any services. For
1277 ~~member's~~ members terminating employment between August 1,
1278 1993, and January 31, 2010, up to three months of service
1279 credit was granted to members on unpaid Family and Medical
1280 Leave Act leaves.

1281 (5) Years of paid membership time are used in computing
1282 benefits under the plan, as are months of paid membership
1283 time. Months shall be converted into a fraction of a year as
1284 follows:

1285 1 month .0833

1286 2 months .1667

1287 3 months .2500



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1288 4 months .3333

1289 5 months .4167

1290 6 months .5000

1291 7 months .5833

1292 8 months .6667

1293 9 months .7500

1294 10 months .8333

1295 11 months .9167

1296 12 months 1.0000

1297 (6) The pension board may disregard a fractional part
1298 of a year in computing paid membership time or unpaid
1299 membership time that is less than one-twelfth of a year.

1300 (7) Notwithstanding any provision of the plan to the
1301 contrary, effective December 12, 1994, contributions,
1302 benefits, and service shall be provided in accordance with §
1303 414(u), Internal Revenue Code, relating to military leave.

1304 (8) Service before and after reemployment by the county
1305 shall also be calculated in accordance with Section
1306 45-37-123.54."

1307 "§45-37-123.100

1308 (a) Superannuation retirement benefit.

1309 (1) ELIGIBILITY. A member shall be eligible for a
1310 superannuation retirement benefit if the member is not
1311 receiving a disability benefit and:

1312 a. The member has 30 or more years of paid membership



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1313 time, regardless of age;

1314 b. The member has 10 or more years of paid membership
1315 time and has attained the age of 60; or

1316 c. The member has 30 years of service, 20 years of
1317 which are paid membership time, and has attained the age of
1318 55.

1319 (2) CALCULATION OF BENEFIT. If a member meets the
1320 foregoing eligibility criteria, then the member shall be
1321 eligible to retire and receive a monthly benefit for the
1322 remainder of his or her life to be determined by the following
1323 formula:

1324 a. Two and one-half percent multiplied by the basic
1325 average salary multiplied by the number of years of paid
1326 membership time; plus

1327 b. Five-eighths of one percent multiplied by the basic
1328 average salary multiplied by the number of years of unpaid
1329 membership time, if applicable.

1330 (3) SEVENTY-FIVE PERCENT LIMITATION. Notwithstanding
1331 the foregoing, no member shall receive any ~~retirement~~ pension
1332 benefit in excess of 75 percent of his or her basic average
1333 salary. This 75 percent limitation shall only be applied at
1334 the time that the beginning ~~retirement~~ pension benefit is
1335 determined and shall not limit increases granted to retired
1336 members subsequent to their retirement. Additionally, this 75
1337 percent limitation shall be applied before applying any
1338 actuarial adjustments to reflect an election of a joint
1339 survivorship pension.

1340 (4) SECTION 401(a)(17), INTERNAL REVENUE CODE,



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1341 LIMITATION. Notwithstanding the foregoing provisions of this
1342 subsection, after applying the § 401(a)(17), Internal Revenue
1343 Code, compensation limit set forth in ~~subdivision (11) of~~
1344 Section ~~45-37-123.01~~ 45-37-123.01(10), the pension board, with
1345 the assistance of an actuary, shall determine the adjustments
1346 to any or all of the components or factors of the benefit
1347 formula, other than paid membership time, unpaid membership
1348 time, and/or the basic average salary as limited by the
1349 compensation limit that would be necessary to yield the
1350 maximum benefit specified under this part, without regard to §
1351 401(a)(17), Internal Revenue Code; the pension board shall
1352 then use such adjusted benefit formula to determine the
1353 maximum benefit due from the plan, subject, however, to
1354 Subpart 6 ~~and~~ and Internal Revenue Code ~~Section 415~~ limitations.

1355 (5) ELIGIBILITY FOR POSTRETIREMENT JOINT SURVIVORSHIP
1356 PENSION. A member that is entitled to a superannuation
1357 retirement benefit shall be entitled to instead elect a
1358 postretirement joint survivorship pension, as provided for
1359 under Section 45-37-123.101.

1360 (6) DEATH. If a member dies while receiving payment of
1361 a superannuation retirement benefit, the return of any
1362 remaining portion of his or her employee contributions shall
1363 be governed by Section ~~45-37-123.104(5)d~~ 45-37-123.104(4)d. If
1364 the member has received payments in an amount at least equal
1365 to the amount of employee contributions he or she made to the
1366 plan at the time of death, then no further payments shall be
1367 made upon the member's death.

1368 (b) Early retirement benefits.



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1369 (1) REGULAR EARLY RETIREMENT. A member may elect, but
1370 is not required, to retire prior to age 60 if the member has
1371 completed 30 or more years of service, 10 of which, but not
1372 the total 30, are paid membership time. In the event that a
1373 member makes such an election, such member shall be entitled
1374 to receive an early retirement benefit equal to the member's
1375 benefit that would be payable pursuant to subsection (a), but
1376 with an actuarial equivalent reduction for each year less than
1377 60 years of age, as follows:

1378	Age of Member on	Reduced Retirement Benefit on Account of
1379	Last Birthday	Retirement before Age 60 Expressed as a
1380	Preceding	Percentage of the Superannuation
1381	Retirement	Retirement Benefit under subsection (a)
1382	59	93%
1383	58	87%
1384	57	82%
1385	56	77%
1386	55	72%
1387	54	68%
1388	53	64%
1389	52	60%
1390	51	57%
1391	50	54%
1392	49	51%



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1393 48 48%

1394 (2) TWENTY-FIVE YEAR EARLY RETIREMENT BENEFIT. On and
1395 after April 24, 2003, a member with at least 25 years of paid
1396 membership time, but less than 30 years of paid membership
1397 time, who is not eligible for a superannuation retirement
1398 benefit may elect to retire early, but is not required to do
1399 so. In the event that a member makes such an election, such
1400 member shall be entitled to receive a 25-year early retirement
1401 benefit equal to the member's benefit that would be payable
1402 under superannuation retirement benefit pursuant to subsection
1403 (a), but with an actuarial equivalent reduction of seven
1404 percent for each whole year less than 30 years. For purposes
1405 of the seven percent reduction, months are not counted.

1406 (3) ELIGIBILITY FOR POSTRETIREMENT JOINT SURVIVORSHIP
1407 PENSION. A member that is entitled to an early retirement
1408 benefit shall be entitled to instead elect a postretirement
1409 joint survivorship pension, as provided for under Section
1410 45-37-123.101.

1411 (4) DEATH. If a member dies while receiving payment of
1412 an early retirement benefit, the return of any remaining
1413 portion of his or her employee contributions shall be governed
1414 by Section ~~45-37-123.104(5)d~~ 45-37-123.104(4)d. If the member
1415 has received payments in an amount at least equal to the
1416 amount of employee contributions he or she made to the plan at
1417 the time of death, then no further payments shall be made upon
1418 the member's death.

1419 (c) Deferred retirement benefits.

1420 (1) GENERAL RULES FOR DEFERRED RETIREMENT BENEFITS.



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1421 a. Ineligibility for Deferred Retirement Benefit if
1422 Eligible for Superannuation Retirement Benefit. If a member is
1423 eligible for a superannuation retirement benefit, then he or
1424 she is not eligible for a deferred retirement benefit.

1425 b. Withdrawal of Employee Contributions. A member who
1426 has elected a deferred retirement benefit may at any time
1427 before payment of such benefit commences withdraw in full his
1428 or her employee contributions, without interest. However, no
1429 deferred retirement benefit shall be paid to a member who
1430 withdraws such employee contributions.

1431 c. Eligibility for Postretirement Joint Survivorship
1432 Pension. A member that is entitled to a deferred retirement
1433 benefit shall be entitled to instead elect a postretirement
1434 joint survivorship pension provided for under Section
1435 45-37-123.101.

1436 d. Death. If a member dies before or after payment of
1437 his or her deferred retirement benefit commences, the return
1438 of his or her employee contributions to the plan shall be
1439 governed by Section ~~45-37-123.104(5)b. or d.~~
1440 45-37-123.104(4)b. or d., respectively.

1441 (2) REGULAR DEFERRED RETIREMENT BENEFIT.

1442 a. Eligibility. Subject to the general eligibility
1443 requirements stated in subdivision (1), a member may elect a
1444 regular deferred retirement benefit if he or she has at least
1445 10 years of paid membership time.

1446 b. Calculation of Benefit/Vesting. The regular deferred
1447 retirement benefit shall be calculated by multiplying the
1448 superannuation retirement benefit that the member would have



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1449 been entitled to had he or she been 60 years of age when he or
1450 she terminated employment, times a percentage, which
1451 percentage shall be determined based upon the member's paid
1452 membership time, and shall vest and become nonforfeitable as
1453 follows:

- 1454 1. Ten years of paid membership time: 50 percent.
- 1455 2. Eleven years of paid membership time: 60 percent.
- 1456 3. Twelve years of paid membership time: 70 percent.
- 1457 4. Thirteen years of paid membership time: 80 percent.
- 1458 5. Fourteen years of paid membership time: 90 percent.
- 1459 6. Fifteen or more years of paid membership time: 100
1460 percent.

1461 c. Commencement of Payment. ~~Payment~~ Subject to the
1462 requirements provided in subsection (e), payment of a member's
1463 regular deferred retirement benefit shall commence upon the
1464 date that the member reaches the age of 60 and shall continue
1465 for the life of the member, regardless of whether the member
1466 is employed with another employer at the time payment is to
1467 commence.

1468 (3) INVOLUNTARY DEFERRED RETIREMENT BENEFIT.

1469 a. 20/55 Provisions. Subject to the general eligibility
1470 requirements stated in subdivision (1), a member who is not
1471 entitled to voluntarily retire pursuant to subsection (a),
1472 superannuation retirement benefit, or subdivision (1) of
1473 subsection (b), regular early retirement benefit, but who is
1474 involuntarily retired after accumulating 20 years of service
1475 with the county, at least 10 of which is paid membership time,
1476 shall be entitled to receive a monthly benefit computed in



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1477 accordance with the formula set forth in subsection (a),
1478 superannuation retirement benefit, the payment of which shall
1479 commence upon his or her retirement if he or she has attained
1480 the age of 55; if the member has not attained the age of 55,
1481 payment shall be delayed until the member's attainment of age
1482 55.

1483 b. 18/60 Provisions. Subject to the general eligibility
1484 requirements stated in subdivision (1) and to this paragraph,
1485 a member who is not entitled to voluntarily retire pursuant to
1486 subsection (a), superannuation retirement benefit, or
1487 subdivision (1) of subsection (b), regular early retirement
1488 benefit, but who is involuntarily retired after accumulating
1489 18 years of service with the county, at least 10 of which is
1490 paid membership time, shall be entitled to receive a monthly
1491 benefit computed in accordance with the formula set forth in
1492 subsection (a), superannuation retirement benefit, the payment
1493 of which shall commence as set forth below.

1494 1. Member contributions. In order to receive a benefit
1495 under paragraph b., a member shall contribute to the plan from
1496 the date of the member's involuntary retirement to the date
1497 that the benefit commences, by the last day of each calendar
1498 month: (i) the amount of employee contributions that he or she
1499 would have made if he or she had continued to be employed by
1500 the county at the same salary as he or she was receiving at
1501 the time of his or her termination of employment, plus (ii)
1502 the amount which the county would have contributed to the plan
1503 on the member's behalf if he or she had continued to be
1504 employed by the county at the same salary as he or she was



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1505 receiving at the time of his or her termination of employment.

1506 2. Commencement of payment. ~~Payment~~ Subject to the
1507 requirements provided in subsection (e), payment of a member's
1508 involuntary deferred retirement benefit under paragraph b.
1509 shall commence upon the earlier of: (i) the date on which the
1510 member attains the age of 60; or (ii) the date on which the
1511 member would have completed 30 years of service with the
1512 county, if he or she had continued employment with the county,
1513 regardless of whether the member is employed with another
1514 employer at the time payment is to commence; provided however,
1515 that if at the time payment of the deferred retirement benefit
1516 commences, he or she has not attained the age of 60, the
1517 amount of his or her monthly benefit computed in accordance
1518 with subsection (a), superannuation retirement benefit, shall
1519 be reduced in the same manner as the early retirement benefit
1520 is reduced under subdivision (1) of subsection (b).

1521 (d) Offset for payment of hospital, surgical, and
1522 medical ~~benefits~~ premiums. To the extent that the county, with
1523 sufficient advance written notice, so directs the system, the
1524 system shall offset the monthly benefit amount payable to a
1525 retired member by an amount, determined by the county, needed
1526 to pay for the member's premiums for certain hospital,
1527 surgical, ~~and/or~~ or medical benefits, or any combination of
1528 them, sponsored by the county. The system shall pay such
1529 withheld amounts to the county on a monthly basis. In the
1530 event that the county makes an error in its written direction
1531 to the system, the system shall not be required to correct
1532 such error by adjusting its withholdings; rather, such error



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1533 shall be corrected between the county and the member. ~~At any~~
1534 ~~time a written opinion from a competent actuary selected by~~
1535 ~~the commission is made indicating that the funds and assets of~~
1536 ~~the system are not actuarially sound, then the benefits of~~
1537 ~~this subsection shall cease to be in effect until such time as~~
1538 ~~an actuary appointed by the commission gives a written opinion~~
1539 ~~that the system is financially sound. Any such actuarial~~
1540 ~~services shall be paid for by the system.~~

1541 (e) Member action required. A member shall complete all
1542 forms required by the pension board before payment of any
1543 benefit provided in this chapter may commence."

