



# THE RETIREMENT SYSTEMS OF ALABAMA

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FOLEY

Unit Code: EFOL

Act 2026-608 of the 2026 Regular Session of the Alabama Legislature provides your agency with the opportunity to grant a one-time lump payment to retired members and beneficiaries of deceased retirees who retired prior to October 1, 2025, and entitled to receive a monthly retirement benefit from the Employees' Retirement System (ERS) as of September 30, 2026.

The Act provides for the retiree to receive a one-time lump sum payment of \$1.00 for each month of service credited to the retiree's account or a beneficiary of a deceased retiree. Payment will be made in October 2026 separate from the monthly retirement payment.

If your agency elects to grant the 2026 one-time lump sum payment, your estimated cost is **\$24,587.00** which will require **0.10%** to be added to your agency's employer contribution rate effective for the one year period from October 1, 2027 – September 30, 2028, or you may submit a one-time lump sum payment remitted with the resolution to cover the cost. The lump sum payment should be received by the ERS on or prior to August 31, 2026.

To grant the provisions of Act 2026-608 for retirees and beneficiaries of your agency, the governing authority of your agency must adopt and submit a Resolution. A fillable form Resolution can be found on the RSA website at [https://www.rsa-al.gov/uploads/files/2026\\_Lump\\_Sum\\_Resolution\\_Retiree\\_fillable.pdf](https://www.rsa-al.gov/uploads/files/2026_Lump_Sum_Resolution_Retiree_fillable.pdf). **Resolution to adopt the provisions of Act 2026-608 must be received by the ERS no later than August 31, 2026.** You may email the signed resolution to [crystal.jones@rsa-al.gov](mailto:crystal.jones@rsa-al.gov). Please note that there is no provision that will allow the one-time lump sum payment to be granted retroactively.

Any retiree or beneficiary whose eligibility for Medicaid benefits is impaired by this payment shall not be entitled to receive payment and should notify this office to request that the increase not be granted.

If you have any questions regarding the implementation of the provisions of Act 2026-608, please contact my office at (334) 517-7000 or 1-877-517-0020.

Sincerely,  
William F. Kelley, Jr.  
Director  
Employees' Retirement System