

SB218 INTRODUCED



1 SB218
2 TE8E915-1
3 By Senators Figures, Sessions, Williams, Albritton
4 RFD: County and Municipal Government
5 First Read: 07-Mar-24



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SYNOPSIS:

Under existing law, certain officers and employees of the Alabama State Port Authority are subject to the state Merit System.

This bill would explicitly provide that the port authority is a body corporate with the ability to employ non-merit system employees.

A BILL
TO BE ENTITLED
AN ACT

Relating to the Alabama State Port Authority; to amend Sections 33-1-2, 33-1-3, 33-1-5, 33-1-5.1, and 33-1-5.2, Code of Alabama 1975; to provide that the port authority is a body corporate with the ability to employ non-merit system employees.

BE IT ENACTED BY THE LEGISLATURE OF ALABAMA:

Section 1. Sections 33-1-2, 33-1-3, 33-1-5, 33-1-5.1, and 33-1-5.2, Code of Alabama 1975, are amended to read as follows:

"§33-1-2

(a) There shall be a state agency known as the Alabama State Port Authority, hereinafter sometimes referred to as the



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29 port authority. Notwithstanding any other provision of law,
30 whenever any act, section of this code, or any other provision
31 of law refers to the Alabama State Docks Department, it shall
32 be deemed a reference to the Alabama State Port Authority.

33 (b) The port authority shall promote, supervise,
34 control, manage, and direct the state docks and all other
35 state lands included within the jurisdiction of this chapter
36 and shall maintain and operate all the improvements and
37 facilities authorized by this chapter. The port authority is a
38 body corporate and shall be constituted as provided in this
39 chapter, ~~and it shall maintain and operate all the~~
40 ~~improvements and facilities authorized by this chapter."~~

41 "§33-1-3

42 The chief executive officer of the port authority shall
43 be known as the Director of the Alabama State Port Authority.
44 The director may not have any financial interest in any harbor
45 facilities or property that the port authority or its
46 predecessors have acquired or may acquire or manage, and may
47 not have any financial or personal interest in any business or
48 enterprise of any sort which interferes or is inconsistent
49 with his or her duties as director. The duties of the director
50 shall be as follows:

51 (1) Exercise the chief executive authority of the port
52 authority, and exercise, consistent with this chapter and
53 other applicable law, all the powers, authority, and duties
54 vested by this chapter or other applicable law in the port
55 authority.

56 (2) Appoint, with the advice and consent of the board



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57 of directors of the port authority, no more than 11
58 individuals as executive level employees. These individuals
59 shall be non-merit system employees and may replace current
60 Merit System executive level employees who retire or otherwise
61 leave the employment of the port authority. The director shall
62 fix the salaries of these non-merit system executive level
63 employees giving due consideration to the salaries of
64 comparable positions in other states and in private
65 industries. These non-merit system executive level employees,
66 though not participants in the classified service of the state
67 under the Merit System Act, shall be entitled to the other
68 benefits, including, but not limited to, retirement, sick and
69 annual leave, and insurance benefits afforded other state
70 employees, except that the board of directors of the port
71 authority may provide and fund an alternate benefit package
72 for them. Regardless of whether the port authority funds an
73 alternate benefit package, the port authority shall pay to the
74 State Employees' Insurance Fund the monthly employer
75 contribution as defined by Section 36-29-1 for each of its
76 non-merit system executive level employees.

77 (3) Employ, with the advice and consent of the board of
78 directors of the port authority, all individuals necessary to
79 the efficient operation of the Alabama State Port Authority,
80 including a secretary-treasurer and other employees as Merit
81 System or non-merit system employees, fix their compensation
82 and other conditions of employment and tenure in office, and
83 be responsible for the efficient discharge of their duties.
84 Any non-merit system employees employed under this section,



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85 though not participants in the classified service of the state
86 under the state Merit System, shall be entitled to the other
87 benefits, including, but not limited to, retirement, sick and
88 annual leave, and insurance benefits afforded other state
89 employees, except that the board of directors of the port
90 authority may provide and fund an alternate benefit package
91 for them. Regardless of whether the port authority funds an
92 alternate benefit package for them, the port authority shall
93 pay to the State Employees' Insurance Fund the monthly
94 employer contribution as defined by Section 36-29-1 for each
95 of its full-time non-merit system employees."

