

Legislative Retirement System (LRS) Plan Guide



Table of Contents

Introduction	3
Membership	4
Contributions	5
Service	6
Benefits Eligibility	8
Service Retirement	9
Service Retirement Benefit Formula	10
Death Benefits	12
Refund of Contributions and Interest	13
Optional Forms of Payment	14
Group Term Life Insurance	16
Benefit Payment Details	17
Returning to State Employment	18
Designating a Beneficiary	19
<i>Appendix A</i>	20



This Handbook summarizes the main provisions of laws that provide benefits to certain State of Georgia employees. Unless otherwise specifically indicated, the Handbook describes these laws as in effect on September 1, 2012.

It is important to remember that this Handbook is only a summary of the law, and therefore provides only general information. A summary cannot deal with every possible set of circumstances. Also, from time to time, the laws will be amended, and while we make every effort to update this Handbook in a timely fashion, there may be a period of time during which the Handbook does not reflect recent changes in the law. If something is not covered in detail in this summary, or if this summary can be read to be inconsistent with the governing laws, the law will control.

It is important that you read the entire handbook. Reading only portions can be confusing and misleading.



About The Benefits Described in this Handbook

The Legislative Retirement System (LRS) was established on July 1, 1967, as provided by laws enacted through the Georgia General Assembly.

Laws governing LRS provide for lifetime retirement benefits, disability benefits, and death benefits to LRS Members who earn enough years of service to qualify. Members who have terminated employment may also choose to receive a refund of their Contributions plus Interest, regardless of the amount of service they earned. Employee and Employer Contributions are paid into the retirement fund for the welfare of Members and their beneficiaries. All benefits are paid from this fund. Benefit structures may have changed over time, and any benefit provisions which no longer apply to any active member or apply only to a small population may not be covered in detail in this Handbook.

An independent actuarial firm specializing in pension and retirement plans examines the fund every year. The actuarial firm prepares an annual valuation on the ability of the fund to meet future obligations, and every five years performs an actuarial experience study. The System is also examined annually by an independent accounting firm.

LRS is administered by the Employees' Retirement System of Georgia (ERSGA). A Board of Trustees is responsible for the administration of LRS. Daily operations are under the direct administration of the ERSGA Director and staff. For more information about the Board of Trustees, please visit our web site.

Contacting ERSGA

ERSGA maintains a website at <http://www.ers.ga.gov>. Through this website, you can:

- Access your personal account information
- Conduct transactions such as designating a beneficiary and estimating your retirement benefits
- Download this Handbook, pamphlets, and various forms
- Review frequently asked questions
- Obtain information about legislation under consideration by the Georgia General Assembly
- Link to other websites

Inquiries related to retirement or general inquiries about LRS can be emailed to: contact@ers.ga.gov.

Mailing Address:
Employees' Retirement System of Georgia
Two Northside 75, Suite 300
Atlanta, GA 30318

Fax:
Financial Management: (404) 350-6304
Member Services: (404) 350-6310
Seminars: (404) 350-6306

Phone:
General Number: (404) 350-6300
Toll free: 1-800-805-4609 (outside metro Atlanta area)
Hours of Operation: 8:00 am to 4:30 pm ET

To contact Peach State Reserves, call toll free: 1-866-694-2777

Other retirement systems included under the authority of ERSGA are:

- Employees' Retirement System (ERS)
- Public School Employees Retirement System (PSERS)
- Georgia Judicial Retirement System (GJRS)
- Georgia Defined Contribution Plan (GDGP)
- Georgia Military Pension Fund (GMPF)

ERSGA also administers:

- Group Term Life Insurance (GTLI) program
- Peach State Reserves program (PSR) — the State's 457 and 401(k) Plans

Information about these plans can be found on our website.

Eligibility for Membership

The following individuals are eligible for membership in LRS:

- Members of the General Assembly
- Staff members: the Secretary of the Senate, the Clerk of the House of Representatives, and the messenger and doorkeeper for each of the two houses of the General Assembly

Membership in LRS is optional for General Assembly members and staff members. All active Members of LRS prior to July 1, 2012 will remain so until they leave office. Effective July 1, 2012, anyone who first or again becomes a member of the General Assembly and is not already an active Member of LRS may make an irrevocable election at the beginning of each term of office to become a Member of LRS within two months of taking office. Once the election to become a Member of LRS is made, the election remains in force for all subsequent consecutive terms of office.