1544 "§45-37-123.101

1545 (a) Election of postretirement joint survivorship
1546 pension. In lieu of a benefit under subsections (a) to (c),
1547 inclusive, of Section 45-37-123.100, superannuation retirement
1548 benefit, early retirement benefit, or deferred retirement
1549 benefit, respectively, a member may elect to receive a
1550 postretirement joint survivorship pension.

1551 (1) PERCENTAGE ELECTION. In the event that a member
1552 desires to elect pursuant to this subsection to receive a
1553 postretirement joint survivorship pension, he or she shall
1554 elect one of the following percentages, which election shall
1555 be the actuarial equivalent of the monthly ~~retirement~~ pension
1556 benefit provided in subsections (a) to (c), inclusive, of
1557 Section 45-37-123.100, as applicable:

1558 a. Reduced monthly benefit payable over the life of the
1559 member and the life of the member's designated beneficiary, 50
1560 percent postretirement joint survivorship pension.



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1561 b. Reduced monthly benefit payable over the life of the
1562 member and the life of the member's designated beneficiary, 66
1563 and two-thirds percent postretirement joint survivorship
1564 pension.

1565 c. Reduced monthly benefit payable over the life of the
1566 member and the life of the member's designated beneficiary, 75
1567 percent postretirement joint survivorship pension.

1568 d. Reduced monthly benefit payable over the life of the
1569 member and the life of the member's designated beneficiary,
1570 100 percent postretirement joint survivorship pension.

1571 (2) FORM OF POSTRETIREMENT JOINT SURVIVORSHIP PENSION.

1572 In addition to electing a percentage under subdivision (1), a
1573 member who desires to elect to receive a postretirement joint
1574 survivorship pension shall elect one of the following two
1575 forms:

1576 a. Pop-up Form. Under the pop-up form, if the member's
1577 designated beneficiary predeceases the retired member, then in
1578 the month following the designated beneficiary's death, the
1579 member's monthly pension benefit shall pop-up to the amount
1580 that would have been payable to the member under subsections
1581 (a) to (c), inclusive, of Section 45-37-123.100, as
1582 applicable, as if the member had never elected a
1583 postretirement joint survivorship pension; the cost of a
1584 pop-up form is more than the cost of the regular form
1585 described in paragraph b.

1586 b. Regular Form. Under the regular form, if the
1587 member's designated beneficiary predeceases the retired
1588 member, then the member shall continue to receive the same



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1589 amount that he or she was receiving prior to the designated
1590 beneficiary's death. The amount of the benefit payment shall
1591 not change.

1592 (b) Timing of election. Except as provided in the
1593 immediately following sentence, in the event that a member
1594 desires to elect a postretirement joint survivorship pension,
1595 he or she shall do so in writing, on a form provided by the
1596 pension board, no later than the member's last day of
1597 employment. In the event that a member previously elected a
1598 deferred retirement benefit and desires to elect a
1599 postretirement joint survivorship pension, he or she shall do
1600 so in writing, on a form provided by the pension board, no
1601 later than the day before the member's sixtieth birthday.

1602 (c) Timing of payments. Payment to the member commences
1603 on the day after the member terminates employment and shall
1604 continue to be paid each month thereafter until the member's
1605 death. If the member's designated beneficiary survives after
1606 the death of the member, the postretirement joint survivorship
1607 pension payments shall be made monthly to the designated
1608 beneficiary, beginning on the first day of the month following
1609 the member's death, ~~assuming~~ provided that the pension board
1610 is notified of the death in a timely manner and the designated
1611 beneficiary has completed all forms required by the pension
1612 board. Payments shall terminate with the first monthly payment
1613 preceding the second to die of the member and the designated
1614 beneficiary. In the event that a refund is to be paid pursuant
1615 to Section 45-37-123.104(4)c., such payment shall be made as
1616 soon as administratively feasible following the



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1617 member's/designated beneficiary's deaths.

1618 (d) Cost of postretirement joint survivorship pension.

1619 To the extent that a member elects payment of a postretirement
1620 joint survivorship pension for his or her designated
1621 beneficiary, the benefit otherwise payable to the member shall
1622 be actuarially reduced to reflect the election of a
1623 postretirement joint survivorship pension.

1624 (e) Changes in election. At any time before termination
1625 of employment, the member may cancel his or her election to
1626 have payment in such form by completing a form provided by the
1627 pension board. Except as otherwise stated herein, the member's
1628 election of a postretirement joint survivorship pension shall
1629 be irrevocable once the member terminates employment.

1630 (1) DEATH. a. Death of Member Prior to Actual
1631 Retirement. In the event that a member dies prior to his or
1632 her actual retirement, any postretirement joint survivorship
1633 pension election he or she made shall be deemed void.

1634 b. Death of Designated Beneficiary Before Payments
1635 Commence. In the event that a member elects a postretirement
1636 joint survivorship pension and his or her designated
1637 beneficiary dies before payments commence, then upon the
1638 designated beneficiary's death, the member's election of the
1639 postretirement joint survivorship pension shall be
1640 automatically canceled, and the member's right to receive
1641 payments in accordance with subsections (a) to (c), inclusive,
1642 of Section 45-37-123.100, as applicable, shall be reinstated.

1643 c. Death of Both Member and Designated
1644 Beneficiary-Refund. Except as provided in the immediately



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1645 following sentence, in the event that a payment begins to the
1646 member, no refund of employee contributions shall be paid
1647 thereafter. Notwithstanding the foregoing sentence, in the
1648 event that the member and his or her designated beneficiary
1649 die, a refund shall be made in accordance with Section
1650 45-37-123.104(4)c.

1651 (2) DIVORCE. In the event that a married member names
1652 his or her spouse as designated beneficiary, a subsequent
1653 divorce of the member and the designated beneficiary shall not
1654 cancel an election of a postretirement joint survivorship
1655 pension. However, in the event that a member or designated
1656 beneficiary presents to the pension board what the pension
1657 board believes to be a valid divorce decree, settlement
1658 agreement, or domestic relations order, collectively, a DRO,
1659 that provides for a waiver or forfeiture of the postretirement
1660 joint survivorship pension, then such waiver or forfeiture
1661 shall be recognized by the pension board, and, accordingly,
1662 the postretirement joint survivorship pension shall be deemed
1663 void, and the member's monthly pension benefit shall
1664 thereafter pop-up to the amount that would have been payable
1665 to the member under subsections (a) to (c) of Section
1666 45-37-123.100, as applicable, as if the member had never
1667 elected a postretirement joint survivorship pension. Such
1668 pop-up shall occur in the month following the pension board's
1669 receipt and approval of the DRO. The member shall not be
1670 allowed to elect another joint survivorship pension. See also
1671 Section 45-37-123.194(a) for additional rules relating to
1672 certain DROs.



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1673 (f) ~~Beneficiary~~ Designated beneficiary designation. Any
1674 beneficiary designation made by a member for a preretirement
1675 joint survivorship pension shall automatically lapse upon the
1676 member's retirement or other termination of employment, and
1677 such member shall complete new forms, to be provided by the
1678 pension board, to designate a beneficiary of any
1679 postretirement joint survivorship pension, in accordance with
1680 ~~Section 45-37-123.103(d)~~ this section.

1681 (g) Proof of death and marriage. The pension board may
1682 require proper proof of death or marriage in accordance with
1683 Section 45-37-123.103(f)."

1684 "§45-37-123.102

1685 (a) Disability benefit.

1686 (1)a. Non-service connected disability ~~benefits~~
1687 benefit. Subject to subsection ~~(h)~~ (b), any member who, after
1688 accumulating 10 years of paid membership time, experiences a
1689 total or partial and permanent disability as a result of a
1690 non-service connected disability shall be entitled to receive,
1691 at the time set forth in subsection ~~(e)~~ (c), a monthly
1692 disability ~~retirement benefits~~ benefit determined in
1693 accordance with Section 45-37-123.100, as though the disabled
1694 member were entitled to a superannuation retirement benefit at
1695 the commencement of the disability; however, there shall be a
1696 percentage reduction of such benefit to reflect early
1697 commencement of the payment, such percentage to be based on
1698 the member's whole years from actual eligibility for a
1699 superannuation retirement benefit, as set forth below.
1700 Notwithstanding any provisions to the contrary, the minimum



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1701 monthly disability~~retirement~~ benefit payable in connection
1702 with a non-service connected disability occurring before May
1703 17, 2021, shall be 50 percent of the monthly compensation the
1704 member was receiving at the time he or she experienced a total
1705 and permanent disability.

1706	Number of Whole Years Until	Percentage Reduction of
1707	Eligibility for Superannuation	Superannuation Retirement
1708	Retirement Benefit	Benefit
1709	1	93%
1710	2	87%
1711	3	82%
1712	4	77%
1713	5	72%
1714	6	68%
1715	7	64%
1716	8	60%
1717	9	57%
1718	10	54%
1719	11 or more	50%

1720 b. Any member who, after accumulating 10 years of paid
1721 membership time, experiences a partial and permanent
1722 disability as a result of a non-service connected disability,
1723 shall be entitled to receive a monthly disability benefit
1724 determined in accordance with subdivision (3).



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1725 ~~(b)~~ (2) Service connected disability ~~benefits~~ benefit.
1726 Subject to subsection ~~(h)~~ (b), any member who experiences a
1727 total or partial and permanent disability as a result of a
1728 service connected disability shall be entitled to receive a
1729 monthly disability ~~retirement benefits~~ benefit in an amount
1730 equal to 60 percent of the member's monthly compensation that
1731 he or she was receiving at the time he or she experienced a
1732 total and permanent disability. Any member who experiences a
1733 partial and permanent disability as a result of a service
1734 connected disability shall be entitled to receive a monthly
1735 disability benefit determined in accordance with subdivision
1736 (3).

1737 ~~(e)~~ (3) Partial disability benefits. In the event that a
1738 member experiences a partial and permanent disability in
1739 connection with either a non-service connected disability or a
1740 service connected disability, the pension board and its
1741 medical advisor shall determine the percentage of disability
1742 suffered, and the member shall be entitled to the proportion
1743 of the amount which would have been payable if the disability
1744 were a total permanent disability.

1745 (b) Conditions for eligibility.

1746 (1) Disability shall be permanent. To be qualified to
1747 receive a disability benefit, the disability, whether total or
1748 partial, shall be permanent and shall be experienced on or
1749 before a member's separation from employment with the county.
1750 Disability benefits under this subsection shall only continue
1751 for such time as a member continues to experience a permanent
1752 disability, whether total or partial.



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1753 (2) Application and medical examination. Applications
1754 for a disability benefit shall be made in writing on forms
1755 provided by the pension board. All applicants for a disability
1756 benefit shall submit to all medical evaluations and
1757 examinations required by the pension board.

1758 (3) Certification and reexamination. All members
1759 receiving a disability benefit shall certify any information
1760 required by the pension board and shall submit to
1761 reexamination as required by the pension board.

1762 (4) Member's duty to inform. Members receiving a
1763 disability benefit shall notify the pension board in writing
1764 within 30 days after accepting any full-time or part-time
1765 employment, whether or not the employment is in the service of
1766 the county.

1767 ~~(d)~~ (5) Disqualification from receipt of a disability
1768 ~~benefits~~ benefit. No disability ~~retirement benefits~~ benefit
1769 shall be paid if the use of intoxicating liquor, narcotic
1770 drugs, or willful misconduct of the disabled member caused, or
1771 substantially contributed to, the disability or if the cause
1772 of the disability was voluntarily and willfully caused by the
1773 disabled member.

1774 ~~(e)~~ (c) Timing of payment. Payment of disability
1775 retirement benefits provided for by this section shall
1776 commence when the member separates from employment with the
1777 county and ceases to receive his or her compensation subject
1778 to the employee contribution requirements set forth in Section
1779 ~~45-37-123.80~~ 45-37-123.82 and once a determination of
1780 disability has been made by the pension board.



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1781 ~~(f) Reexamination of members receiving disability~~
1782 ~~benefits. Disability retirement benefits under this section~~
1783 ~~shall only continue for such time as the member continues to~~
1784 ~~experience a total disability, or a partial disability as~~
1785 ~~determined under subsection (c). The pension board may require~~
1786 ~~any member receiving disability retirement benefits to submit~~
1787 ~~to a medical examination by the medical advisor. If the member~~
1788 ~~refuses to undergo the medical examination ordered by the~~
1789 ~~pension board, the member's disability retirement benefits may~~
1790 ~~be discontinued until the member consents to the examination.~~
1791 ~~If a member's disability retirement benefits are discontinued~~
1792 ~~based on the member's refusal to allow a reexamination by the~~
1793 ~~medical advisor, the member shall wholly lose such benefits~~
1794 ~~between the date of the member's refusal or failure to allow~~
1795 ~~the examination and the date of examination thereafter made.~~
1796 ~~Should the medical advisor report to the pension board that~~
1797 ~~the member receiving disability retirement benefits is able to~~
1798 ~~resume his or her usual occupation, such member shall be~~
1799 ~~restored to his or her former position if the member's~~
1800 ~~position is in the service of the county; otherwise, the~~
1801 ~~member shall be placed on the appropriate layoff list of the~~
1802 ~~county and shall not receive any additional payments for~~
1803 ~~disability on and after the date the member is reemployed by~~
1804 ~~the county or fails or refuses to accept such reemployment. If~~
1805 ~~the member is reemployed by the county, the member shall~~
1806 ~~resume employee contributions immediately upon reemployment in~~
1807 ~~accordance with Section 45-37-123.80. Provided however, the~~
1808 ~~pension board shall in no case make additional disability~~



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1809 ~~retirement benefit payments to a member on a particular~~
1810 ~~disability claim beyond six months from the date the medical~~
1811 ~~advisor reports to the pension board that the member is able~~
1812 ~~to resume his or her usual occupation.~~

1813 ~~(g)~~ (d) Ineligibility for joint survivorship pension
1814 option. A member electing a disability ~~retirement~~ benefit
1815 shall not be entitled to elect a joint survivorship pension
1816 provided under Section 45-37-123.101, though a member may
1817 elect a 25-year early retirement benefit if such member has
1818 met the eligibility requirements set forth in Section
1819 45-37-123.100 (b) (2) .

