

HB253 ENROLLED



1 HB253
2 C4CEJWQ-3
3 By Representative Brown
4 RFD: Ports, Waterways & Intermodal Transit
5 First Read: 27-Feb-24



HB253 Enrolled

1 Enrolled, An Act,

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

8 BE IT ENACTED BY THE LEGISLATURE OF ALABAMA:

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

12 "§33-1-2

13 (a) There shall be a state agency known as the Alabama
14 State Port Authority, hereinafter sometimes referred to as the
15 port authority. Notwithstanding any other provision of law,
16 whenever any act, section of this code, or any other provision
17 of law refers to the Alabama State Docks Department, it shall
18 be deemed a reference to the Alabama State Port Authority.

19 (b) The port authority shall promote, supervise,
20 control, manage, and direct the state docks and all other
21 state lands included within the jurisdiction of this chapter
22 and shall maintain and operate all the improvements and
23 facilities authorized by this chapter. The port authority is a
24 body corporate and shall be constituted as provided in this
25 chapter, ~~and it shall maintain and operate all the~~
26 ~~improvements and facilities authorized by this chapter.~~"

27 "§33-1-3

28 The chief executive officer of the port authority shall



HB253 Enrolled

29 be known as the Director of the Alabama State Port Authority.
30 The director may not have any financial interest in any harbor
31 facilities or property that the port authority or its
32 predecessors have acquired or may acquire or manage, and may
33 not have any financial or personal interest in any business or
34 enterprise of any sort which interferes or is inconsistent
35 with his or her duties as director. The duties of the director
36 shall be as follows:

37 (1) Exercise the chief executive authority of the port
38 authority, and exercise, consistent with this chapter and
39 other applicable law, all the powers, authority, and duties
40 vested by this chapter or other applicable law in the port
41 authority.

42 (2) Appoint, with the advice and consent of the board
43 of directors of the port authority, no more than 11
44 individuals as executive level employees. These individuals
45 shall be non-merit system employees and may replace current
46 Merit System executive level employees who retire or otherwise
47 leave the employment of the port authority. The director shall
48 fix the salaries of these non-merit system executive level
49 employees giving due consideration to the salaries of
50 comparable positions in other states and in private
51 industries. These non-merit system executive level employees,
52 though not participants in the classified service of the state
53 under the Merit System Act, shall be entitled to the other
54 benefits, including, but not limited to, retirement, sick and
55 annual leave, and insurance benefits afforded other state
56 employees, except that the board of directors of the port



HB253 Enrolled

57 authority may provide and fund an alternate benefit package
58 for them. Regardless of whether the port authority funds an
59 alternate benefit package, the port authority shall pay to the
60 State Employees' Insurance Fund the monthly employer
61 contribution as defined by Section 36-29-1 for each of its
62 non-merit system executive level employees.

63 (3) Employ, with the advice and consent of the board of
64 directors of the port authority, all individuals necessary to
65 the efficient operation of the Alabama State Port Authority,
66 including a secretary-treasurer and other employees as Merit
67 System or non-merit system employees, fix their compensation
68 and other conditions of employment and tenure in office, and
69 be responsible for the efficient discharge of their duties.
70 Any non-merit system employees employed under this section,
71 though not participants in the classified service of the state
72 under the state Merit System, shall be entitled to the other
73 benefits, including, but not limited to, retirement, sick and
74 annual leave, and insurance benefits afforded other state
75 employees, except that the board of directors of the port
76 authority may provide and fund an alternate benefit package
77 for them. Regardless of whether the port authority funds an
78 alternate benefit package for them, the port authority shall
79 pay to the State Employees' Insurance Fund the monthly
80 employer contribution as defined by Section 36-29-1 for each
81 of its full-time non-merit system employees."