If you do not elect to participate in LRS, you will be given an opportunity to elect to become a Member upon your subsequent reelection to the General Assembly, at the beginning of your next term of office. However, any such later election of LRS membership will be from that date forward only; you will not be eligible for credit for your service in the General Assembly prior to your election to become a Member of LRS. Further, if you decline to become an active LRS Member, you will be prohibited from participation in any other public retirement or pension system while serving in the General Assembly. Therefore, you should carefully consider whether your participation in LRS is the right decision for you and your family.

In 1971, LRS merged with the Employees' Retirement System (ERS), and in 1981, LRS was reactivated as a separate plan. When LRS became its own plan again in 1981, Members were given the opportunity to transfer their ERS Creditable Service and Contributions to LRS. Any Member who made this election has retained all of the rights and privileges possessed under ERS and can contact ERSGA for more information regarding these rights and privileges.

Please note: *The final conviction of certain crimes can affect a person's LRS status, as well as the claim to any benefits earned through LRS. Please contact ERSGA directly with questions regarding the right to benefits under these circumstances.*

The retirement benefits paid through LRS are funded through Employee Contributions and Employer Contributions. This section of the Handbook describes the contributions made on behalf of each participating Member.

Employee Contributions

Contributions of 8.5% of your monthly salary are deposited to your Employee Contributions account each month, of which the State “picks-up” 4.75% of your monthly salary less \$7. The balance (3.75% plus \$7 per month) is paid by you. The State of Georgia assumed responsibility for the “pick-up” portion of each Member’s Employee Contributions effective January 12, 1981.

For more information about GTLI, please see the Handbook section titled “Group Term Life Insurance”.

If you became an LRS Member before July 1, 2009, both you and the State pay an additional 0.25% of your monthly salary toward the Group Term Life Insurance (GTLI) benefit. If you became an LRS Member on or after July 1, 2009, you are not eligible for the GTLI benefit.

The Employee Contributions put into your Employee Contributions account start earning 4% interest (compounded annually) after being in your account for one year. Earned interest is posted on June 30 of each year to Employee Contributions accounts belonging to Members who are employed at that time. Interest is not posted to any Employee Contributions account belonging to a Member who has terminated employment.



Employer Contributions

In addition to the Employee Contributions made to LRS on a Member’s behalf, the State also makes additional contributions in order to provide for the Member’s LRS benefit. The Employer Contribution amount is an actuarially determined amount that is approved by the Board. It is not applied to the Members’ Employee Contributions accounts, and it is not refundable to any Member.

Creditable Service is made up of Membership Service, refund buybacks, and military service. Creditable Service is used to determine:

- Whether a Member has earned a right to a retirement benefit (“vesting”)
- A Member’s eligibility for certain Plan benefits
- The amount of benefits payable upon a Member’s retirement

For more information about how a Member’s rights to retirement benefits are determined, please see the Handbook section titled “Benefits Eligibility”. For more information about how retirement benefits are calculated, please see the Handbook section titled “Service Retirement.”

After January 1, 1981, Creditable Service established under LRS cannot be used for or transferred to any other public retirement or pension system in the State of Georgia.

Membership Service

Members earn a year of Membership Service for each year they are a contributing Member of LRS.

Establishing Creditable Service through Refund Payback

A Member who ceases to be a member of the General Assembly or a staff member before becoming eligible for retirement can receive a refund of the Employee Contributions account. If you receive such a refund, you forfeit all Creditable Service for the period of employment covered by the refund.

For more information about how to receive a refund of your Employee Contributions account, please see the Handbook section titled “Refund of Contributions and Interest”.

However, if you return to the General Assembly, you can re-establish your Creditable Service via a “buyback”. To do so, you must make a lump sum payment to LRS equal to the refund amount you originally received, plus 4% interest (compounded annually from the refund date to the buyback date).

Military Service

If you have 8 or more years of Creditable Service in LRS and you served on active duty in the United States armed forces and were honorably discharged during a period during which the draft was active, you may receive credit for up to five years of military service.

