

Legislative Update

Employees' Retirement System of Georgia

February 5, 2010

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Legislation, please visit:
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Legislative Adjournment Schedule Announced through March 2nd

February 8	Legislative Day 14
February 9	Legislative Day 15
February 10	Legislative Day 16
February 11	Legislative Day 17
February 12 - 15	Recess*
February 16	Legislative Day 18
February 17	Legislative Day 19
February 18	Legislative Day 20
February 19 - 22	Recess*
February 23	Legislative Day 21
February 24	Legislative Day 22
February 25	Legislative Day 23
February 26 - March 1	Recess*
March 2	Legislative Day 24

* Recess is when the General Assembly is not in Session.

LEGISLATIVE LOG

Monday, February 1, 2010

No Retirement Bills were considered today.

Tuesday, February 2, 2010

HB 916 - Retirement ages; nullify application for retirement; provisions

Clarifies requirements for ERS members returning to service after retirement as part of a clean up to Act 275 (2009) (HB 202). Specifically, a member that has not reached normal retirement age (60 with at least 10 years of service) on the effective date of their retirement is required to wait two consecutive calendar months prior to returning to employment. The employer of the member is also required to certify that no agreement exists to allow such employee to return to service, including service as an independent contractor.

LEGISLATIVE LOG - Continued

Members that have reached normal retirement age and return to service as an independent contractor are required to have their employing agency provide the Board of Trustees with certification that 1) the contracting entity has multiple employees; 2) the contracting entity has multiple contracts and the contracts are not limited to employers; and 3) the contractual relationship with the employer was not created to allow a retired employee to continue employment after retirement in a position similar to the one held before retirement.

HB 916 received a DO PASS from the House Rules Committee and was placed on the House Debate Calendar for 2/3/10.

Wednesday, February 3, 2010

HB 54 - Georgia Judicial Retirement System; survivors' benefits; provisions

Allows any member of the Judicial Retirement System (JRS) who once rejected spouses' benefits within 90 days of first becoming a member the opportunity to purchase such benefits beginning July 1, 2010. The member must have at least 10 years of membership service to purchase such benefits and is required to pay full actuarial cost; therefore, creating no cost to JRS for this legislation.

HB 54 received a DO PASS from the House Rules Committee and was placed on the House Debate Calendar for 2/4/10.

HB 249 - Public Retirement Systems Investment Authority Law; define certain terms; provisions

Authorizes the Georgia Firefighters Pension Fund to invest in certain alternative investments.

HB 249 received a DO PASS BY COMMITTEE SUBSTITUTE from the House Retirement Committee.

HB 542 - Public School Employees Retirement System; maximum allowable benefit; increase

Increases the maximum benefit monthly benefit for PSERS members from \$12.00 to \$14.75 for each year of creditable service and increases the maximum monthly benefit from \$15.00 to \$16.00 for each year of creditable service, effective July 1, 2010, to the extent that funds are appropriated by the General Assembly.

Such increases will be payable to current and retired PSERS members.

HB 542 received a DO PASS BY COMMITTEE SUBSTITUTE from the House Retirement Committee.

LEGISLATIVE LOG - Continued

HB 916 - Retirement ages; nullify application for retirement; provisions

Clarifies requirements for ERS members returning to service after retirement as part of a clean up to Act 275 (2009) (HB 202). Specifically, a member that has not reached normal retirement age (60 with at least 10 years of service) on the effective date of their retirement is required to wait two consecutive calendar months prior to returning to employment. The employer of the member is also required to certify that no agreement exists to allow such employee to return to service, including service as an independent contractor.

Members that have reached normal retirement age and return to service as an independent contractor are required to have their employing agency provide the Board of Trustees with certification that 1) the contracting entity has multiple employees; 2) the contracting entity has multiple contracts and the contracts are not limited to employers; and 3) the contractual relationship with the employer was not created to allow a retired employee to continue employment after retirement in a position similar to the one held before retirement.