82 "§33-1-5

83 (a) All employees and officers of the Alabama State
84 Port Authority, except the director, ~~executive level~~ non-merit



HB253 Enrolled

85 system employees hired or employed pursuant to Section 33-1-3,
86 and those exempt under Section 36-26-10, shall be subject to
87 the provisions of the state Merit System law with respect to
88 the method of selection, classification, and compensation of
89 state employees. Sections 33-1-5.1 and 33-1-5.2 shall apply to
90 the director and the non-merit system ~~executive level~~
91 employees hired or employed pursuant to Section 33-1-3,
92 including their spouses and dependents; ~~however, nothing in~~
93 ~~Act 2000-598 shall be construed to alter or modify Sections~~
94 ~~33-1-5.1 and 33-1-5.2.~~

95 ~~(b) Persons employed by the Alabama State Docks~~
96 ~~Department on August 1, 2000, shall continue to have precisely~~
97 ~~the same rights and benefits as they now have under the Merit~~
98 ~~System and under the State Employees' Retirement System and~~
99 ~~all other benefits that they had on August 1, 2000.~~

100 ~~(e)~~ (b) The Alabama State Port Authority may employ port
101 police officers at the Port of Mobile, who shall be employed
102 pursuant to the state Merit System or pursuant to Section
103 33-1-3. Port police officers employed pursuant to this
104 subsection are constituted peace officers of the State of
105 Alabama with full police power and jurisdiction to enforce the
106 laws of the state and the rules and regulations which may be
107 ~~promulgated~~ adopted by the port authority on property owned by
108 or otherwise within the jurisdiction of the Alabama State Port
109 Authority and the approaches thereto. Port police officers
110 shall meet the minimum standards for law enforcement officers
111 provided by law.

112 ~~(d)~~ (c) Notwithstanding any other provision of law to



HB253 Enrolled

113 the contrary, the board of directors of the port authority
114 ~~shall have the authority to~~ may adopt and implement an
115 employee compensation plan applicable to the director, the
116 non-merit system ~~executive level~~ employees hired or employed
117 pursuant to Section 33-1-3, and those employees employed
118 pursuant to the state Merit System that provides for
119 compensation to the employees solely out of funds of the
120 Alabama State Port Authority in addition to any other
121 compensation payable to any employees under existing law as an
122 incentive for achieving goals specified by the plan. The
123 employee compensation plan may compensate Merit System
124 employees in excess of, and in addition to, the normal
125 compensation received by the Merit System employee. The
126 compensation plan shall complement the existing pay plan
127 applicable to Merit System employees.

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

132 "§33-1-5.1

133 (a) The Alabama State Port Authority may establish and
134 fund retirement plans for ~~various~~ employees of the Alabama
135 State Port Authority including, but not limited to, those
136 employees who are employed by the port authority under ~~Section~~
137 Sections 33-1-3 and 36-26-19, those employees who are "exempt"
138 under Section 36-26-19, those employees who are employed by
139 the port authority under Section 33-1-16 as locomotive
140 engineers, locomotive firemen, switchmen, ~~and~~ switch engine



HB253 Enrolled

141 foremen, and hostlers engaged in the operation of the terminal
142 railroads provided for by ~~said~~ that section, and those
143 employees of the port authority who are not otherwise covered
144 under the State Employees' Retirement System and pay the costs
145 of the establishment and funding of the retirement plans from
146 the revenues of the port authority.

147 (b) The retirement plans and benefits shall be in
148 amounts as defined in individual labor contracts and deemed
149 appropriate and desirable by the port authority for the
150 benefit of those employees of the port authority who are not
151 otherwise covered under the State Employees' Retirement System
152 and who have been declared eligible for disability or
153 retirement benefits by the U.S. Social Security Administration
154 or under the U.S. Railroad Retirement Act.

155 (c) The port authority may establish and fund the
156 retirement plans solely out of the revenues of the port
157 authority and may execute contracts to establish the
158 retirement funds and provide the benefits under the plan
159 provided by this section. The general administration and
160 responsibility for the proper operation of the retirement
161 plans and for making effective ~~the provisions of~~ this section
162 are vested in the port authority, and the port authority may
163 establish committees as deemed necessary and appropriate. The
164 port authority may designate, appoint, and discharge
165 administrators and trustees under the plans and engage
166 actuarial and other services as required to transact the
167 business of the retirement plans. ~~All of the~~ The benefits to
168 be provided under this section may be included in one or more



HB253 Enrolled

169 contracts issued by the same or different administrators,
170 trustees, and companies and may cover groups of employees
171 under separate contracts as deemed necessary and appropriate
172 by the port authority. The port authority shall establish the
173 plans and shall ~~award such~~ execute a contract or contracts on
174 a basis as determined by the benefits afforded, the costs to
175 be incurred and paid for solely out of the revenues of the
176 port authority as the port authority deems necessary and
177 appropriate.

