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MEMORANDUM

TO: All Chief Fiscal Officers
All Payroll and Personnel Officers

FROM: Kathleen D. Baxter
State Comptroller

DATE: October 14, 2026

SUBJECT: Information on Longevity Payments

Section 36-6-11, *Code of Alabama 1975*, as amended, provides for longevity payments to eligible State employees. In accordance with the *State of Alabama Fiscal Policy and Procedures Manual*, employees must have at least five years of total eligible service and be in active pay status as of December 1 of the current calendar year to qualify for a longevity payment. Certain exceptions apply to employees on FMLA leave without pay, military leave without pay, and employees out of work due to a work-related injury, as described below. Longevity payments for 2026 will be included in employees' regularly scheduled payroll checks for the first payday in December. The payment date this year is December 1, 2026. In preparation for these payments, the "Longevity Counter" field on the Department Specific Data tab (DEPTD) of the Employee Profile Management screen was increased by twelve (12) months on October 1, 2026, for employees in active pay status.

The Eligibility for Longevity report for your agency, sorted by pay location, is available in InfoAdvantage under Agency HRM Reports. Authorized personnel/payroll staff should use this report to verify the number of months of eligible service through December 1, 2026, for all permanent employees. In accordance with the *State of Alabama Fiscal Policy and Procedures Manual*, eligible service time only "includes time worked and paid by the State Comptroller, the Comptroller for the State Docks, or the Comptroller for the Department of Mental Health/Mental Retardation prior to August 25, 1990." Employees with zeroes in the "Longevity Counter" will also appear on the report. For these employees, and for any eligible employees not listed, calculate the number of months of eligible service as of December 1, 2026, and update the "Longevity Counter." All changes for employees eligible for a longevity payment must be completed no later than 12:00 p.m. on November 13, 2026.

Manual Agencies (Agencies without access to HRM) - If information on the report is incorrect, make the necessary corrections directly on the report and return it by email to the State Comptroller's Office at Comptroller--Payroll@comptroller.alabama.gov no later than 12:00 p.m. on November 13, 2026.

Additional instructions for employees who are not in active pay status and/or are on leave without pay (LWOP) are provided below:

- **Employees on Leave Without Pay (LWOP) -** Employees in L status on December 1, 2026, are not eligible for the longevity payment unless the leave qualifies as Family and Medical Leave Act (FMLA) LWOP or Military LWOP. If the "Longevity Counter" field on the DEPTD screen was not programmatically increased by 12 in October 2026, increase the field by the number of months worked since December 1, 2025. If the "Longevity Counter" was increased on October 1, 2026, decrease the field by the number of months not worked since December 1, 2025, excluding eligible FMLA LWOP and Military LWOP service credit.

- **Employees on Long Leave Without Pay for FMLA Purposes (FMLA LWOP) -** Employees on qualifying FMLA LWOP are eligible to receive the longevity payment upon returning to active pay status and receive eligible service credit for the period of FMLA LWOP. The "Longevity Counter" field on the DEPTD screen should include both months worked and eligible months on FMLA LWOP since December 1, 2025. An OTPAY must be entered in HRM, and a completed One-Time Payment form must be submitted to Payroll. For specific instructions, contact the Payroll Hotline at 334-242-2188.

- **Employees on Military Leave Without Pay (Military LWOP) -** Employees on Military LWOP are eligible to receive the longevity payment and receive eligible service credit for the period of Military LWOP. If the "Longevity Counter" field on the DEPTD screen was not programmatically increased by 12 on October 1, 2026, increase the field to reflect both months worked and months on Military LWOP since December 1, 2025. Eligible employees will be paid on a supplemental payroll processed on December 4, 2026. The OTPAYS must be entered in HRM, and the attached Military One-Time Payment form must be completed and submitted to Payroll by email at Comptroller--Payroll@comptroller.alabama.gov no later than 12:00 p.m. on November 25, 2026.