1820 ~~(h)~~ (e) Ineligibility for disability ~~retirement~~ benefit
1821 if eligible for a superannuation retirement benefit. In the
1822 event that a member is eligible for a superannuation
1823 retirement benefit pursuant to Section 45-37-123.100(a), such
1824 member shall not be eligible for a disability ~~retirement~~
1825 benefit.

1826 (f) Reemployment with the county. No disability benefit
1827 shall be paid to a disabled member who is reemployed by the
1828 county. Upon reemployment by the county in a position subject
1829 to mandatory membership as provided in Section
1830 45-37-123.50(1), a reemployed member shall resume employee
1831 contributions as provided in Section 45-37-123.82 as a new
1832 member of the system with no paid membership time. Upon
1833 reemployment by the county in a position subject to optional
1834 membership, the member's membership in the system shall
1835 terminate unless the option to become a member of the system
1836 is exercised in accordance with Section 45-37-123.50(2). If



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1837 the option to become a member is exercised in accordance with
1838 Section 45-37-123.50(2), the reemployed member shall resume
1839 employee contributions as provided in Section 45-37-123.82 as
1840 a new member of the system with no paid membership time.

1841 ~~(i)~~ (g) Death. If a member dies while receiving payment
1842 of a disability ~~retirement~~ benefit, the return of any
1843 remaining portion of his or her employee contributions shall
1844 be governed by Section ~~45-37-123.104(5)~~ 45-37-123.104(4)d. If
1845 the member has received payments in an amount at least equal
1846 to the amount of employee contributions he or she made to the
1847 plan at the time of death, then no further payments shall be
1848 made upon the member's death."

1849 "§45-37-123.103

1850 (a) Preretirement death benefits. A vested member's
1851 designated beneficiary is entitled to a preretirement joint
1852 survivorship pension, as described below.

1853 (1) MARRIED MEMBER. If a married, active member dies,
1854 then the designated beneficiary may elect, on a form provided
1855 by the pension board, to be paid in one of the following
1856 forms:

1857 a. One Hundred Percent Preretirement Joint Survivorship
1858 Pension. If such member was eligible for a deferred retirement
1859 benefit at the time of the member's death, then the designated
1860 beneficiary may elect to be paid in the form of a 100 percent
1861 preretirement joint survivorship pension, which is a monthly
1862 annuity paid during the designated beneficiary's lifetime
1863 which is equal to the actuarial equivalent of the benefits
1864 that would have been paid to the member if, instead of dying,



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1865 the member had terminated employment.

1866 b. Refund. The designated beneficiary may elect a
1867 refund of the member's employee contributions in accordance
1868 with Section 45-37-123.104(4)b.

1869 (2) UNMARRIED MEMBER. If an unmarried, active member
1870 dies, then one of the following shall apply:

1871 a. Preretirement Joint Survivorship Pension. If a
1872 member becomes eligible for a deferred retirement benefit,
1873 then the member may elect, on a form provided by the pension
1874 board, a 100 percent preretirement joint survivorship pension,
1875 which is a monthly annuity paid during the designated
1876 beneficiary's lifetime which is equal to the actuarial
1877 equivalent of the benefits that would have been paid to the
1878 member if, instead of dying, the member had terminated
1879 employment. In the event the designated beneficiary dies
1880 before the member or in the event the member marries, any
1881 election of a preretirement joint survivorship pension
1882 automatically shall be revoked and the cost, as described in
1883 subdivision (2) of subsection (c), for the preretirement
1884 coverage shall cease to accumulate on the date of death of the
1885 designated beneficiary or the member's date of marriage, as
1886 applicable.

1887 b. Refund. Regardless of whether the member makes an
1888 election for the designated beneficiary to be paid in the form
1889 of a preretirement joint survivorship pension in accordance
1890 with paragraph a., upon the member's death, the designated
1891 beneficiary can elect to be paid a refund of the member's
1892 employee contributions in accordance with Section



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1893 45-37-123.104(4)b. instead of being paid a preretirement joint
1894 survivorship pension.

1895 (b) Timing of payments. In the event of an election of
1896 a preretirement joint survivorship pension, such payment shall
1897 begin as soon as administratively feasible after the pension
1898 board is notified of the death and the designated
1899 beneficiary's completion of all forms required by the pension
1900 board. In any event, calculation of the amount of the death
1901 benefit shall be made as of the day after the date of death
1902 and any payments that do not occur as of the month following
1903 the date of death shall be included in future payments. In the
1904 event that a refund is to be paid, such payment shall be made
1905 as soon as administratively feasible following the member's
1906 death.

1907 (c) Cost of preretirement joint survivorship pension.

1908 (1) MARRIED MEMBERS.

1909 a. On and After October 1, 1999. On and after October
1910 1, 1999, the 100 percent preretirement joint survivorship
1911 pension shall be provided without additional charge with
1912 respect to a member who is married at the time of his or her
1913 death, and the cost of such benefit shall be borne by the
1914 system; however, in the event that a member designates a
1915 non-spousal beneficiary in accordance with subdivision (d)(1),
1916 the cost of such benefit shall be borne by the member's
1917 designated beneficiary.

1918 b. Prior to October 1, 1999. Prior to October 1, 1999,
1919 a 50 percent preretirement joint survivorship pension was
1920 provided to a member who was married at the time of his or her



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1921 death, instead of 100 percent, and such members and their
1922 designated beneficiaries had an option to elect higher
1923 percentages under certain rules. Members and designated
1924 beneficiaries who elected a higher than 50 percent
1925 preretirement joint survivorship pension prior to October 1,
1926 1999, shall be charged for the increased percentage according
1927 to actuarially-calculated costs, beginning with the date of
1928 the election through September 30, 1999.

1929 (2) UNMARRIED MEMBERS. To the extent that a member who
1930 is not married at the time of his or her death previously
1931 elected payment of a preretirement joint survivorship pension
1932 for his or her designated beneficiary, the benefit otherwise
1933 payable to the member shall be actuarially reduced to reflect
1934 the election of a preretirement joint survivorship pension.

1935 (d) Designated Beneficiaries.

1936 (1) PRERETIREMENT JOINT SURVIVORSHIP PENSION FOR A
1937 MARRIED MEMBER. Unless otherwise elected in the manner
1938 prescribed below, the designated beneficiary of a
1939 preretirement joint survivorship pension of a member that is
1940 married at the time of his or her death shall be the member's
1941 surviving spouse. Except, however, a member may designate a
1942 beneficiary other than the spouse if:

1943 a. The spouse has waived the right to be the member's
1944 designated beneficiary; or

1945 b. The member has been abandoned, within the meaning of
1946 local law, and the member has a court order to such effect
1947 that has been received and approved by the pension board; or

1948 c. The member has no spouse.



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1949 (2) ALL OTHER DEATH BENEFITS. Except as provided in
1950 subdivision (1), a member, whether married or not, may
1951 designate any beneficiary, and may do so without the need of
1952 the consent of a spouse for a nonspousal beneficiary
1953 designation.

1954 (3) FORMS. Designation of a beneficiary shall be made
1955 on a form provided by the pension board. A member may at any
1956 time revoke a designation of a beneficiary or change a
1957 designated beneficiary by filing written notice of revocation
1958 or change with the pension board on a form provided by the
1959 pension board. However, in the case of a preretirement joint
1960 survivorship pension, the member's spouse shall again consent
1961 in writing to any change in designated beneficiary unless the
1962 original consent acknowledged that the spouse had the right to
1963 limit consent only to a specific designated beneficiary and
1964 that the spouse voluntarily elected to relinquish such right.
1965 For a spouse's waiver to be valid, the signature of the spouse
1966 executing such form shall be notarized. This consent to waiver
1967 shall become irrevocable upon the death of the member.

1968 (4) FAILURE TO DESIGNATE A BENEFICIARY OR LACK OF
1969 DESIGNATED BENEFICIARY. In the event no valid designation of
1970 beneficiary exists, or if the designated beneficiary is not
1971 alive at the time of the member's death, the death benefit
1972 shall be payable to the member's spouse if there is a spouse,
1973 and if there is no spouse, to the member's estate. If there is
1974 no estate, the death benefit may be interpleaded into a court
1975 of competent jurisdiction. Additionally, if the designated
1976 beneficiary does not predecease the member, but dies prior to



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1977 the distribution of the death benefit, the death benefit shall
1978 be paid to the designated beneficiary's estate. If there is no
1979 estate, the death benefit may be interpleaded into a court of
1980 competent jurisdiction.

1981 (5) MORE THAN ONE DESIGNATED BENEFICIARY. In the event
1982 that more than one primary beneficiary is designated and a
1983 designated primary beneficiary dies, absent any direction on
1984 the beneficiary designation form to the contrary, the member's
1985 benefit shall be divided equally among the remaining primary
1986 designated beneficiaries.

1987 (6) DESIGNATION OF NONPERSONS AS BENEFICIARIES. A
1988 member may designate a nonperson as a beneficiary, for
1989 example, a trust or estate. In such event, the pension board
1990 may require additional documentation, for example, trust
1991 documents.

1992 (7) LAPSE OF BENEFICIARY DESIGNATION. Any beneficiary
1993 designation made by a member for a preretirement joint
1994 survivorship pension or refund shall automatically lapse upon
1995 the member's election of a postretirement joint survivorship
1996 pension; at that time, the member shall complete new forms, to
1997 be provided by the pension board, to designate a beneficiary
1998 of any postretirement joint survivorship pension.

1999 (8) EFFECT OF MARRIAGE OR DIVORCE UPON A BENEFICIARY
2000 DESIGNATION. Except in the case of a preretirement joint
2001 survivorship pension, marriage or divorce does not change any
2002 previous beneficiary designation. In the case of a
2003 preretirement joint survivorship pension, if an unmarried
2004 member gets married, such member's spouse shall automatically



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2005 become the member's designated beneficiary, which can
2006 thereafter be waived in accordance with subdivision (1).

2007 (9) DISTRIBUTION FOR MINOR OR INCOMPETENT BENEFICIARY.

2008 In the event a distribution is to be made to a minor or
2009 incompetent designated beneficiary, then the pension board may
2010 direct that such distribution be paid to the legal guardian,
2011 or if none in the case of a minor designated beneficiary, to a
2012 parent of such designated beneficiary or a responsible adult
2013 with whom the designated beneficiary maintains residence, or
2014 to the custodian for such designated beneficiary under the
2015 Uniform Gift to Minors Act or Gift to Minors Act, if permitted
2016 by the laws of the state in which the designated beneficiary
2017 resides. Such a payment to the legal guardian, custodian, or
2018 parent of a minor designated beneficiary shall fully discharge
2019 the trustee, the county, the pension board, and the plan from
2020 further liability on account thereof. The pension board may
2021 require evidence of guardianship, existence of custodial
2022 accounts, or any other documentation that is deemed prudent to
2023 establish that payment shall be made properly.

2024 (e) Other death benefits. Upon a member's retirement or
2025 other termination of employment, any preretirement joint
2026 survivorship pension benefit coverage ceases. Any other
2027 benefits to be paid upon the death of a member or designated
2028 beneficiary, such as refunds, are governed by Section
2029 45-37-123.104(4).

2030 (f) Proof of death and marriage. The pension board may
2031 require proper proof of death and marriage and evidence of the
2032 right of any ~~person~~ individual to receive the death benefit



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2033 payable as a result of the death of a member as the pension
2034 board may deem desirable. Proof may include a certified
2035 marriage certificate, certified death certificate of the
2036 member, and affidavits of relatives, members, or other ~~persons~~
2037 individuals knowledgeable of the fact of marriage. ~~If no~~
2038 ~~marriage certificate is available and for~~ For common law
2039 ~~marriage~~ marriages entered into before January 1, 2017, proof
2040 shall include evidence of the existence of the marriage as may
2041 be required by law and also may require indemnification and
2042 hold harmless agreements. The pension board may require that
2043 unclear cases be adjudicated in an appropriate court
2044 proceeding. An unmarried member may be required by the pension
2045 board to sign an affidavit to certify that such member is not
2046 married. The pension board's determination of death benefits
2047 and the right of any ~~person~~ individual to receive payment
2048 shall be conclusive."