If your period of active duty was more than one year, you may receive one year of military service credit for every five years of Creditable Service that you have otherwise earned in LRS. If you served in active duty for less than one year, you may receive one month of military service credit for every five months of Creditable Service that you have otherwise earned in LRS.

In order to receive the military service credit, you must pay LRS an amount equal to 7½% of the compensation received by members of the General Assembly at the time the military service was rendered, plus 7% interest compounded annually from the time the military service was rendered until the date you make the payment.

You may not receive credit for the period of military service under LRS if the period of military service has or may be used to determine the benefit under any other State retirement or pension program, any retirement or pension program of a political subdivision, or any federal retirement or pension program (except Social Security and those retirement programs covered under Public Law 810, 80th Congress, as amended).

In addition, the Uniformed Service Employment and Reemployment Rights Act (“USERRA”) provides you with certain rights regarding your employment and retirement benefits, if you perform qualified military service. If you return to employment after a military leave, you may receive Creditable Service for your period of leave if:

- You apply with LRS in writing to establish the service
- You pay the applicable Employee Contributions for the period of service (these Contributions must be paid within a period up to the lesser of three times the length of your military service, or five years)

If you left LRS employment to perform military service before October 13, 1994, you should contact ERSGA for information about your rights to establish Creditable Service.

If you are called to active duty in the National Guard or Reserves, you are permitted to make Employee Contributions to LRS during your period of active duty. If you’d like to take advantage of this opportunity, you must provide ERSGA with a copy of your orders to active duty as soon as possible after receiving them.



The retirement benefits available to a Member under LRS are based upon a benefit formula and are funded through both Employee Contributions and Employer Contributions. You will always have a nonforfeitable right to your Employee Contributions. However, you must earn a right to receive other benefits. This right is referred to as a “vested” right.

Once you have eight years of Creditable Service you are “vested” in your LRS benefit, meaning that you are irrevocably entitled to a monthly benefit at age 65 or at retirement if later. If you leave LRS before earning eight years of Creditable Service, you will be eligible for a refund of your Employee Contribution account.

If you have at least eight years of Membership Service included in your Creditable Service, you can retire at age 62 with a lifetime retirement benefit, or you can retire as early as age 60 with a reduction to your lifetime benefit.

When you terminate employment, you may be eligible for one of the following types of benefits from the plan, depending on your hire date and your years of Creditable Service:

- Normal Retirement Benefit
- Early Retirement Benefit
- Terminated Vested Retirement Benefit
- Refund of your Contributions and Interest
- Disability Benefit
- Death Benefit

Your benefit may be forfeited under two situations: conviction of a state or federal public employment related crime, or a withdrawal of your Contributions and Interest.

Disability Benefit

If you have an LRS membership date that is before January 1, 1981, and you have at least 13 years and 4 months of Creditable Service (which may include ERS service), you may be eligible for disability retirement benefits. Contact ERSGA for more information regarding disability retirement benefits under LRS.

There are three different types of Service Retirement you can apply for in this Plan: Normal Retirement, Early Retirement, and Terminated Vested Retirement.

Normal Retirement

You can begin receiving monthly Normal Retirement benefits as early as the first day of the month following the date that you attain your Normal Retirement Age. Normal Retirement Age is defined as:

- The attainment of age 62 and eight years of Membership Service, or
- The attainment of age 65 and less than eight years of Membership Service, but at least eight years of Creditable Service

In most cases, your Membership Service will equal your Creditable Service.

Early Retirement

You can begin receiving monthly Early Retirement benefits as early as the first day of the month following the date you attain age 60, provided you have at least eight years of Membership Service. The benefit payable at Early Retirement will be an amount equal to your Normal Retirement benefit earned at that time, reduced by 5% for each year you are commencing benefits prior to age 62.

Terminated Vested Retirement

If you terminate employment after reaching eight years of Membership Service, but prior to age 60, you will be eligible to start drawing a retirement benefit once you reach age 60. The benefit payable at age 60 will be an amount equal to your Normal Retirement benefit earned at that time, reduced by 5% for each year you are commencing benefits prior to age 62. You should contact ERSGA within 90 days prior to your 60th (or 62nd) birthday.