96 "§33-1-5

97 (a) All employees and officers of the Alabama State
98 Port Authority, except the director, ~~executive level non-merit~~
99 system employees hired or employed pursuant to Section 33-1-3,
100 and those exempt under Section 36-26-10, shall be subject to
101 the provisions of the state Merit System law with respect to
102 the method of selection, classification, and compensation of
103 state employees. Sections 33-1-5.1 and 33-1-5.2 shall apply to
104 the director and the non-merit system ~~executive level~~
105 employees hired or employed pursuant to Section 33-1-3,
106 including their spouses and dependents; ~~however, nothing in~~
107 ~~Act 2000-598 shall be construed to alter or modify Sections~~
108 ~~33-1-5.1 and 33-1-5.2.~~

109 ~~(b) Persons employed by the Alabama State Docks~~
110 ~~Department on August 1, 2000, shall continue to have precisely~~
111 ~~the same rights and benefits as they now have under the Merit~~
112 ~~System and under the State Employees' Retirement System and~~



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113 ~~all other benefits that they had on August 1, 2000.~~

114 ~~(e)~~ (b) The Alabama State Port Authority may employ port
115 police officers at the Port of Mobile, who shall be employed
116 pursuant to the state Merit System or pursuant to Section
117 33-1-3. Port police officers employed pursuant to this
118 subsection are constituted peace officers of the State of
119 Alabama with full police power and jurisdiction to enforce the
120 laws of the state and the rules and regulations which may be
121 ~~promulgated~~ adopted by the port authority on property owned by
122 or otherwise within the jurisdiction of the Alabama State Port
123 Authority and the approaches thereto. Port police officers
124 shall meet the minimum standards for law enforcement officers
125 provided by law.

126 ~~(d)~~ (c) Notwithstanding any other provision of law to
127 the contrary, the board of directors of the port authority
128 ~~shall have the authority to~~ may adopt and implement an
129 employee compensation plan applicable to the director, the
130 non-merit system ~~executive level~~ employees hired or employed
131 pursuant to Section 33-1-3, and those employees employed
132 pursuant to the state Merit System that provides for
133 compensation to the employees solely out of funds of the
134 Alabama State Port Authority in addition to any other
135 compensation payable to any employees under existing law as an
136 incentive for achieving goals specified by the plan. The
137 employee compensation plan may compensate Merit System
138 employees in excess of, and in addition to, the normal
139 compensation received by the Merit System employee. The
140 compensation plan shall complement the existing pay plan



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141 applicable to Merit System employees.

142 (d) Nothing in this section shall be construed to
143 change, alter, diminish, or amend the state Merit System laws
144 or regulations which shall continue to apply to all Merit
145 System employees employed by the port authority."

146 "§33-1-5.1

147 (a) The Alabama State Port Authority may establish and
148 fund retirement plans for ~~various~~ employees of the Alabama
149 State Port Authority including, but not limited to, those
150 employees who are employed by the port authority under ~~Section~~
151 Sections 33-1-3 and 36-26-19, those employees who are "exempt"
152 under Section 36-26-19, those employees who are employed by
153 the port authority under Section 33-1-16 as locomotive
154 engineers, locomotive firemen, switchmen, ~~and~~ switch engine
155 foremen, and hostlers engaged in the operation of the terminal
156 railroads provided for by ~~said~~ that section, and those
157 employees of the port authority who are not otherwise covered
158 under the State Employees' Retirement System and pay the costs
159 of the establishment and funding of the retirement plans from
160 the revenues of the port authority.

161 (b) The retirement plans and benefits shall be in
162 amounts as defined in individual labor contracts and deemed
163 appropriate and desirable by the port authority for the
164 benefit of those employees of the port authority who are not
165 otherwise covered under the State Employees' Retirement System
166 and who have been declared eligible for disability or
167 retirement benefits by the U.S. Social Security Administration
168 or under the U.S. Railroad Retirement Act.



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169 (c) The port authority may establish and fund the
170 retirement plans solely out of the revenues of the port
171 authority and may execute contracts to establish the
172 retirement funds and provide the benefits under the plan
173 provided by this section. The general administration and
174 responsibility for the proper operation of the retirement
175 plans and for making effective ~~the provisions of~~ this section
176 are vested in the port authority, and the port authority may
177 establish committees as deemed necessary and appropriate. The
178 port authority may designate, appoint, and discharge
179 administrators and trustees under the plans and engage
180 actuarial and other services as required to transact the
181 business of the retirement plans. ~~All of the~~ The benefits to
182 be provided under this section may be included in one or more
183 contracts issued by the same or different administrators,
184 trustees, and companies and may cover groups of employees
185 under separate contracts as deemed necessary and appropriate
186 by the port authority. The port authority shall establish the
187 plans and shall ~~award such~~ execute a contract or contracts on
188 a basis as determined by the benefits afforded, the costs to
189 be incurred and paid for solely out of the revenues of the
190 port authority as the port authority deems necessary and
191 appropriate.