HB 916 received a DO PASS from the full House by a vote of 167 - 1.

HB 960 - Georgia Defined Contribution Plan; make lump sum payment upon death; change

Changes the default beneficiary for GDCP members when a designation has not been made from the member's estate to follow the Per Stirpes Rules.

Currently, if the member has not chosen a beneficiary, the beneficiary automatically defaults to the member's estate. GDCP by nature has many temporary members that may not choose a beneficiary. This legislation allows the designation to follow the Per Stirpes Rules as outlined in 53-2-1.

HB 960 received a DO PASS from the House Retirement Committee.

HB 969 - Retirement and pensions; comply with federal law; amend certain provisions

This legislation is sponsored by the Teachers Retirement System (TRS) and mainly relates to that system; however, there are changes in Chapter 1 of Title 47, as well as changes in the PSERS statute. Changes to PSERS include:

PSERS members who have not reached normal retirement age that return to service in any public school position which requires membership in PSERS must cease their retirement benefit and the retired member shall re-establish active membership in PSERS. At the end of such service, or upon normal retirement age and cessation of contributions, the retired member will receive a retirement benefit based on the member's total accrued service and;

LEGISLATIVE LOG - Continued

- PSERS members who have reached normal retirement age and return to service as a public school employee in any position that would normally require membership in PSERS have the option to:
 - Cease their retirement benefit and the retired member shall re-establish active membership in PSERS. At the end of such service, the retired member will receive a retirement benefit based on the member's total accrued service or;
 - Not contribute to the system, in which event the member's retirement benefit shall not cease, and no additional benefits will accrue.
- Requires employers that employ retired PSERS members to certify in writing:
 - The name of the member and if the retired member is age 65 or older,
 - The retired member's election to either discontinue benefits and resume contributions or to continue receiving retirement benefits and accrue no additional credits under the retirement system.
- Any employer that fails to give such notification shall reimburse the retirement system any benefits wrongfully paid. The retired member must notify the employer of their retirement status prior to employment.

HB 969 received a DO PASS BY COMMITTEE SUBSTITUTE from the House Retirement Committee.

HB 997 - Social Security Coverage Group; State Personnel Administration jurisdiction; provide

Updates Chapter 18 of Title 47 relating to Social Security and moves the responsibilities to the State Personnel Administration.

HB 997 received a DO PASS from the House Retirement Committee.

Thursday, February 4, 2010

HB 54 - Georgia Judicial Retirement System; survivors' benefits; provisions

Allows any member of the Judicial Retirement System (JRS) who once rejected spouses' benefits within 90 days of first becoming a member the opportunity to purchase such benefits beginning July 1, 2010. The member must have at least 10 years of membership service to purchase such benefits and is required to pay full actuarial cost; therefore, creating no cost to JRS for this legislation.

HB 54 received a DO PASS from the full House by a vote of 164 - 0.

SB 283 - Retirement; no person who becomes tax commissioner; on/after July 1, 2010; membership in Employees' Retirement System of Georgia

Prohibits tax commissioners, tax collectors, tax receivers and employees of such officers from becoming members of ERS for persons who take such positions on or after July 1, 2010. Any person holding such a position on June 30, 2010 would be permitted to remain a member of ERS. There would be no cost to ERS for this legislation.

LEGISLATIVE LOG - Continued

SB 283 received a DO PASS from the Senate Rules Committee and was placed on the Senate Debate Calendar for 2/5/10.

Friday, February 5, 2010

SB 283 - Retirement; no person who becomes tax commissioner; on/after July 1, 2010; membership in Employees' Retirement System of Georgia

Prohibits tax commissioners, tax collectors, tax receivers and employees of such officers from becoming members of ERS for persons who take such positions on or after July 1, 2010. Any person holding such a position on June 30, 2010 would be permitted to remain a member of ERS. There would be no cost to ERS for this legislation.

SB 283 received a DO PASS from the full Senate by a vote of 48 - 2.
