

1 HB67
2 173184-1
3 By Representative McCampbell
4 RFD: Ways and Means Education
5 First Read: 02-FEB-16

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8 SYNOPSIS: This bill relates to retirees of the
9 Teachers' Retirement System.

10 This bill would provide for a 10 percent
11 cost-of-living adjustment for retirees of the
12 Teachers' Retirement System beginning October 1,
13 2016.

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15 A BILL
16 TO BE ENTITLED
17 AN ACT

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19 Relating to retirees of the Teachers' Retirement
20 System; to provide for a 10 percent cost-of-living adjustment
21 for retirees of the Teachers' Retirement System beginning
22 October 1, 2016; to establish miscellaneous pay provisions;
23 and to require appropriations in the annual Education Trust
24 Fund Budget Act to meet the requirements of this act.

25 BE IT ENACTED BY THE LEGISLATURE OF ALABAMA:

26 Section 1. (a) Commencing October 1, 2016, there is
27 provided a cost-of-living adjustment (COLA) in the amount of

1 10 percent of the current gross benefit, but not less than
2 twenty-five dollars (\$25) per month to each person currently
3 receiving benefits whose effective date of retirement was
4 prior to October 1, 2015, for purposes of receiving benefits,
5 and to certain beneficiaries of deceased members and deceased
6 retirees currently receiving survivor benefits, if the
7 effective date of retirement or death for the deceased retiree
8 or deceased member was prior to October 1, 2015, for purposes
9 of receiving benefits from the Teachers' Retirement System.

10 (b) Any future survivor allowance shall be adjusted
11 as provided in the members' original option selection for
12 those eligible retirees who have selected a monthly survivor
13 allowance payable to a designated beneficiary upon the death
14 of the retiree, or otherwise provided by law in the case of a
15 qualifying member who dies prior to the effective date of this
16 act.

17 (c) Any person who receives benefits under the
18 Medicaid program and whose eligibility for the benefits would
19 be impaired by the cost-of-living increase provided by this
20 act shall not be entitled to receive the increase. Any person
21 who shall subsequently apply for benefits under the Medicaid
22 program and who would have his or her eligibility to receive
23 benefits impaired by the cost-of-living increase provided by
24 this act, shall not be entitled to receive the increase after
25 the date that the member files application for benefits under
26 the Medicaid program.

1 (d) The Board of Control of the Teachers' Retirement
2 System shall determine annually the amount required to pay the
3 cost of the increased allowance provided under this act, and
4 shall notify the chief financial officer of each employer of
5 the per centum rates of earnable compensation of the members
6 required to be paid to the retirement system. Each employer of
7 members of the Teachers' Retirement System shall pay on
8 account of the increases provided in this act in the same
9 manner and from the same sources of funds as provided in
10 Section 16-25-21, Code of Alabama 1975, it being the intent of
11 the Legislature that the cost of providing the increase in
12 this act shall be distributed from all funds in proportion to
13 the salaries paid therefrom for active members.

14 Section 2. This act shall become effective
15 immediately following its passage and approval by the
16 Governor, or its otherwise becoming law.