2049 "§45-37-123.104

2050 The following provisions generally govern a member's
2051 withdrawal and refund of employee contributions under the
2052 plan. ~~Any member who fails to make application for the amount~~
2053 ~~of his or her employee contributions pursuant to this section~~
2054 ~~within five years after his or her separation from the service~~
2055 ~~of the county, except as otherwise provided herein or~~
2056 ~~otherwise determined by the pension board, shall be deemed to~~
2057 ~~have forfeited and donated such employee contributions to the~~
2058 ~~trust fund pursuant to Section 45-37-123.83. The foregoing~~
2059 ~~five year rule only applies to a member; in the case of a~~
2060 ~~beneficiary, the pension board may only forfeit employee~~



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2061 ~~contributions after it has exhausted reasonable efforts to~~
2062 ~~locate the beneficiary.~~

2063 (1) WITHDRAWAL OF EMPLOYEE CONTRIBUTIONS BY NONVESTED
2064 MEMBERS NOT ENTITLED TO A DEFERRED RETIREMENT BENEFIT. In the
2065 event that a nonvested member ceases to be an employee of the
2066 county for reasons other than retirement, death, or disability
2067 before he or she is eligible for a deferred retirement
2068 benefit, such nonvested member, upon written or electronic
2069 application therefore to the pension board, shall be paid the
2070 full amount of his or her employee contributions, without
2071 interest.

2072 (2) WITHDRAWAL OF EMPLOYEE CONTRIBUTIONS BY VESTED
2073 MEMBERS ENTITLED TO A DEFERRED RETIREMENT BENEFIT.

2074 a. General Rule. Subject to the limitations stated in
2075 paragraph b., in the event that a vested member ceases to be
2076 an employee of the county for reasons other than retirement,
2077 death, or disability when he or she is eligible for a deferred
2078 retirement benefit, but has not elected a deferred retirement
2079 benefit, such member, upon written or electronic application
2080 therefore to the pension board, shall be paid the full amount
2081 of his or her employee contributions, with interest. The
2082 provisions of Section 45-37-123.100(c)(1)b. shall govern the
2083 withdrawal of employee contributions for any member who has
2084 elected a deferred retirement benefit, but has not yet been
2085 paid.

2086 b. Rules and Regulations. The pension board shall
2087 establish rules and regulations setting forth the amount of
2088 interest payable to members under this subdivision. In



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2089 establishing such rules and regulations, the pension board
2090 shall take into consideration the interest the system has
2091 earned on the employee contributions paid ~~into~~ to the ~~trust~~
2092 fund system on account of the member withdrawing such employee
2093 contributions. The pension board may amend such rules and
2094 regulations at any time in its sole discretion.

2095 (3) PARTIAL REFUND OF EMPLOYEE CONTRIBUTIONS AND
2096 CESSATION OF EMPLOYEE CONTRIBUTIONS AND EMPLOYER
2097 CONTRIBUTIONS. When a member attains 30 years of paid
2098 membership time, the member may elect to terminate his or her
2099 employee contributions by filing with the pension board a
2100 statement signed by the member stating that he or she elects
2101 to terminate his or her employee contributions; in such case,
2102 the employer contribution to the ~~trust fund~~ system on the
2103 member's behalf shall cease. As soon as practicable after a
2104 member files such statement, the pension board shall refund to
2105 him or her all employee contributions, without interest, made
2106 by him or her to the ~~trust fund~~ system subsequent to the date
2107 on which the member accumulated sufficient service to entitle
2108 him or her to ~~the maximum benefit that can be provided under~~
2109 the plan terminate his or her employee contributions;
2110 additionally the pension board shall refund to the county any
2111 associated employer contributions, without interest.

2112 (4) REFUNDS UPON DEATH OF A MEMBER.

2113 a. Refund of Employee Contributions for Deceased,
2114 Nonvested Active Members Not Entitled to Deferred Retirement
2115 Benefits. If a nonvested active member dies, then an amount
2116 equal to the total amount of such member's employee



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2117 contributions, without interest, may be refunded to the
2118 member's designated beneficiary in lump sum form.

2119 b. Refund of Employee Contributions for Deceased,
2120 Vested Members Entitled to Deferred Retirement Benefits, but
2121 No Payments Have Commenced.

2122 1. Eligibility. Unless an election has been made in
2123 accordance with Section 45-37-123.103 to receive a
2124 preretirement joint survivorship pension, if a vested member
2125 dies, before payments have commenced, then an amount equal to
2126 the total amount of such member's employee contributions, with
2127 interest, shall be refunded to the member's designated
2128 beneficiary in lump sum form. This rule shall apply regardless
2129 of whether the member dies while active, or after a deferred
2130 retirement election has been made, so long as payments have
2131 not commenced.

2132 2. Rules and regulations. The pension board is
2133 authorized to adopt interest rules and regulations providing
2134 for the pension board to pay to a designated beneficiary
2135 interest at the rate prescribed in such rules on the member's
2136 employee contributions that are to be refunded to the
2137 designated beneficiary. The interest rules and regulations
2138 established shall prescribe the terms and conditions on which
2139 such interest shall be payable and may impose such limitations
2140 on the payment of interest as the pension board deems
2141 appropriate.

2142 c. Refund of Employee Contributions for Deceased
2143 Members Who Previously Elected a Postretirement Joint
2144 Survivorship Pension.



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2145 1. Eligibility - Retired member. Subject to items (i)
2146 to (iii), inclusive, of subparagraph 2., if a retired member
2147 dies after a postretirement joint survivorship pension has
2148 been elected, then a refund may be paid in lump sum form only
2149 as set forth in subparagraph 2.

2150 2. Rules and regulations. The pension board is
2151 authorized to adopt rules and regulations providing for the
2152 pension board to refund a member's employee contributions
2153 after such member dies with a postretirement joint
2154 survivorship pension election in place and to pay interest on
2155 any such refund, subject to the conditions and limitations
2156 stated below:

2157 (i) Such postretirement joint survivorship pension
2158 election shall not be repealed or rescinded but shall be in
2159 effect at the time of the refund, and the member shall have
2160 enough service at the time of his or her death to be entitled
2161 to a deferred retirement benefit if a refund were not made;
2162 and

2163 (ii) Both the member and the member's designated
2164 primary beneficiary shall be deceased, thus, no refund is
2165 payable in the event that only the member dies while receiving
2166 payment of a postretirement joint survivorship pension; and

2167 (iii) The member's employee contributions shall exceed
2168 the sum of all monthly ~~retirement~~ pension benefits the plan
2169 has paid to the member ~~and/or~~ or the member's designated
2170 beneficiary, or both.

2171 3. Amount of refund. If each of the requirements in
2172 subparagraph 1. and subparagraph 2. are met, and the pension



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2173 board has adopted rules and regulations in accordance with
2174 subparagraph 2., then the amount of the refund shall be equal
2175 to the amount by which the member's employee contributions
2176 exceed the sum of all monthly ~~retirement~~ pension benefits the
2177 plan has paid to such member ~~and/or such~~ or the member's
2178 designated beneficiary, or both, with interest as provided by
2179 rules and regulations adopted by the pension board.

2180 4. Payment made to designated contingent beneficiary. A
2181 refund pursuant to this paragraph shall be paid to the
2182 member's designated contingent beneficiary, or, to the
2183 member's estate if the designated contingent beneficiary also
2184 is deceased or there is no other properly designated
2185 contingent beneficiary. If there is no estate, a refund
2186 pursuant to this paragraph may be interpleaded into a court of
2187 competent jurisdiction.

2188 5. Death while active member. In the event that an
2189 active member dies after a postretirement joint survivorship
2190 pension has been elected, such election shall be deemed void
2191 and the provisions of Section 45-37-123.103(a), preretirement
2192 death benefits, shall apply.

2193 d. Refund of Employee Contributions for Deceased
2194 Members Who Were Receiving Superannuation, Early, Disability,
2195 or Deferred Retirement Benefit Payments. In the event that a
2196 member dies while receiving a superannuation retirement
2197 benefit, an early retirement benefit, a disability ~~retirement~~
2198 benefit, or a deferred retirement benefit, then his or her
2199 designated beneficiary shall be entitled to receive a refund
2200 in an amount equal to the amount by which the member's



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2201 employee contributions exceed the sum of all monthly
2202 ~~retirement~~ pension or disability benefits the plan has paid to
2203 such member, with interest.

2204 e. Proof of Death and Marriage. The pension board may
2205 require proper proof of death or marriage in accordance with
2206 Section 45-37-123.103(f).

2207 (5) EMPLOYER CONTRIBUTIONS REMAIN IN TRUST FUND.

2208 Employer contributions are never refunded to the member or the
2209 member's designated beneficiary. All associated employer
2210 contributions shall remain in the trust fund, except such
2211 employer contributions that are returned to the county
2212 pursuant to subdivision (7).

2213 (6) CESSATION OF EMPLOYMENT. Unless otherwise
2214 specifically provided in the plan, such as, pursuant to
2215 subdivision (7), a member shall cease to be an employee of the
2216 county in order to receive a refund of employee contributions.

2217 (7) REFUNDS TO CORRECT ERRORS. The pension board, in
2218 its sole discretion, may refund employee contributions and
2219 associated employer contributions to the county to correct
2220 various errors, such as, inclusion in the plan of an
2221 ineligible individual or overpayment of employee
2222 contributions, in accordance with Section 45-37-123.23(b).

2223 (8) NO REFUNDS FOR QUALIFIED MILITARY SERVICE. There
2224 shall be no refund of any contributions attributable to
2225 amounts that the county restores pursuant to Section
2226 45-37-123.80(b) due to a member's qualified military service.

2227 (9) TIMING OF REFUND PAYMENTS. In the event that a
2228 refund is to be paid, such payment shall be made as soon as



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2229 administratively practical following the date upon which
2230 entitlement to the refund occurs.

2231 (10) REFUND TO INCLUDE AMOUNTS TRANSFERRED FROM 457(b)
2232 PLAN. In the event that any member transfers amounts from a §
2233 457(b), Internal Revenue Code, plan in accordance with Section
2234 45-37-123.190(b), a refund shall include such transferred
2235 amounts, with interest if the member is vested."

2236 "§45-37-123.106

2237 (a) General rules.

2238 (1) EFFECTIVE DATE. Except as otherwise provided
2239 herein, the provisions of this section shall apply for
2240 purposes of determining required minimum distributions for
2241 calendar years beginning on and after January 1, 1987.

2242 (2) REQUIREMENTS OF TREASURY REGULATIONS INCORPORATED.
2243 All distributions required under this section shall be
2244 determined and made in accordance with § 401(a)(9), Internal
2245 Revenue Code, including the incidental death benefit
2246 requirement in § 401(a)(9)(G), and the regulations thereunder.

2247 (3) PRECEDENCE. Subject to the joint and survivor
2248 annuity requirements of the plan, the requirements of this
2249 section shall take precedence over any inconsistent provisions
2250 of the plan.

2251 (b) Time and manner of distribution.

2252 (1) REQUIRED BEGINNING DATE. The member's entire
2253 interest shall be distributed, or begin to be distributed, to
2254 the member no later than the member's required beginning date.

2255 (2) DEATH OF MEMBER BEFORE DISTRIBUTIONS BEGIN. If the
2256 member dies before distributions begin, the member's entire



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2257 interest shall be distributed, or begin to be distributed, no
2258 later than as follows:

2259 a. Life Expectancy Rule, Spouse is Designated
2260 Beneficiary. At the election of the member or, if no election
2261 is made by the member, then at the election of the member's
2262 designated beneficiary, if the member's surviving spouse is
2263 the member's sole designated beneficiary, then distributions
2264 to the surviving spouse shall begin by December 31st of the
2265 calendar year immediately following the calendar year in which
2266 the member died, or by December 31st of the calendar year in
2267 which the member would have attained age ~~72~~ 73, for those
2268 members who would have attained age 72 after December 31,
2269 2022, and age 73 before January 1, 2033; or age 75, for those
2270 members who would have attained age 73 after December 31,
2271 2032, if later.

2272 b. Life Expectancy Rule, Spouse is Not Designated
2273 Beneficiary. At the election of the member or, if no election
2274 is made by the member, then at the election of the member's
2275 designated beneficiary, if the member's surviving spouse is
2276 not the member's sole designated beneficiary, then
2277 distributions to the designated beneficiary shall begin by
2278 December 31st of the calendar year immediately following the
2279 calendar year in which the member died.

2280 c. Five-Year Rule.

2281 1. At the election of the member or, if no election is
2282 made by the member, then at the election of the member's
2283 designated beneficiary, if the member dies before
2284 distributions begin and there is a designated beneficiary,



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2285 then the member's entire interest shall be distributed to the
2286 designated beneficiary by December 31st of the calendar year
2287 containing the fifth anniversary of the member's death. If the
2288 member's surviving spouse is the member's sole designated
2289 beneficiary and the surviving spouse dies after the member but
2290 before distributions to either the member or the surviving
2291 spouse begin, then this paragraph shall apply as if the
2292 surviving spouse were the member. This paragraph shall apply
2293 to all distributions.

2294 2. Members or designated beneficiaries may elect on an
2295 individual basis whether the ~~5-year~~ five-year rule in this
2296 paragraph or the life expectancy rule in paragraph a. or
2297 paragraph b., and subsection (e) applies to distributions
2298 after the death of a member who has a designated beneficiary.
2299 The election shall be made no later than the earlier of
2300 September 30th of the calendar year in which distribution
2301 would be required to begin under paragraph a. or paragraph b.,
2302 or by September 30th of the calendar year which contains the
2303 fifth anniversary of the member's, or, if applicable,
2304 surviving spouse's, death under this paragraph. If neither the
2305 member nor designated beneficiary makes an election under this
2306 subparagraph, distributions shall be made in accordance with
2307 paragraph a. or paragraph b., and subsection (e).

