

1 SB399
2 138989-1
3 By Senator Dial
4 RFD: Finance and Taxation Education
5 First Read: 15-MAR-12

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8 SYNOPSIS: Under existing law, the Teachers' Retirement
9 System (TRS) and the Employees' Retirement System
10 (ERS) are reopened, from time to time, to allow
11 members to purchase credit in the system for prior
12 service.

13 This bill would reopen the TRS and ERS to
14 allow certain members to purchase prior service
15 credit in the system for prior employment service
16 as an employee with the United States Department of
17 Agriculture Farm Service Agency.

18
19 A BILL
20 TO BE ENTITLED
21 AN ACT
22

23 To reopen the Teachers' Retirement System and the
24 Employees' Retirement System for purchase of certain prior
25 service credit in the system by an active and contributing
26 member who was employed as an employee with the United States
27 Department of Agriculture Farm Service Agency.

1 BE IT ENACTED BY THE LEGISLATURE OF ALABAMA:

2 Section 1. (a) Any active and contributing member of
3 the Teachers' Retirement System or the Employees' Retirement
4 System who has 10 years or more of credible service in either
5 system may claim and purchase service credit in the system for
6 prior service for employment as an employee with the United
7 States Department of Agriculture Farm Service Agency if the
8 employment occurred between August 1, 1987, and February 28,
9 1998, and if the member complies with the conditions
10 prescribed in subsection (b).

11 (b) Any member eligible to claim and purchase the
12 service credit pursuant to subsection (a) shall be awarded
13 credible service with the Teachers' Retirement System or
14 Employees' Retirement System on the basis of one twelfth of a
15 year for each month or portion of month of employment service
16 only if the member pays into the retirement system or fund
17 prior to the date of retirement of the member and prior to
18 October 1, 2012, a sum equal to the full actuarially
19 determined cost for each year, or a portion thereof, of
20 service credit, as determined by the system's actuary.

21 (c) Proof of service and time of service shall be
22 made by the member by affidavit with any supporting letter or
23 other documentation submitted to the Teachers' Retirement
24 System or Employees' Retirement System and, upon receipt
25 thereof, the system shall promptly calculate the necessary
26 contributions of the member and advise the member thereof.

1 Upon timely payment by the member, the service credit shall be
2 allowed the member.

3 (d) The provisions of this section shall terminate
4 on October 1, 2012, and no person shall be eligible to utilize
5 the options granted if not fully exercised and paid prior to
6 such date.

7 Section 2. This act shall become effective
8 immediately following its passage and approval by the
9 Governor, or its otherwise becoming law.