## WLPPE5-1 05/08/2023 SS (F) ss 2023-1985 Sub HB41 FINANCE AND TAXATION GENERAL FUND SUBSTITUTE TO HB41 OFFERED BY SENATOR ORR



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## SYNOPSIS:

Under existing law, a retiree receiving an Employees' Retirement System or Teachers' Retirement System allowance may perform duties with an employer participating in the system without suspension of the retirement allowance, provided the person is not employed in a permanent full-time capacity and the compensation does not exceed \$30,000 plus Consumer Price Index adjustments after 2017.

This bill would permit certain retired individuals under the Employees' Retirement System to perform duties as a school resource officer or as a correctional officer without suspension of his or her retirement allowance.

A BILL

TO BE ENTITLED

AN ACT

Relating to the Employees' Retirement System; to amend Section 36-27-8.2, Code of Alabama 1975, to temporarily permit certain retired individuals performing duties as school resource officers or as correctional officers to serve without suspension of his or her retirement allowance.



- 29 BE IT ENACTED BY THE LEGISLATURE OF ALABAMA:
- 30 Section 1. Section 36-27-8.2 of the Code of Alabama
- 31 1975, is amended to read as follows:
- 32 "\$36-27-8.2
- 33 (a) Any person who is retired under the Employees'
- 34 Retirement System may perform duties in any capacity,
- including as an independent contractor, with any employer
- 36 participating in the Employees' Retirement System or the
- 37 Teachers' Retirement System without suspension of his or her
- 38 retirement allowance provided that (1) the person is not
- 39 employed in a permanent full-time capacity and (2) the
- 40 person's compensation from the employer in calendar year 2016
- does not exceed thirty thousand dollars (\$30,000). Beginning
- in calendar year 2017, and each calendar year thereafter, the
- 43 annual earning limit shall be increased by the same percentage
- 44 increase as the increase in the Consumer Price Index for all
- urban consumers as published by the U.S. Department of Labor,
- 46 Bureau of Labor Statistics. Any increase in the annual earning
- 47 limit shall be rounded to the next lowest multiple of one
- 48 thousand dollars (\$1,000) with any amount in excess of the one
- 49 thousand dollar (\$1,000) multiple considered in determining
- 50 the increase for the following year. Each adjustment shall be
- 51 based on the increase in the index for the preceding 12-month
- 52 period ending on September 30 and the increase shall be
- 53 effective for the following calendar year.
- 54 (b) Any person serving as an elected official who has
- 55 retired from the Employees' Retirement System may serve for
- 56 compensation in an elected public office with the state, a



county, or an incorporated municipality without suspension of retirement benefits; provided that under no circumstances shall such a person participate in or accrue additional benefits under the Teachers' Retirement System or the Employees' Retirement System, and provided that under no circumstances shall a person whose retirement is based upon service as an elected official continue in or return to such office and receive both pension benefits and salary; provided further, that this subsection shall apply to elected officials whose participation in the Teachers' Retirement System or the Employees' Retirement System is constitutionally required to be upon the same terms and conditions as specified by law for other employees in the retirement system if such elected official's compensation does not exceed the annual earning limits provided in subsection (a).

(c) The responsibility for compliance with the provision of this section is placed upon the employing authority, and each retiree performing duties under this section shall certify to the employer any information required in order to carry out this section. The retiree shall provide written notice of the postretirement employment under this section to the Employees' Retirement System and employing authority within 30 days after the date the retiree knows or should know that he or she will be performing duties on a full-time or permanent basis or will earn an amount in excess of the annual earning limit under this section.

(d) (1) Any individual who is retired under the Employees' Retirement System, has the applicable Alabama Peace



85 Officers' Standards and Training certification, and was 86 classified as a law enforcement officer, as defined in Section 36-27-59 prior to retirement, may perform duties as either a 87 88 school resource officer, as defined in Section 16-1-44.1, or a 89 correctional officer with the Department of Corrections 90 without suspension of his or her retirement allowance provided 91 that the compensation earned does not exceed fifty-two 92 thousand dollars (\$52,000) per year: 93 (2) Any individual who is retired under the Employees' Retirement System, has the applicable Alabama Peace Officers' 94 95 Standards and Training certification, and meets either of the following criteria, may perform duties as a correctional 96 97 officer with the Department of Corrections without suspension of his or her retirement allowance provided that the 98 99 compensation earned does not exceed fifty-two thousand dollars (\$52,000) per year: 100 101 a. Was classified as a law enforcement officer, as defined in Section 36-27-59, prior to retirement. 102 103 b. Was classified as a correctional officer, as defined in Section 36-27-59, prior to retirement, and retired pursuant 104 105 to paragraph c. of Section 36-27-16(a)(1). 106 (3) No individual may be employed pursuant to this 107 subsection after December 31, 2026." Section 2. This act shall become effective on the 108 109 first day of the third month following its passage and approval by the Governor, or its otherwise becoming law. 110