2308 d. No Designated Beneficiary, Five-Year Rule. If there
2309 is no designated beneficiary as of September 30th of the year
2310 following the year of the member's death, the member's entire
2311 interest shall be distributed by December 31st of the calendar
2312 year containing the fifth anniversary of the member's death.



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2313 e. Surviving Spouse Dies Before Distributions Begin.

2314 1. If the member's surviving spouse is the member's
2315 sole designated beneficiary and the surviving spouse dies
2316 after the member but before distributions to the surviving
2317 spouse begin, then this subsection, other than paragraph a.,
2318 shall apply as if the surviving spouse were the member.

2319 2. For purposes of this subsection and subsection (e),
2320 distributions are considered to begin on the member's required
2321 beginning date, or, if this paragraph applies, the date
2322 distributions are required to begin to the surviving spouse
2323 under paragraph a. If annuity payments irrevocably commence to
2324 the member before the member's required beginning date, or to
2325 the member's surviving spouse before the date distributions
2326 are required to begin to the surviving spouse under paragraph
2327 a., the date distributions are considered to begin is the date
2328 distributions actually commence.

2329 (3) FORM OF DISTRIBUTION. Unless the member's interest
2330 is distributed in the form of an annuity purchased from an
2331 insurance company or in a single sum on or before the required
2332 beginning date, as of the first distribution calendar year
2333 distributions shall be made in accordance with subsections
2334 (c), (d), and (e). If the member's interest is distributed in
2335 the form of an annuity purchased from an insurance company,
2336 distributions thereunder shall be made in accordance with the
2337 requirements of § 401(a)(9), Internal Revenue Code, and the
2338 regulations thereunder. Any part of the member's interest
2339 which is in the form of an individual account described in §
2340 414(k), Internal Revenue Code, shall be distributed in a



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2341 manner satisfying the requirements of § 401(a)(9) and the
2342 regulations thereunder applicable to individual accounts.

2343 (c) Determination of amount to be distributed each
2344 year.

2345 (1) GENERAL ANNUITY REQUIREMENTS. A member who is
2346 required to begin payments as a result of attaining his or her
2347 required beginning date, whose interest has not been
2348 distributed in the form of an annuity purchased from an
2349 insurance company or in a single sum before such date, may
2350 receive payments in the form of annuity payments under the
2351 plan. Payments under such annuity shall satisfy the following
2352 requirements:

2353 a. The annuity distributions shall be paid in periodic
2354 payments made at intervals not longer than one year.

2355 b. The distribution period shall be over a life, or
2356 lives, or over a period certain not longer than the period
2357 described in subsection (d) or subsection (e).

2358 c. Once payments have begun over a period certain, the
2359 period certain shall not be changed even if the period certain
2360 is shorter than the maximum permitted.

2361 d. Payments shall either be nonincreasing or increase
2362 only to the extent permitted by one of the following
2363 conditions:

2364 1. By an annual percentage increase that does not
2365 exceed the annual percentage increase in a cost-of-living
2366 index that for a 12-month period ending in the year during
2367 which the increase occurs or the prior year.

2368 2. By a percentage increase that occurs at specified



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2369 times, such as, at specified ages, and does not exceed the
2370 cumulative total of annual percentage increases in an eligible
2371 cost-of-living index since the annuity starting date, or if
2372 later, the date of the most recent percentage increase. In
2373 cases providing a cumulative increase, an actuarial increase
2374 may not be provided to reflect the fact that increases were
2375 not provided in the interim years.

2376 3. To the extent of the reduction in the amount of the
2377 member's payments to provide for a survivor benefit upon
2378 death, but only if the beneficiary whose life was being used
2379 to determine the distribution period described in subsection
2380 (d) dies or is no longer the member's designated beneficiary
2381 pursuant to a qualified domestic relations order within the
2382 meaning of § 414(p), Internal Revenue Code.

2383 4. To allow a designated beneficiary to convert the
2384 survivor portion of a joint and survivor annuity into a single
2385 sum distribution upon the member's death.

2386 5. To pay increased benefits that result from a plan
2387 amendment or other increase in the member's accrued benefit
2388 under the plan.

2389 6. By a constant percentage, applied not less
2390 frequently than annually, at a rate that is less than five
2391 percent per year.

2392 7. To provide a final payment upon the death of the
2393 member that does not exceed the excess of the actuarial
2394 present value of the member's accrued benefit, within the
2395 meaning of § 411(a)(7), Internal Revenue Code, calculated as
2396 of the annuity starting date using the applicable interest



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2397 rate and the applicable mortality table under § 417(e),
2398 Internal Revenue Code, or, if greater, the total amount of
2399 employee contributions, over the total of payments before the
2400 death of the member.

2401 8. As a result of dividend or other payments that
2402 result from actuarial gains, provided:

2403 (i) Actuarial gain is measured not less frequently than
2404 annually;

2405 (ii) The resulting dividend or other payments are
2406 either paid no later than the year following the year for
2407 which the actuarial experience is measured or paid in the same
2408 form as the payment of the annuity over the remaining period
2409 of the annuity, beginning no later than the year following the
2410 year for which the actuarial experience is measured;

2411 (iii) The actuarial gain taken into account is limited
2412 to actuarial gain from investment experience;

2413 (iv) The assumed interest rate used to calculate such
2414 actuarial gains is not less than three percent; and

2415 (v) The annuity payments are not also being increased
2416 by a constant percentage as described in subparagraph 6.

2417 (2) AMOUNT REQUIRED TO BE DISTRIBUTED BY REQUIRED
2418 BEGINNING DATE.

2419 a. In the case of a member whose interest in the plan
2420 is being distributed as an annuity pursuant to subdivision
2421 (1), the amount that shall be distributed on or before the
2422 member's required beginning date, or, if the member dies
2423 before distributions begin, the date distributions are
2424 required to begin under paragraph a. or b. of subdivision (2)



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2425 of subsection (b), is the payment that is required for one
2426 payment interval.

2427 The second payment need not be made until the end of
2428 the next payment interval even if that payment interval ends
2429 in the next calendar year.

2430 Payment intervals are the periods for which payments
2431 are received, such as, bimonthly, monthly, semi-annually, or
2432 annually. All of the member's benefit accruals as of the last
2433 day of the first distribution calendar year shall be included
2434 in the calculation of the amount of the annuity payments for
2435 payment intervals ending on or after the member's required
2436 beginning date.

2437 b. In the case of a single sum distribution of a
2438 member's entire accrued benefit during a distribution calendar
2439 year, the amount that is the required minimum distribution for
2440 the distribution calendar year, and thus not eligible for
2441 rollover under § 402(c), Internal Revenue Code, is determined
2442 under this paragraph. The portion of the single sum
2443 distribution that is a required minimum distribution is
2444 determined by treating the single sum distribution as a
2445 distribution from an individual account plan and treating the
2446 amount of the single sum distribution as the member's account
2447 balance as of the end of the relevant valuation calendar year.
2448 If the single sum distribution is being made in the calendar
2449 year containing the required beginning date and the required
2450 minimum distribution for the member's first distribution
2451 calendar year has not been distributed, the portion of the
2452 single sum distribution that represents the required minimum



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2453 distribution for the member's first and second distribution
2454 calendar year is not eligible for rollover.

2455 (3) ADDITIONAL ACCRUALS AFTER FIRST DISTRIBUTION
2456 CALENDAR YEAR. Any additional benefits accruing to the member
2457 in a calendar year after the first distribution calendar year
2458 shall be distributed beginning with the first payment interval
2459 ending in the calendar year immediately following the calendar
2460 year in which such amount accrues. Notwithstanding the
2461 preceding, the plan shall not fail to satisfy the requirements
2462 of this subdivision and § 401(a)(9), Internal Revenue Code,
2463 merely because there is an administrative delay in the
2464 commencement of the distribution of the additional benefits
2465 accrued in a calendar year, provided that the actual payment
2466 of such amount commences as soon as practicable. However,
2467 payment shall commence no later than the end of the first
2468 calendar year following the calendar year in which the
2469 additional benefit accrues, and the total amount paid during
2470 such first calendar year shall be no less than the total
2471 amount that was required to be paid during that year under
2472 this subdivision.

2473 (4) DEATH OF MEMBER AFTER DISTRIBUTIONS BEGIN. If a
2474 member dies after distribution of the member's interest begins
2475 in the form of an annuity meeting the requirements of this
2476 section, then the remaining portion of the member's interest
2477 shall continue to be distributed over the remaining period
2478 over which distributions commenced.

2479 (d) Requirements for annuity distributions that
2480 commence during member's lifetime.



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2481 (1) JOINT LIFE ANNUITIES WHERE THE DESIGNATED
2482 BENEFICIARY IS THE MEMBER'S SPOUSE. If distributions commence
2483 under a distribution option that is in the form of a joint and
2484 survivor annuity for the joint lives of the member and the
2485 member's spouse, the minimum distribution incidental benefit
2486 requirement shall not be satisfied as of the date
2487 distributions commence unless, under the distribution option,
2488 the periodic annuity payment payable to the survivor does not
2489 at any time on and after the member's required beginning date
2490 exceed the annuity payable to the member. In the case of an
2491 annuity that provides for increasing payments, the requirement
2492 of this subdivision shall not be violated merely because
2493 benefit payments to the designated beneficiary increase,
2494 provided the increase is determined in the same manner for the
2495 member and the designated beneficiary. If the form of
2496 distribution combines a joint and survivor annuity for the
2497 joint lives of the member and the member's spouse and a period
2498 certain annuity, the preceding requirements shall apply to
2499 annuity payments to be made to the designated beneficiary
2500 after the expiration of the period certain.

2501 (2) JOINT LIFE ANNUITIES WHERE THE DESIGNATED
2502 BENEFICIARY IS NOT THE MEMBER'S SPOUSE. If the member's
2503 interest is being distributed in the form of a joint and
2504 survivor annuity for the joint lives of the member and a
2505 designated beneficiary other than the member's spouse, the
2506 minimum distribution incidental benefit requirement shall not
2507 be satisfied as of the date distributions commence unless
2508 under the distribution option, the annuity payments to be made



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2509 on and after the member's required beginning date shall
2510 satisfy the conditions of this subdivision. The periodic
2511 annuity payment payable to the survivor shall not at any time
2512 on and after the member's required beginning date exceed the
2513 applicable percentage of the annuity payment payable to the
2514 member using the table set forth in Treasury Regulation §
2515 1.401(a)(9)-6, Q & A-2(c)(2). The applicable percentage is
2516 based on the adjusted member/designated beneficiary age
2517 difference. The adjusted member/designated beneficiary age
2518 difference is determined by first calculating the excess of
2519 the age of the member over the age of the designated
2520 beneficiary based on their ages on their birthdays in a
2521 calendar year. If the member is younger than age 70, the age
2522 difference determined in the previous sentence is reduced by
2523 the number of years that the member is younger than age 70 on
2524 the member's birthday in the calendar year that contains the
2525 annuity starting date. In the case of an annuity that provides
2526 for increasing payments, the requirement of this subdivision
2527 shall not be violated merely because benefit payments to the
2528 designated beneficiary increase, provided the increase is
2529 determined in the same manner for the member and the
2530 designated beneficiary. If the form of distribution combines a
2531 joint and survivor annuity for the joint lives of the member
2532 and a ~~nonspouse~~ non-spouse designated beneficiary and a period
2533 certain annuity, the preceding requirements shall apply to
2534 annuity payments to be made to the designated beneficiary
2535 after the expiration of the period certain.

2536 (3) PERIOD CERTAIN ANNUITIES. Unless the member's



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2537 spouse is the sole designated beneficiary and the form of
2538 distribution is a period certain and no life annuity, the
2539 period certain for an annuity distribution commencing during
2540 the member's lifetime may not exceed the applicable
2541 distribution period for the member under the Uniform Lifetime
2542 Table set forth in Treasury Regulation § 1.401(a)(9)-9 for the
2543 calendar year that contains the annuity starting date. If the
2544 annuity starting date precedes the year in which the member
2545 reaches age 70, the applicable distribution period for the
2546 member is the distribution period for age 70 under the Uniform
2547 Lifetime Table set forth in Treasury Regulation §
2548 1.401(a)(9)-9 plus the excess of 70 over the age of the member
2549 as of the member's birthday in the year that contains the
2550 annuity starting date. If the member's spouse is the member's
2551 sole designated beneficiary and the form of distribution is a
2552 period certain and no life annuity, the period certain may not
2553 exceed the longer of the member's applicable distribution
2554 period, as determined under this subdivision, or the joint
2555 life and last survivor expectancy of the member and the
2556 member's spouse as determined under the Joint and Last
2557 Survivor Table set forth in Treasury Regulation §
2558 1.401(a)(9)-9, using the member's and spouse's attained ages
2559 as of the member's and spouse's birthdays in the calendar year
2560 that contains the annuity starting date.

2561 (e) Requirements for minimum distributions where member
2562 dies before date distributions begin.

2563 (1) MEMBER SURVIVED BY DESIGNATED BENEFICIARY AND LIFE
2564 EXPECTANCY RULE.



