

2014 Legislative Summary

2014 Enacted Legislation

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2014 Enacted Legislation

HB 477 (Act 497) – Employees' Retirement System of Georgia; Georgia Judicial Retirement System; transfer service credit

This bill allows a member of the Employees' Retirement System of Georgia (ERS) who was previously an active member of the Judicial Retirement System (JRS) to transfer JRS service to ERS.

If the member has withdrawn contributions from JRS, the member may establish such amount as the member desires; however, no service shall be granted in excess of the service credited under JRS. No service shall be credited that will create an accrued liability on the system.

Effective Date: 7/1/14

Signed by Governor: 4/15/14

HB 761 (Act 508) – Public Retirement Systems Standards Law; definition of annual required contribution; change references

This legislation updates the Public Retirement Systems Standards law by providing a reference date of June 15, 2013 for Governmental Accounting Standards Board (GASB) Statements 25 and 27. GASB provides financial reporting requirements for retirement systems.

Effective Date: 7/1/14

Signed by Governor: 4/15/14

2014 Enacted Legislation (continued)

HB 764 (Act 663) – Georgia State Employees’ Pension and Savings Plan; certain employees make contributions at rate of 5 percent unless otherwise specified; provide

The current tier for new hires of the ERS pension system contains both a defined benefit (DB) and a defined contribution (401(k)) component. Membership in the DB plan is mandatory for new hires; membership in the 401(k) plan is optional. Currently, new hires are automatically enrolled in the 401(k) plan with an initial contribution rate of 1% of their salary unless they opt out or otherwise elect to change their contribution rate. This bill changes the initial contribution rate to 5% of the employees’ salary for those hired after July 1, 2014, in order for the member to take advantage of the full state offered match. Employees may continue to opt out or otherwise elect to change their contribution rate.

Effective Date: 7/1/14

Signed by Governor: 4/29/14

HB 843 (Act 521) – Retirement and pensions; ensure compliance with federal laws and regulations; change certain provisions

In 2009/2010, legislation was passed to align Georgia law with the federal Internal Revenue Code. The IRS required this change to Georgia law in order to maintain compliance with IRS regulations as it relates to qualified plan status for ERS and TRS. These changes are minor and impact the General Provisions (replace detailed IRC 415 language with a statement that the retirement systems will comply with IRC 415 requirements), Georgia Legislative Retirement System (add IRC 414 employer “pick-up” language) and the Georgia Judicial Retirement System (add IRC 414 employer “pick-up” language).

Effective Date: 7/1/14

Signed by Governor: 4/15/14