If you withdraw your Contributions plus Interest at any time, you will automatically forfeit the monthly benefit payable at age 62 or age 65.

If you terminate employment with less than eight years of Membership Service but after reaching eight years of Creditable Service, and prior to age 65, you will be eligible to start drawing a retirement benefit once you reach age 65. The benefit payable at age 65 will be an amount equal to your Normal Retirement benefit earned at that time.



A Member's effective retirement date will be the first day of the month in which the Member's retirement application is received by ERS or, if later, the first of the month following the Member's termination of employment. A Member's retirement application cannot be accepted by ERS earlier than 90 days before the Member's effective retirement date. It generally takes ERS about 30 days to process a retirement application.

The benefit formula used to calculate normal retirement benefits under LRS is:

$$\text{Creditable Service} \times \$36 = \text{Maximum Plan Benefit}$$

The benefit formula calculates the amount payable under the Maximum Plan Benefit form of benefit, which provides for a monthly benefit payable for the life of the Member. Upon the Member's death, the Member's named beneficiary will receive any unpaid Employee Contributions plus the check for the month of the Member's death. No further benefits will be due after the month of the Member's death. Forms of payment other than the Maximum Plan Benefit may be available to you. For more information about the forms of payment available under LRS, please see the section of this Handbook titled "Distributions at Retirement."

For a reduction in benefit, you may elect to provide survivor benefits to a beneficiary(ies) in lieu of a benefit for only your lifetime. See the Handbook section titled "Optional Forms of Benefit".

As long as you are vested, you can begin receiving unreduced benefits as early as age 62. If you choose to begin receiving benefits earlier than age 62, the Maximum Plan Benefit payable at age 62 will be reduced by 5% for each year under age 62 that you commence.

Normal Retirement Calculation Example

You choose to commence benefits at age 62 and have elected benefit payment Option 1, which provides for a monthly payment for your lifetime. Upon your death, your beneficiary(ies) will receive a monthly benefit for his or her lifetime equal to 100% of the monthly benefit you were receiving.

Age at Commencement of Benefits	Beneficiary's Age	Years of Creditable Service (all Membership Service)
62	60	12 (8)

Step 1: Calculate the Normal Retirement Benefit

Creditable Service x \$36.00
 12 years x \$36.00 = **\$432.00** per month (Maximum Plan Benefit)

Step 2: Calculate the Option 1 Benefit

Maximum Plan Benefit x Option 1 Factor
 \$432.00 x .845* = **\$365.04**, monthly benefit payable to you
 \$365.04 x 100% = **\$365.04**, monthly benefit payable to your beneficiary(ies)

*The Option 1 factor is dependent on your age and the age of your beneficiary(ies) as of your retirement effective date. See Appendix A for a table of option factors.

Early Retirement Calculation Example

You choose to commence benefits at age 60 and have elected to receive the Maximum Plan Benefit, which provides for a monthly payment for your lifetime. Upon your death, no further monthly benefits are payable.

Age at Commencement of Benefits	Years of Creditable Service (all Membership Service)
60	8

Step 1: Calculate the Normal Retirement Benefit

Creditable Service x \$36
8 years x \$36.00 = **\$288.00** per month (Maximum Plan Benefit)

Step 2: Calculate the Early Retirement Benefit

Maximum Plan Benefit x Early Reduction Factor
 $\$288.00 \times .10^* = \28.80 , reduction for early retirement
 $\$288.00 - \$28.80 = \mathbf{\$259.20}$, monthly benefit payable to you

*5% reduction for each year the Member is commencing before age 62.

Limitations on Benefits

Section 415 of the federal Internal Revenue Code limits the amount of benefits you can receive from LRS. You will be notified if the benefit that you would otherwise be eligible to receive under LRS exceeds this limit.



The benefits payable to your beneficiary(ies) upon your death are dependent upon your employment / retirement status, age, Creditable Service, and Membership Service at the time of your death.