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2565 At the election of the member or, if no election is
2566 made by the member, then at the election of the member's
2567 designated beneficiary, if the member dies before the date
2568 distribution of his or her interest begins and there is a
2569 designated beneficiary, the member's entire interest shall be
2570 distributed, beginning no later than the time described in
2571 paragraph a. or b. of subdivision (2) of subsection (b), over
2572 the life of the designated beneficiary or over a period
2573 certain not exceeding:

2574 a. Unless the annuity starting date is before the first
2575 distribution calendar year, the life expectancy of the
2576 designated beneficiary determined using the designated
2577 beneficiary's age as of the designated beneficiary's birthday
2578 in the calendar year immediately following the calendar year
2579 of the member's death; or

2580 b. If the annuity starting date is before the first
2581 distribution calendar year, the life expectancy of the
2582 designated beneficiary determined using the designated
2583 beneficiary's age as of the designated beneficiary's birthday
2584 in the calendar year that contains the annuity starting date.

2585 (2) MEMBER SURVIVED BY DESIGNATED BENEFICIARY AND
2586 FIVE-YEAR RULE. At the election of the member or, if no
2587 election is made by the member, then at the election of the
2588 member's designated beneficiary, if the member dies before
2589 distributions begin and there is a designated beneficiary,
2590 then the member's entire interest shall be distributed to the
2591 designated beneficiary by December 31st of the calendar year
2592 containing the fifth anniversary of the member's death. This



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2593 subdivision shall apply to all distributions.

2594 (3) NO DESIGNATED BENEFICIARY. If the member dies
2595 before the date distributions begin and there is no designated
2596 beneficiary as of September 30th of the year following the
2597 year of the member's death, distribution of the member's
2598 entire interest shall be completed by December 31st of the
2599 calendar year containing the fifth anniversary of the member's
2600 death.

2601 (4) DEATH OF SURVIVING SPOUSE BEFORE DISTRIBUTIONS TO
2602 SURVIVING SPOUSE BEGIN. If the member dies before the date
2603 distribution of his or her interest begins, the member's
2604 surviving spouse is the member's sole designated beneficiary,
2605 and the surviving spouse dies before distributions to the
2606 surviving spouse begin, this subsection shall apply as if the
2607 surviving spouse were the member, except that the time by
2608 which distributions shall begin shall be determined without
2609 regard to paragraph a. of subdivision (2) of subsection (b).

2610 (f) Definitions.

2611 (1) ACTUARIAL GAIN. The difference between an amount
2612 determined using the actuarial assumptions, such as,
2613 investment return, mortality, expense, and other similar
2614 assumptions, used to calculate the initial payments before
2615 adjustment for any increases and the amount determined under
2616 the actual experience with respect to those factors. Actuarial
2617 gain also includes differences between the amount determined
2618 using actuarial assumptions when an annuity was purchased or
2619 commenced and such amount determined using actuarial
2620 assumptions used in calculating payments at the time the



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2621 actuarial gain is determined.

2622 (2) DESIGNATED BENEFICIARY. The individual who is
2623 ~~designated as the beneficiary under Section 45-37-123.103 and~~
2624 ~~is~~ the designated beneficiary under § 401(a)(9), Internal
2625 Revenue Code, and Treasury Regulation ~~§ 1.401(a)(9)-1, Q & A-4~~
2626 § 1.401(a)(9)-4 and is designated as the beneficiary under
2627 Section 45-37-123.103 to the extent not otherwise inconsistent
2628 with the Internal Revenue Code or regulations thereunder.

2629 (3) DISTRIBUTION CALENDAR YEAR. A calendar year for
2630 which a minimum distribution is required. For distributions
2631 beginning before the member's death, the first distribution
2632 calendar year is the calendar year immediately preceding the
2633 calendar year which contains the member's required beginning
2634 date. For distributions beginning after the member's death,
2635 the first distribution calendar year is the calendar year in
2636 which distributions are required to begin pursuant to
2637 subsection (b).

2638 (4) ELIGIBLE COST-OF-LIVING INDEX. An index described
2639 below:

2640 a. A consumer price index that is based on prices of
2641 all items, or all items excluding food and energy, and issued
2642 by the Bureau of Labor Statistics, including an index for a
2643 specific population, such as urban consumers or urban wage
2644 earners and clerical workers, and an index for a geographic
2645 area or areas, such as a given metropolitan area or state; or

2646 b. A percentage adjustment based on a cost-of-living
2647 index described in paragraph a., or a fixed percentage, if
2648 less. In any year when the cost-of-living index is lower than



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2649 the fixed percentage, the fixed percentage may be treated as
2650 an increase in an eligible cost-of-living index, provided it
2651 does not exceed the sum of:

- 2652 1. The cost-of-living index for that year; and
2653 2. The accumulated excess of the annual cost-of-living
2654 index from each prior year over the fixed annual percentage
2655 used in that year, reduced by any amount previously utilized
2656 under this paragraph.

2657 c. A percentage adjustment based on the increase in
2658 compensation for the position held by the member at the time
2659 of retirement, and provided under the terms of the plan.

2660 (5) LIFE EXPECTANCY. The life expectancy as computed by
2661 use of the Single Life Table in Treasury Regulation §
2662 1.401(a)(9)-9.

2663 (6) REQUIRED BEGINNING DATE. The April 1st of the
2664 calendar year following the later of:

2665 a. The calendar year in which the member attains age ~~72~~
2666 73, for those members who attain age 72 after December 31,
2667 2022, and age 73 before January 1, 2033; or attains age 75,
2668 for those members who attain age 73 after December 31, 2032;
2669 or

2670 b. The calendar year in which the member retires."

2671 "§45-37-123.108

2672 Except as otherwise specifically provided in this
2673 section, this section shall be effective as of January 1,
2674 1993.

2675 (1) ROLLOVERS GENERALLY.

2676 a. Notwithstanding any provision of the plan to the



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2677 contrary that would otherwise limit a distributee's election
2678 under this section, a distributee, at the time and in the
2679 manner prescribed by the pension board, may elect to have any
2680 portion of an eligible rollover distribution that is equal to
2681 at least two hundred dollars (\$200) paid directly to an
2682 eligible retirement plan specified by the distributee in a
2683 direct rollover.

2684 b. For purposes of this subdivision, the following
2685 definitions shall apply:

2686 1.(i) An eligible rollover distribution is any
2687 distribution of all or any portion of the balance to the
2688 credit of the distributee, except that an eligible rollover
2689 distribution does not include: Any distribution that is one of
2690 a series of substantially equal periodic payments, not less
2691 frequently than annually, made for the life, or life
2692 expectancy, of the distributee or the joint lives, or joint
2693 life expectancies, of the distributee and the distributee's
2694 designated beneficiary, or for a specified period of 10 years
2695 or more; any distribution to the extent such distribution is
2696 required under § 401(a)(9), Internal Revenue Code; the portion
2697 of any other distribution that is not includible in gross
2698 income, determined without regard to the exclusion for net
2699 unrealized appreciation with respect to employer securities;
2700 any hardship distribution; and any other distribution that is
2701 reasonably expected to total less than two hundred dollars
2702 (\$200) during a year.

2703 (ii) Notwithstanding the above, with respect to
2704 distributions made after December 31, 2001, a portion of a



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2705 distribution shall not fail to be an eligible rollover
2706 distribution merely because the portion consists of ~~aftertax~~
2707 after-tax employee contributions which are not includible in
2708 gross income. However, such portion may be transferred only to
2709 an individual retirement account or annuity described in §
2710 408(a) or (b), Internal Revenue Code, or to a qualified trust
2711 described in § 401(a), Internal Revenue Code, or annuity
2712 contract described in § 403(a), Internal Revenue Code, that
2713 agrees to separately account for amounts so transferred,
2714 including separately accounting for the portion of such
2715 distribution which is includible in gross income and the
2716 portion of such distribution which is not so includible.

2717 2. With respect to distributions made after December
2718 31, 2001, an eligible retirement plan is an individual
2719 retirement account described in § 408(a), Internal Revenue
2720 Code, an individual retirement annuity described in § 408(b),
2721 Internal Revenue Code, other than an endowment contract, a
2722 qualified trust described in § 401(a), Internal Revenue Code,
2723 which is exempt from tax under § 501(a), Internal Revenue
2724 Code, that accepts the distributee's eligible rollover
2725 distribution, an annuity plan described in § 403(a), Internal
2726 Revenue Code, an eligible deferred compensation plan described
2727 in § 457(b), Internal Revenue Code, which is maintained by an
2728 eligible employer described in § 457(e)(1)(A), Internal
2729 Revenue Code, and an annuity contract described in § 403(b),
2730 Internal Revenue Code, that accepts the distributee's eligible
2731 rollover distribution.

2732 3. A distributee includes an employee or former



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2733 employee. In addition, the employee's or former employee's
2734 surviving spouse and the employee's or former employee's
2735 spouse or former spouse who is the alternate payee under a
2736 qualified domestic relations order, as defined in § 414(p),
2737 Internal Revenue Code, are distributees with regard to the
2738 interest of the spouse or former spouse.

2739 4. A direct rollover is a payment by the plan to the
2740 eligible retirement plan specified by the distributee.

2741 (2) DIRECT ROLLOVERS BY NON-SPOUSE DESIGNATED
2742 BENEFICIARIES.

2743 a. Notwithstanding the direct rollover provisions in
2744 subdivision (1), for distributions after December 31, 2009, in
2745 accordance with § 402(c)(11), Internal Revenue Code, a
2746 non-spouse beneficiary who is a designated beneficiary, as
2747 defined in § 401(a)(9)(E), Internal Revenue Code, and the
2748 regulations thereunder, by means of a direct
2749 trustee-to-trustee transfer, may roll over all or any portion
2750 of an eligible rollover distribution, as defined in §
2751 401(a)(31), Internal Revenue Code, to an individual retirement
2752 plan the designated beneficiary establishes for purposes of
2753 receiving the distribution. If a non-spouse designated
2754 beneficiary receives a distribution from the plan, the
2755 distribution is not eligible for a 60-day, non-direct
2756 rollover.

2757 b. If the member's named designated beneficiary is a
2758 trust, the plan may make a direct trustee-to-trustee transfer
2759 to an individual retirement plan on behalf of the trust,
2760 provided the trust satisfies the requirements to be a



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2761 designated beneficiary within the meaning of § 401(a)(9)(E),
2762 Internal Revenue Code.

2763 c. A non-spouse designated beneficiary may not roll
2764 over an amount which is a required minimum distribution, as
2765 determined under applicable regulations and other Internal
2766 Revenue Service guidance. If the member dies before the
2767 member's required beginning date and the non-spouse designated
2768 beneficiary rolls over to an individual retirement plan the
2769 maximum amount eligible for rollover, the non-spouse
2770 designated beneficiary may elect to use either the five-year
2771 rule or the life expectancy rule, pursuant to Treasury
2772 Regulation § 1.401(a)(9)-3, A-4(c), in determining the
2773 required minimum distributions from the individual retirement
2774 plan that receives the non-spouse designated beneficiary's
2775 distribution.

2776 (3) ROLLOVER TO ROTH IRA. For distributions made after
2777 December 31, 2007, in accordance with § 408A, Internal Revenue
2778 Code, a member may elect to roll over directly an eligible
2779 rollover distribution to a Roth IRA, as defined in § 408A(b),
2780 Internal Revenue Code."

2781 "§45-37-123.132

2782 (a) Adjustment if fewer than 10 years. Effective for
2783 limitation years ending after December 31, 2001, if a member
2784 has fewer than 10 years of participation in the plan, then the
2785 defined benefit dollar limitation of Section 45-37-123.131(a)
2786 shall be multiplied by a fraction, the numerator of which is
2787 the number of years, or part thereof, of participation in the
2788 plan, and the denominator of which is 10. However, in no event



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2789 shall such fraction be less than one-tenth. Notwithstanding
2790 the foregoing, no adjustment shall be made to the defined
2791 benefit dollar limitation for a distribution on account of a
2792 member becoming disabled by reason of personal injuries or
2793 sickness, or as a result of the death of a member. For
2794 purposes of this subsection, a year of participation means
2795 each accrual computation period for which the following
2796 conditions are met: The member is credited with a period of
2797 service for benefit accrual purposes, required under the terms
2798 of the plan in order to accrue a benefit for the accrual
2799 computation period, and the member is included as a member
2800 under the eligibility provisions of the plan for at least one
2801 day of the accrual computation period. If these two conditions
2802 are met, the portion of a year of participation credited to
2803 the member shall equal the amount of benefit accrual service
2804 credited to the member for such accrual computation period. A
2805 member who is permanently and totally disabled within the
2806 meaning of § 415(c)(3)(C)(i), Internal Revenue Code, for an
2807 accrual computation period shall receive a year of
2808 participation with respect to the period. In no event shall
2809 more than one year of participation be credited for any
2810 12-month period.

2811 (b) Adjustment of defined benefit dollar limitation for
2812 commencement before age 62. Effective for benefits commencing
2813 in limitation years ending after December 31, 2001, the
2814 defined benefit dollar limitation shall be adjusted if the
2815 annuity starting date of the member's benefit is before age
2816 62.