192 (d) The contract or contracts shall provide for
193 retirement benefits for the retired employees of the port
194 authority not covered by the ~~retirement plan of the State of~~
195 ~~Alabama and~~ State Employees' Retirement System as defined by
196 the rules and regulations of the port authority, on terms



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197 deemed appropriate by the port authority. The port authority
198 shall adopt rules and regulations prescribing the conditions
199 under which retiring employees may participate in or withdraw
200 from the plans.

201 (e) The port authority may adopt ~~and promulgate~~ rules
202 and regulations for the administration of the retirement
203 plans.

204 (f) The benefits provided for ~~hereunder~~ in this section
205 shall not exceed the retirement benefits provided for other
206 employees of the state under established state retirement
207 plans.

208 ~~(g) The port authority may develop a retirement
209 incentive program for all employees of the port authority who
210 are eligible to retire from state service and who retire prior
211 to September 30, 1997. The port authority shall promulgate any
212 administrative regulations necessary to carry out the program
213 in a fair and equitable manner. The costs of any retirement
214 incentive program shall be paid out of the revenues of the
215 port authority. Retirement incentive monies paid to an
216 employee shall not exceed a sum in excess of one thousand
217 dollars (\$1,000) per year of creditable state service of the
218 employee, which shall be paid in addition to any other
219 benefits or entitlements. An employee choosing to participate
220 in this program will not be eligible to participate in any
221 other early retirement incentive program offered by the State
222 of Alabama in 1997.~~

223 ~~(h) The port authority shall prepare a cost-benefit
224 analysis for the program and annually on the first legislative~~



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225 ~~day of each regular session of the Legislature submit a report~~
226 ~~to the members of the Alabama Legislature and the Governor on~~
227 ~~the financial benefits of the retirement incentive program."~~

228 "§33-1-5.2

229 (a) The Alabama State Port Authority ~~is hereby~~
230 ~~authorized to~~ may provide and establish a plan of life and
231 health insurance for the salaried officers and employees of
232 the Alabama state docks State Port Authority who work full
233 time for the ~~Alabama state docks~~ port authority and receive
234 their compensation on a bi-weekly basis and also a plan of
235 health insurance for the spouses and dependent children of
236 ~~such~~ officers and employees and to pay the costs and premiums
237 of ~~such~~ life and health insurance from the revenues of the
238 Alabama State Port Authority.

239 (b) ~~Such~~ The health insurance plan may provide for
240 group hospitalization, surgical, medical, and dental insurance
241 against the financial costs of hospitalization, surgical,
242 medical, and dental treatment and care, and may also include,
243 among other things, prescribed drugs, medicines, prosthetic
244 appliances, hospital in-patient and out-patient service
245 benefits, including major medical benefits, or ~~such~~ other
246 coverage or benefits as may be deemed appropriate and
247 desirable by the port authority. The life insurance plan shall
248 be a group plan with the face amount of ~~such~~ the life
249 insurance coverage on ~~such~~ salaried officers and employees
250 limited to ~~such~~ amounts as may be deemed appropriate and
251 desirable by the port authority.

252 (c) The port authority ~~is hereby authorized to~~ may



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253 execute a contract or contracts to provide the benefits under
254 the life and health insurance coverage provided by this
255 section. ~~Such~~ The contract or contracts may be executed with
256 one or more agents or corporations licensed to transact life
257 and health insurance business in this state. ~~All of the~~ The
258 benefits to be provided under this section may be included in
259 one or more similar contracts issued by the same or different
260 companies. Before entering into any contract, ~~hereby~~
261 ~~authorized said the~~ port authority shall invite competitive
262 bids from qualified insurers who wish to offer plans for the
263 life and health insurance coverage provided by this section.

264 (d) The benefits provided for ~~herein in this section~~
265 shall not exceed the benefits provided to employees of the
266 Alabama State Port Authority subject to collective bargaining
267 agreements.

268 (e) Regardless of whether the port authority provides,
269 establishes, and funds an alternate health insurance plan
270 under this section, the port authority shall pay to the State
271 Employees' Insurance Fund the monthly employer contribution as
272 defined by Section 36-29-1 for each of its full-time
273 employees, whether Merit, non-merit, or exempt."

274 Section 2. This act shall become effective on October
275 1, 2024.