178 (d) The contract or contracts shall provide for
179 retirement benefits for the retired employees of the port
180 authority not covered by the ~~retirement plan of the State of~~
181 ~~Alabama and~~ State Employees' Retirement System as defined by
182 the rules and regulations of the port authority, on terms
183 deemed appropriate by the port authority. The port authority
184 shall adopt rules and regulations prescribing the conditions
185 under which retiring employees may participate in or withdraw
186 from the plans.

187 (e) The port authority may adopt ~~and promulgate~~ rules
188 and regulations for the administration of the retirement
189 plans.

190 (f) The benefits provided for ~~hereunder~~ in this section
191 shall not exceed the retirement benefits provided for other
192 employees of the state under established state retirement
193 plans.

194 ~~(g) The port authority may develop a retirement~~
195 ~~incentive program for all employees of the port authority who~~
196 ~~are eligible to retire from state service and who retire prior~~



HB253 Enrolled

197 ~~to September 30, 1997. The port authority shall promulgate any~~
198 ~~administrative regulations necessary to carry out the program~~
199 ~~in a fair and equitable manner. The costs of any retirement~~
200 ~~incentive program shall be paid out of the revenues of the~~
201 ~~port authority. Retirement incentive monies paid to an~~
202 ~~employee shall not exceed a sum in excess of one thousand~~
203 ~~dollars (\$1,000) per year of creditable state service of the~~
204 ~~employee, which shall be paid in addition to any other~~
205 ~~benefits or entitlements. An employee choosing to participate~~
206 ~~in this program will not be eligible to participate in any~~
207 ~~other early retirement incentive program offered by the State~~
208 ~~of Alabama in 1997.~~

209 ~~(h) The port authority shall prepare a cost-benefit~~
210 ~~analysis for the program and annually on the first legislative~~
211 ~~day of each regular session of the Legislature submit a report~~
212 ~~to the members of the Alabama Legislature and the Governor on~~
213 ~~the financial benefits of the retirement incentive program."~~

214 "§33-1-5.2

215 (a) The Alabama State Port Authority ~~is hereby~~
216 ~~authorized to~~ may provide and establish a plan of life and
217 health insurance for the salaried officers and employees of
218 the Alabama state docks State Port Authority who work full
219 time for the ~~Alabama state docks~~ port authority and receive
220 their compensation on a bi-weekly basis and also a plan of
221 health insurance for the spouses and dependent children of
222 ~~such~~ officers and employees and to pay the costs and premiums
223 of ~~such~~ life and health insurance from the revenues of the
224 Alabama State Port Authority.



HB253 Enrolled

225 (b) ~~Such~~The health insurance plan may provide for
226 group hospitalization, surgical, medical,l and dental insurance
227 against the financial costs of hospitalization, surgical,
228 medical,l and dental treatment and care, and may also include,
229 among other things, prescribed drugs, medicines, prosthetic
230 appliances, hospital in-patient and out-patient service
231 benefits, including major medical benefits, or ~~such~~ other
232 coverage or benefits as may be deemed appropriate and
233 desirable by the port authority. The life insurance plan shall
234 be a group plan with the face amount of ~~such~~the life
235 insurance coverage on ~~such~~ salaried officers and employees
236 limited to ~~such~~ amounts as may be deemed appropriate and
237 desirable by the port authority.

238 (c) The port authority ~~is hereby authorized to~~may
239 execute a contract or contracts to provide the benefits under
240 the life and health insurance coverage provided by this
241 section. ~~Such~~The contract or contracts may be executed with
242 one or more agents or corporations licensed to transact life
243 and health insurance business in this state. ~~All of the~~The
244 benefits to be provided under this section may be included in
245 one or more similar contracts issued by the same or different
246 companies. Before entering into any contract,l ~~hereby~~
247 ~~authorized said~~the port authority shall invite competitive
248 bids from qualified insurers who wish to offer plans for the
249 life and health insurance coverage provided by this section.

250 (d) The benefits provided for ~~herein~~in this section
251 shall not exceed the benefits provided to employees of the
252 Alabama State Port Authority subject to collective bargaining



HB253 Enrolled

253 agreements.

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

260 Section 2. This act shall become effective on October
261 1, 2024.



HB253 Enrolled

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Speaker of the House of Representatives

President and Presiding Officer of the Senate

House of Representatives

I hereby certify that the within Act originated in and was passed by the House 07-Mar-24, as amended.

John Treadwell
Clerk

Senate

09-Apr-24

Passed