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2817 (1) LIMITATION YEARS BEGINNING BEFORE JULY 1, 2007. If
2818 the annuity starting date for the member's benefit is prior to
2819 age 62 and occurs in a limitation year beginning before July
2820 1, 2007, the defined benefit dollar limitation for the
2821 member's annuity starting date is the annual amount of a
2822 benefit payable in the form of a straight life annuity
2823 commencing at the member's annuity starting date that is the
2824 actuarial equivalent of the defined benefit dollar limitation
2825 with actuarial equivalence computed using whichever of the
2826 following produces the smaller annual amount: The applicable
2827 interest rate and applicable mortality table, or other tabular
2828 factor, as defined in § 417(e)(3), Internal Revenue Code; or a
2829 five percent interest rate assumption and the applicable
2830 mortality table as defined in § 417(e)(3), Internal Revenue
2831 Code.

2832 (2) LIMITATION YEARS BEGINNING ON OR AFTER JULY 1,
2833 2007.

2834 a. Plan Does Not Have Immediately Commencing Straight
2835 Life Annuity Payable at Both Age 62 and the Age of Benefit
2836 Commencement. If the annuity starting date for the member's
2837 benefit is prior to age 62 and occurs in a limitation year
2838 beginning on or after July 1, 2007, and the plan does not have
2839 an immediately commencing straight life annuity payable at
2840 both age 62 and the age of benefit commencement, the defined
2841 benefit dollar limitation for the member's annuity starting
2842 date is the annual amount of a benefit payable in the form of
2843 a straight life annuity commencing at the member's annuity
2844 starting date that is the actuarial equivalent of the defined



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2845 benefit dollar limitation with actuarial equivalence computed
2846 using a five percent interest rate assumption and the
2847 applicable mortality table under Treasury Regulation §
2848 1.417(e)-1(d)(2), or the applicable mortality table as
2849 required by law, that is effective for that annuity starting
2850 date, and expressing the member's age based on completed
2851 calendar months as of the annuity starting date.

2852 b. Plan Has Immediately Commencing Straight Life
2853 Annuity Payable at Both Age 62 and the Age of Benefit
2854 Commencement. If the annuity starting date for the member's
2855 benefit is prior to age 62 and occurs in a limitation year
2856 beginning on or after July 1, 2007, and the plan has an
2857 immediately commencing straight life annuity payable at both
2858 age 62 and the age of benefit commencement, the defined
2859 benefit dollar limitation for the member's annuity starting
2860 date is the lesser of the limitation determined under
2861 paragraph a. and the defined benefit dollar limitation
2862 multiplied by the ratio of the annual amount of the
2863 immediately commencing straight life annuity under the plan at
2864 the member's annuity starting date to the annual amount of the
2865 immediately commencing straight life annuity under the plan at
2866 age 62, both determined without applying the limitations of
2867 this subpart.

2868 (3) MORTALITY ADJUSTMENTS. Notwithstanding the other
2869 requirements of this subsection, no adjustment shall be made
2870 to the defined benefit dollar limitation to reflect the
2871 probability of a member's death between the annuity starting
2872 date and age 62 if benefits are not forfeited upon the death



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2873 of the member prior to the annuity starting date. To the
2874 extent benefits are forfeited upon death before the annuity
2875 starting date, such an adjustment shall be made. For this
2876 purpose, no forfeiture shall be treated as occurring upon the
2877 member's death if the plan does not charge members for
2878 providing a qualified preretirement survivor annuity, as
2879 defined in § 417(c), Internal Revenue Code, upon the member's
2880 death.

2881 (4) EXCEPTION FOR CERTAIN MEMBERS TO THE ADJUSTMENT OF
2882 DEFINED BENEFIT DOLLAR LIMITATION FOR COMMENCEMENT BEFORE AGE
2883 62.

2884 a. Qualified Participants. Pursuant to § 415(b)(2)(G)
2885 and (H), Internal Revenue Code, no age adjustment is made to
2886 the defined benefit dollar limitation for commencement before
2887 age 62 for any qualified participant. For this purpose, a
2888 qualified participant is a participant in a defined benefit
2889 plan that is maintained by a state or any political
2890 subdivision of a state with respect to whom the service taken
2891 into account in determining the amount of the benefit under
2892 the defined benefit plan includes at least 15 years of service
2893 of the participant as a full-time employee of any police
2894 department or fire department that is organized and operated
2895 by the state or political subdivision maintaining such defined
2896 benefit plan to provide police protection, firefighting
2897 services, or emergency medical services for any area within
2898 the jurisdiction of such state or political subdivision, or as
2899 a member of the Armed Forces of the United States.

2900 b. Survivor and Disability Benefits. Pursuant to §



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2901 415(b)(2)(I), Internal Revenue Code, no age adjustment is made
2902 to the defined benefit dollar limitation for commencement
2903 before age 62 for a distribution from the plan on account of a
2904 member becoming disabled by reason of personal injuries or
2905 sickness, or as a result of the death of a member.

2906 (c) Actuarial equivalence of forms of benefit other
2907 than a straight life annuity. Effective for distributions in
2908 plan years beginning after December 31, 2003, the
2909 determination of actuarial equivalence of forms of benefit
2910 other than a straight life annuity shall be made in accordance
2911 with subdivision (1) or subdivision (2).

2912 (1) BENEFIT FORMS NOT SUBJECT TO § 417(e)(3), INTERNAL
2913 REVENUE CODE. The straight life annuity that is actuarially
2914 equivalent to the member's form of benefit shall be determined
2915 under this subdivision if the form of the member's benefit is
2916 either a nondecreasing annuity, other than a straight life
2917 annuity, payable for a period of not less than the life of the
2918 member, or, in the case of a qualified preretirement survivor
2919 annuity, the life of the surviving spouse, or an annuity that
2920 decreases during the life of the member merely because of the
2921 death of the survivor annuitant, but only if the reduction is
2922 not below 50 percent of the benefit payable before the death
2923 of the survivor annuitant, or the cessation or reduction of
2924 Social Security supplements or qualified disability payments,
2925 as defined in § 401(a)(11), Internal Revenue Code.

2926 a. Limitation Years Beginning Before July 1, 2007. For
2927 limitation years beginning before July 1, 2007, the
2928 actuarially equivalent straight life annuity is equal to the



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2929 annual amount of the straight life annuity commencing at the
2930 same annuity starting date that has the same actuarial present
2931 value as the member's form of benefit computed using whichever
2932 of the following produces the greater annual amount:

2933 1. The applicable interest rate and applicable
2934 mortality table, or other tabular factor, as defined in §
2935 417(e)(3), Internal Revenue Code, for adjusting benefits in
2936 the same form; or

2937 2. Five percent interest rate assumption and the
2938 applicable mortality table as defined in § 417(e)(3), Internal
2939 Revenue Code.

2940 b. Limitation Years Beginning On or After July 1, 2007.
2941 For limitation years beginning on or after July 1, 2007, the
2942 actuarially equivalent straight life annuity is equal to the
2943 greater of:

2944 1. The annual amount of the straight life annuity, if
2945 any, payable to the member under the plan commencing at the
2946 same annuity starting date as the member's form of benefit; or

2947 2. The annual amount of the straight life annuity
2948 commencing at the same annuity starting date that has the same
2949 actuarial present value as the member's form of benefit,
2950 computed using a five percent interest rate assumption and the
2951 applicable mortality table as described in Treasury Regulation
2952 § 1.417(e)-1(d)(2), or the applicable mortality table as
2953 required by law, for that annuity starting date.

2954 (2) BENEFIT FORMS SUBJECT TO § 417(e)(3) INTERNAL
2955 REVENUE CODE. The straight life annuity that is actuarially
2956 equivalent to the member's form of benefit shall be determined



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2957 under this subdivision if the form of the member's benefit is
2958 other than a benefit form described in subdivision (1). In
2959 this case, the actuarially equivalent straight life annuity
2960 shall be determined as follows:

2961 a. Annuity Starting Date in Plan Years Beginning After
2962 2005. If the annuity starting date of the member's form of
2963 benefit is in a plan year beginning after 2005, the
2964 actuarially equivalent straight life annuity is equal to the
2965 greatest of:

2966 1. The annual amount of the straight life annuity
2967 commencing at the same annuity starting date that has the same
2968 actuarial present value as the member's form of benefit,
2969 computed using the assumptions, as defined in subdivision (3)
2970 of Section 45-37-123.01;

2971 2. The annual amount of the straight life annuity
2972 commencing at the same annuity starting date that has the same
2973 actuarial present value as the member's form of benefit,
2974 computed using a five and one-half percent interest rate
2975 assumption and the applicable mortality table for the
2976 distribution under Treasury Regulation § 1.417(e)-1(d)(2), or
2977 the applicable mortality table as required by law; or

2978 3. The annual amount of the straight life annuity
2979 commencing at the same annuity starting date that has the same
2980 actuarial present value as the member's form of benefit,
2981 computed for the distribution under Treasury Regulation §
2982 1.417(e)-1(d)(3), or the applicable interest rate as required
2983 by law, and the applicable mortality table for the
2984 distribution under Treasury Regulation § 1.417(e)-1(d)(2), or



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2985 the applicable mortality table as required by law, divided by
2986 1.05.

2987 b. Annuity Starting Date in Plan Years Beginning in
2988 2004 or 2005. If the annuity starting date of the member's
2989 form of benefit is in a plan year beginning in 2004 or 2005,
2990 the actuarially equivalent straight life annuity is equal to
2991 the annual amount of the straight life annuity commencing at
2992 the same annuity starting date that has the same actuarial
2993 present value as the member's form of benefit, computed using
2994 whichever of the following produces the greater annual amount:

2995 1. The applicable interest rate and applicable
2996 mortality table, or other tabular factor, as defined in §
2997 417(e)(3), Internal Revenue Code, for adjusting benefits in
2998 the same form; or

2999 2. A five and one-half percent interest rate assumption
3000 and the applicable mortality table for the distribution under
3001 Treasury Regulation § 1.417(e)-1(d)(2), or the applicable
3002 mortality table as required by law.

3003 (d) For purposes of Section 45-37-123.130 and
3004 subsection (b), no adjustments under § 415(d), Internal
3005 Revenue Code, shall be taken into account before the
3006 limitation year for which such adjustment first takes effect.

3007 (e) For purposes of Section 45-37-123.130, no actuarial
3008 adjustment to the benefit is required for the value of a
3009 qualified joint and survivor annuity, ancillary benefits that
3010 are not directly related to retirement benefits, such as a
3011 qualified disability benefit, preretirement death benefits,
3012 and postretirement medical benefits, as set forth in § 415(b),



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3013 Internal Revenue Code, and Treasury Regulation §
3014 1.415(b)-1(c)(4)(1)(B), and the value of postretirement
3015 cost-of-living increases made in accordance with § 415(d),
3016 Internal Revenue Code, and Treasury Regulation §
3017 1.415-3(c)(2)(iii). The annual benefit does not include any
3018 benefits attributable to employee contributions or rollover
3019 contributions, or the assets transferred from a qualified plan
3020 that was not maintained by the county."

3021 "§45-37-123.150

3022 (a) The pension board shall have the right at any time
3023 to amend the plan, subject to the limitations of this section.
3024 Any amendment shall be consistent with the act, any other
3025 legislation relating to the system, or consistent with other
3026 authority granted to the pension board. Additionally, in the
3027 event that the Legislature amends the act or makes other
3028 statutory changes that impact the terms of the plan, the
3029 pension board ~~shall,~~ subject to applicable law, may cause the
3030 plan to be amended as necessary to reflect ~~such~~ the
3031 ~~legislation. The pension board, and each of its individual~~
3032 ~~members, when acting in its or their official capacity, shall~~
3033 ~~be immune from civil liability against the claims of any~~
3034 ~~individual, member, or other entity of any nature whatsoever~~
3035 ~~arising out of the pension board's or its members'~~
3036 ~~administration of the plan or related to its decisions or~~
3037 ~~actions, which decisions or actions were made in good faith,~~
3038 ~~without malice, and predicated upon information that was then~~
3039 ~~available to the pension board.~~

3040 ~~(b) As determined by the pension board or by~~



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3041 ~~legislative act, any change in the pension rate may apply to~~
3042 ~~all pensions payable under the plan, including pensions~~
3043 ~~granted prior to the effective date of the change in the~~
3044 ~~pension rate. This subsection shall apply whether such change~~
3045 ~~results in the pension benefit being increased or decreased.~~
3046 ~~Accordingly, any increase or decrease in the pension rate may~~
3047 ~~be applicable not only to persons who have not yet begun to~~
3048 ~~receive their pension benefits, but also to persons who have~~
3049 ~~begun receiving their pensions benefits. A change in the~~
3050 ~~pension rate means any modification to the definition of basic~~
3051 ~~average salary or other change to the formula for determining~~
3052 ~~the amount of a pension benefit.~~

3053 ~~(e)~~ (b) Any amendment which affects the rights, duties,
3054 or responsibilities of the trustee may only be made with the
3055 trustee's written consent. Any such amendment shall become
3056 effective as provided therein upon its execution. The trustee
3057 shall not be required to execute any such amendment unless the
3058 amendment affects the duties of the trustee hereunder.

3059 ~~(d)~~ (c) Except as otherwise specifically provided for
3060 herein, no amendment to the plan shall be effective if it
3061 authorizes or permits any part of the trust fund, other than
3062 such part as is required to pay taxes and administration
3063 expenses, to be used for or diverted to any purpose other than
3064 for the exclusive benefit of the members or their designated
3065 beneficiaries or estates."

