

Retiring Department Heads

SB141 - Sen. Reed and HB53 - Rep. Ainsworth

Current law prohibits a retiring department head from contracting with his or her former employer for two years after he or she leaves employment. This makes it difficult for counties during the transition period since the expertise of the retiring person can significantly benefit his or her replacement.

This bill would allow a retired director, department head, or division chief of a governmental agency to temporarily contract with his or her former employer to assist with the transition following his or her retirement, if the following conditions are met:

1. The contract does not extend more than three months from the date of retirement;
2. The retiree is in compliance with Ala. Code § 36-27-8.2, which sets out RSA rules for retirees performing part-time work with a governmental entity;
3. The retiree's compensation through the contract, combined with his or her monthly retirement compensation, does not exceed the gross monthly compensation received by the retiree on the date of his or her retirement;
4. The contract is approved by the Director of the Alabama Ethics Commission prior to the start of the contract.

In addition to these important changes, this bill would close a technical loophole in the revolving door statute that has allowed certain former public officials or employees to avoid the two year prohibition against working for companies they "did business with" while working for a governmental entity. This change has been requested by the Ethics Commission.