- **Employees Out of Work Due to a Work-Related Injury -** Longevity payments will be automatically generated for employees in W status due to a work-related injury. However, the "Longevity Counter" field on the DEPTD screen must be adjusted no later than 12:00 p.m. on November 13, 2026, to reflect only two-thirds credit for the months the employee is in this status.

- **Permanent Part-Time Employees -** The longevity payment for permanent part-time employees is calculated based on the percentage of full-time hours worked and length of service. The employee's work percentage is reflected in the "Percent Full Time" field on

the ESMT and will be included on the longevity report available on our website. To calculate the prorated amount, use the percentage shown on the report as described below:

- Multiply the percentage shown in the "Percent Full Time" field by the longevity payment amount applicable to the employee's years of service. Years of service are converted to months in the "Longevity Counter" field on the DEPTD screen. For example, Employee A works 75% of full-time hours and has 126 months on the Longevity Counter. Based on the schedule below, Employee A would be due $525.00 ($700 x .75 = $525.00).

After calculating the amount for each permanent part-time employee, enter the OTPAYS in HRM and submit the attached One-Time Payment form for Permanent Part-Time Employees to Payroll at the State Comptroller's Office by email at Comptroller--Payroll@comptroller.alabama.gov or by no later than 12:00 p.m. on November 13, 2026.

- **Permanent Hourly Employees -** The "Percent Full Time" field on the ESMT for hourly employees does not accurately reflect the employee's actual work percentage. The percentage must be calculated based on hours worked. To calculate the "Percent Full Time" as of December 1, 2026, divide the total number of hours worked since December 1, 2025, plus the remaining work hours to be paid through December 1, 2026, by 2,080 annual work hours.

  - For example, Employee B worked 150 hours through December 31, 2025, and will have worked an additional 900 hours from January through December 1, 2026, for a total of 1,050 hours. The employee has 191 months on the Longevity Counter. The Percent Full Time is calculated as 1,050 / 2,080 = .50480769, which is rounded to .50. Based on the schedule below, Employee B would be due $400.00 (.50 x $800 = $400.00).

  After calculating the amount for each permanent hourly employee, complete and submit the appropriate One-Time Payment form to Payroll at the State Comptroller's Office by email at Comptroller--Payroll@comptroller.alabama.gov no later than 12:00 p.m. on November 13, 2026.

A longevity one-time payment for each eligible employee will be loaded into HRM during nightly cycle processing on November 13, 2026, and will be available for review on the PENDING PAY screen in HRM on November 16, 2026. If an employee will not be in active pay status on December 1, 2026, because the employee is on leave without pay, excluding qualifying FMLA LWOP and Military LWOP, the agency must delete the pending payment no later than 12:00 p.m. on November 25, 2026. Longevity payments will be included in employees' regular payroll checks, and accounting entries will be processed on PRLVP documents for the regularly scheduled semi-arrears and semi-monthly payrolls.

The longevity payments due to full-time employees, as amended in 2006 pursuant to Section 36-6-11, *Code of Alabama 1975*, are as follows:

Less than 5 years total service (0-59 months)	$ -0-
Completed 5 but less than 10 years total service (60-119 months)	600.00
Completed 10 but less than 15 years total service (120-179 months)	700.00
Completed 15 but less than 20 years total service (180-239 months)	800.00
Completed 20 but less than 25 years total service (240-299 months)	900.00
25 or more years total service (over 300 months)	1,000.00

Departments are responsible for determining, in accordance with applicable law and the requirements outlined in this memorandum, each employee's eligibility and total allowable service time for purposes of determining the amount of longevity pay due.

Federal tax will be withheld at a flat rate of 22 percent, and state tax will be withheld at a flat rate of 5 percent. If an employee's regular pay is subject to FICA and/or Medicare, the longevity payment is also subject to FICA and/or Medicare. Longevity pay is not subject to retirement.

The longevity payment will be included in employees' payroll checks and is subject to direct deposit.

If you have any questions or require additional assistance, please contact the Payroll Hotline at 334-242-2188.

KDB/lsb

Attachments