3066 "§45-37-123.191

3067 The plan shall not be deemed to constitute a contract
3068 of employment between the county and any member or to be a



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3069 consideration or an inducement for the employment of any
3070 member or employee. Nothing contained in the plan shall be
3071 deemed to give any member or employee the right to be retained
3072 in the service of the county or to interfere with the right of
3073 the county to discharge any member or employee at any time
3074 regardless of the effect which such discharge shall have upon
3075 the employee as a member of this plan. ~~No provisions herein~~
3076 ~~shall be construed to bestow upon any member or any other~~
3077 ~~person any vested right to benefits, return of employee~~
3078 ~~contributions, or any other valuable interest hereunder. No~~
3079 ~~implied contract for benefits shall be held to arise~~
3080 ~~hereunder, either before or after retirement.~~ A member's right
3081 to a pension benefit shall vest and become nonforfeitable
3082 pursuant to Section 45-37-123.100(c)(2)(b). Membership in the
3083 system is contractual in nature and vested pension benefits
3084 shall not be forfeited, diminished, or impaired."

3085 "§45-37-123.194

3086 (a) Except as provided below and otherwise specifically
3087 required by law, it shall be impossible by operation of the
3088 plan or of the trust agreement, by termination of either, by
3089 power of revocation or amendment, by the happening of any
3090 contingency, by collateral arrangement, or by any other means,
3091 for any part of the corpus or income of any trust fund
3092 maintained pursuant to the plan or any funds contributed
3093 thereto to be used for, or diverted to, purposes other than
3094 the exclusive benefit of members, former members, or their
3095 designated beneficiaries; and no funds of the system, whether
3096 in cash, securities, or otherwise, nor any income or yield



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3097 thereof, shall be subject to or exacted on account of, any
3098 tax; and no retirement or disability allowance or right to
3099 return of contributions, or other benefits payable as set
3100 forth in the plan, shall be assignable or be subject to
3101 execution, levy, attachment, garnishment, or other legal
3102 process. Accordingly, the plan shall not recognize any
3103 domestic relations order attempting to provide a member's
3104 benefits, or any portion thereof, to an alternate payee.

3105 (b) In the event that the county shall make an
3106 excessive contribution under a mistake of fact, the pension
3107 board, or its agent, may demand repayment of such excessive
3108 contribution, and the trustees shall return such amount,
3109 adjusted for any income or loss in value so long as such
3110 amount is returned within one year of the date of the mistaken
3111 contribution. Notwithstanding the immediately preceding
3112 sentence, any return shall be limited to an amount that, in
3113 the judgment of the pension board, would not cause the system
3114 to become actuarially unsound.

3115 (c) In the event that the plan makes an overpayment to
3116 a member ~~or~~, designated beneficiary, or other beneficiary for
3117 any reason, such as, miscalculation of a pension benefit or
3118 payment prior to the time that the member ~~or~~, designated
3119 beneficiary, or other beneficiary was entitled to payment, the
3120 pension board may elect to offset future pension ~~payments~~
3121 benefits until ~~such the~~ overpayment has been recouped by the
3122 trust fund to the extent allowed by law.

3123 ~~(d) Subject to applicable law, no person shall be~~
3124 ~~entitled to receive a deferred pension if his or her~~



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3125 ~~separation from the service from the county is due to his or~~
3126 ~~her misappropriation of funds or property of the county, or to~~
3127 ~~moral delinquency on his or her part.~~

3128 ~~(e) Subject to applicable law, if the board finds that~~
3129 ~~a member's service is terminated by resignation or discharge,~~
3130 ~~or otherwise, as a consequence of such member's dishonesty in~~
3131 ~~handling the monies or property of the county or any~~
3132 ~~department thereof, the member shall not be entitled to any~~
3133 ~~retirement or disability benefit, but he or she shall upon~~
3134 ~~application therefor be paid a refund of the full amount of~~
3135 ~~his or her employee contributions, less any benefits~~
3136 ~~previously paid to him or her.~~

3137 ~~(f)~~ (d) Subject to applicable law, a member's or
3138 designated beneficiary's benefit may be offset for obligations
3139 to the county, the pension board, or the trust fund."

3140 "§45-37-123.195

3141 Any payment to any member, the member's legal
3142 representative, designated beneficiary, or to any guardian or
3143 committee appointed for such member or designated beneficiary
3144 in accordance with the plan, to the extent thereof, shall be
3145 in full satisfaction of all claims hereunder against the
3146 trustee, the county, and the pension board each of whom may
3147 require such member, legal representative, designated
3148 beneficiary, guardian, or committee, as a condition precedent
3149 to such payment, to execute a receipt and release thereof or
3150 an indemnification agreement or both in such form as shall be
3151 determined by the pension board."

3152 Section 2. Sections 45-37-123.31 and 45-37-123.110 are



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3153 added to the Code of Alabama 1975, to read as follows:

3154 §45-37-123.31

3155 The system, the pension board and each of its
3156 individual members, and employees of the system, when acting
3157 within the scope of its or their official capacity, shall be
3158 immune from civil liability and not subject to legal claims
3159 for damages by any individual, member, designated beneficiary
3160 or other beneficiary, or entity, directly or by way of
3161 contribution, for any decision, act, or omission resulting in
3162 damage or injury unless the decision, act, or omission was
3163 caused by willful and wanton conduct, grossly negligent
3164 conduct, gross malfeasance, or gross misfeasance. For purposes
3165 of this section, "official capacity" means any decision, act,
3166 or omission taken by the pension board or its individual
3167 members to further the purpose for which the system is
3168 established.

3169 §45-37-123.110

3170 (a) To the extent allowed by law, in the event that all
3171 or any portion of the benefit payable to a missing participant
3172 or missing beneficiary shall remain unpaid either: (1) with
3173 respect to a nonvested member, for more than five years
3174 following the member's separation from service of the county;
3175 or (2) with respect to a vested member, for more than five
3176 years following the applicable date, as may be set forth in
3177 any administrative policies established pursuant to Section
3178 45-37-123.22(b)(5), the amount of the missing participant's or
3179 missing beneficiary's benefit (as applicable) or employee
3180 contributions, or both, in the sole discretion of the pension



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3181 board, may be forfeited, subject to reinstatement as provided
3182 in subsection (b). During any period of forfeiture, the
3183 missing participant or missing beneficiary shall not be
3184 treated as a member under the plan. Prior to the forfeiture of
3185 a missing participant's or missing beneficiary's benefit or
3186 employee contributions, or both, the system shall attempt to
3187 locate the missing participant or missing beneficiary through
3188 reasonable search efforts, which efforts shall be determined
3189 by the pension board in its sole discretion.

3190 (b) In the event a missing participant or missing
3191 beneficiary is located subsequent to the forfeiture of the
3192 missing participant's or missing beneficiary's benefit or
3193 employee contributions, or both, pursuant to subsection (a),
3194 the benefit or employee contributions, or both, shall be
3195 restored by the pension board without interest; provided,
3196 however, that a benefit or employee contribution lost by
3197 reason of escheat under applicable state law is not treated as
3198 a forfeiture for purposes of this section nor as an
3199 impermissible forfeiture under the Internal Revenue Code. In
3200 the event that a nonvested missing participant dies subsequent
3201 to a forfeiture of his or her employee contributions pursuant
3202 to subsection (a), but before being located pursuant to this
3203 subsection, the participant's refund shall be permanently
3204 forfeited and there shall be no designated beneficiary or
3205 other beneficiary for the refund. In no event shall any
3206 forfeiture under the plan result in an increase in the benefit
3207 to be paid to any member.

3208 Section 3. Relating to the General Retirement System



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3209 for Employees of Jefferson County; to amend Sections
3210 45-37-123.01, 45-37-123.20, 45-37-123.21, 45-37-123.22,
3211 45-37-123.23, 45-37-123.24, 45-37-123.25, 45-37-123.26,
3212 45-37-123.27, 45-37-123.28, 45-37-123.29, 45-37-123.50,
3213 45-37-123.54, 45-37-123.80, 45-37-123.82, 45-37-123.83,
3214 45-37-123.84, 45-37-123.100, 45-37-123.101, 45-37-123.102,
3215 45-37-123.103, 45-37-123.104, 45-37-123.106, 45-37-123.108,
3216 45-37-123.132, 45-37-123.150, 45-37-123.191, 45-37-123.194,
3217 and 45-37-123.195, Code of Alabama 1975; to clarify who is a
3218 designated beneficiary; to identify the Personnel Board of
3219 Jefferson County as the civil service system of Jefferson
3220 County; to define missing participants and missing
3221 beneficiaries as a participant or beneficiary whose
3222 whereabouts are unknown to the system or who is nonresponsive;
3223 to clarify categories of membership and benefits; to clarify
3224 that all members who are not vested are nonvested; to clarify
3225 that a member's benefit becomes partially vested and
3226 nonforfeitable upon 10 years of paid service and fully vested
3227 and nonforfeitable upon 15 years of paid service; to
3228 accurately reflect the method by which the county remits
3229 employer and employee contributions to the system; to
3230 authorize the pension board to pay any sums reasonably
3231 necessary to defray administrative expenses of the plan before
3232 remitting employer and employee contributions to the trust
3233 fund; to establish additional qualifications and procedures
3234 for individuals elected or appointed to serve on the pension
3235 board; to provide for electronic forms and notice; to clarify
3236 that the election of pension board members number four and



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3237 five are supervised by members volunteering to serve as the
3238 election board; to clarify that only a beneficiary designated
3239 by the member shall constitute a beneficiary under the plan;
3240 to authorize the pension board to adopt rules and regulations
3241 for the administration of any benefit provided by the plan
3242 subject to applicable law; to authorize the pension board to
3243 suspend and reinstate benefits to missing participants and
3244 missing beneficiaries; to provide the pension board with the
3245 authority to authorize the plan to defend and indemnify the
3246 pension board and each of its individual members, employees of
3247 the system, and the system as a legal entity separate and
3248 distinct from the plan from claims, actions, or judgments
3249 connected with or arising from decisions, acts, or omissions
3250 undertaken within the scope of its or their official capacity
3251 in furtherance of the purposes for which the system is
3252 established to the extent allowed by applicable law and
3253 Section 401(a), Internal Revenue Code; to authorize the
3254 pension board to interplead funds into a court of competent
3255 jurisdiction when the pension board cannot determine the owner
3256 of those funds or for any other reason allowed under
3257 applicable law; to clarify that records and data of the system
3258 are not public records; to clarify that payment of benefits
3259 and administrative expenses from the trust fund is subject to
3260 the prohibition against diversion of funds for any purpose
3261 other than the exclusive benefit of members; to authorize the
3262 pension board to remit certain contributions to a system
3263 depository account to be treated as general assets of the
3264 system as a legal entity separate and distinct from the plan



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3265 and its trust; to authorize the payment of benefits and
3266 expenses of administration from the general assets of the
3267 system as a legal entity separate and distinct from the plan
3268 and its trust; to clarify that three affirmative votes are
3269 required for the pension board to act; to provide that in the
3270 event a mandatory member subsequently occupies a position not
3271 subject to the Personnel Board of Jefferson County, the member
3272 shall remain a mandatory and contributing member of the
3273 system; to clarify that an employee eligible for optional
3274 membership must exercise the option in writing; to remove
3275 provisions prohibiting an active member from remaining a
3276 participant in the plan after the member elects to participate
3277 in another plan; to remove provisions related to the
3278 conversion of unpaid membership time to paid membership time;
3279 to remove certain provisions relating to the forfeiture of
3280 certain pension benefits and employee contributions; to
3281 clarify when a reemployed member begins to accrue benefits; to
3282 clarify that a member may terminate employee contributions
3283 upon reaching 30 years of paid service regardless of whether
3284 the member has accumulated sufficient service to entitle the
3285 member to the maximum benefit available under the plan; to
3286 provide that the hourly equivalent of one-half month of work
3287 is sufficient to entitle a member to one month of service; to
3288 clarify that the payment of benefits does not commence until
3289 the member or the member's designated beneficiary executes all
3290 necessary forms required by the pension board; to provide that
3291 disability benefits are only authorized for permanent
3292 disabilities arising on or before separation from employment



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3293 with the county; to clarify certain conditions for eligibility
3294 to receive a disability benefit; to clarify a disabled
3295 member's membership status upon reemployment by Jefferson
3296 County; to provide that procedures for proving a common law
3297 marriage are applicable only to a marriage entered into before
3298 January 1, 2017; to remove certain provisions terminating a
3299 member's right to a benefit; to remove certain provisions
3300 disqualifying a member from receiving benefits; to provide
3301 that vested pension benefits are nonforfeitable; to add
3302 Section 45-37-123.31 to the Code of Alabama 1975, to clarify
3303 the scope of immunity afforded to the system, the pension
3304 board, and the individual members of the pension board, and
3305 the employees of the system, when acting in its or their
3306 official capacity; to add Section 45-37-123.110 to the Code of
3307 Alabama 1975, to allow the pension board to adopt procedures
3308 for the forfeiture and restoration of benefits and employee
3309 contributions for missing participants and missing
3310 beneficiaries whose whereabouts are unknown to the system or
3311 who are nonresponsive; to provide that, during any period of
3312 forfeiture, a missing participant or missing beneficiary shall
3313 not be treated as a member under the plan; to make technical
3314 corrections; to repeal Sections 45-37-123.52 and 45-37-123.53,
3315 providing for termination of eligibility and the conversion of
3316 unpaid membership time to paid membership time; and to provide
3317 for an effective date.

3318 Section 4. This act shall become effective on June 1,
3319 2024.