Death Before Retirement, Monthly Death Benefit

If you are actively contributing to LRS at the time of your death, your named, living beneficiary(ies) will be eligible to receive a monthly death benefit if you meet one of the following qualifications:

- Attainment of at least 15 years of Creditable Service, or
- Attainment of at least age 60 and at least eight years of Membership Service, or
- Attainment of at least age 65 and at least eight years of Creditable Service

The monthly death benefit is equal to the amount the Member would have received if the Member had retired under Option 1 (100% Survivor Benefit).

A non-living beneficiary, such as an estate or trust, cannot receive a lifetime monthly benefit. If you meet one or more of the qualifications above, but either have not named a beneficiary(ies) or no living beneficiary(ies) have survived you, then the death benefit will be a lump sum payment of your Contributions plus Interest, payable to your estate.

Death Before Retirement, Refund of Contributions plus Interest

If you are actively contributing to LRS at the time of your death, but you do not meet the qualifications listed above for a monthly death benefit, then your death benefit will be a lump sum payment of your Contributions plus Interest, payable to your named beneficiary(ies). If you have not named a beneficiary(ies) or no living beneficiary(ies) have survived you, then the lump sum will be payable to your estate.

If you are not actively contributing to LRS at the time of your death, then the death benefit will be a lump sum payment of your Contributions plus Interest, payable to your named beneficiary(ies). If you have not named a beneficiary(ies) or no living beneficiary(ies) have survived you, then the lump sum will be payable to your estate.

Death while Receiving Benefits

If you are receiving your monthly retirement benefit at the time of your death, then the benefits payable to your beneficiary(ies), if any, will be based on the optional form of payment you chose at the time of your retirement. Please see the Handbook section titled "Optional Forms of Payment" for more information.

Group Term Life Insurance

Please see the Handbook section titled "Group Term Life Insurance" for information regarding this benefit.

As a Member of LRS, you are required to make Employee Contributions into the System. You are always 100% vested in your Employee Contributions (including “pick-up” contributions) and any applicable interest earned in your Employee Contributions account.

When you terminate State employment, regardless of your age or years of Creditable Service or Membership Service, you are immediately entitled to receive a refund of your Employee Contributions account in a lump sum payment. Taking a refund, however, has several consequences:

- You waive all other rights in the LRS plan. No other benefits will be payable to you or to any beneficiary(ies). **If you have eight or more years of Creditable Service and are vested in a monthly benefit, taking a refund cancels your right to receive a monthly benefit in the future.**
- You end your plan membership. If you are later rehired, you will become a Member again under the terms of the plan in effect at your rehire date. This is true even if you later buy back your refunded Creditable Service.
- **If you have GTLI coverage, you waive such coverage when you receive your refund.**

Employer Contributions (other than pick-up contributions) and contributions you make for GTLI premiums are not refundable to you.

Please contact ERSGA for information about how to apply for a refund of your Employee Contributions account.

For more information about Employee Contributions, please see the Handbook section titled “Contributions.”

For more information about buying back Creditable Service after taking a refund, please see the Handbook section titled “Service”, subsection “Refund Buyback.”

When you retire, you have several ways in which to receive your benefit payments. Every payment option provides a monthly benefit for your lifetime, and some options provide a benefit to one or more beneficiaries after your death. Please see the section of this Handbook titled “Designating a Beneficiary” for more information regarding how to designate a beneficiary.

The Maximum Plan Benefit provides the highest monthly benefit available to you, because it does not provide a monthly benefit to anyone after your death. Other benefit options pay a reduced monthly benefit to you, in order to provide for certain specified beneficiary payments. Detailed descriptions of the various options are shown in the table below.

Actuarial tables are used to determine the amount of the reduction of your benefit, in the event that you choose one of the optional benefits. Tables used to determine the benefit payable under Options 1 and 2 are provided in Appendix A to this Handbook. Please contact ERSGA if you need further information about the actuarial tables.

It is important that you think carefully about your decision before making a payment option selection. In most cases, you cannot change your payment option after you receive your first monthly benefit payment. Before making your decision, you should obtain an estimate calculation of the amounts payable to you under the various payment options.

Benefit Payment Options

<p>Maximum Plan Benefit (Life Annuity)</p>	<p><i>Payable to You:</i> The highest monthly benefit available to you, payable for your lifetime.</p> <p><i>Payable to Your Beneficiary:</i> No monthly benefit is payable after your death. If you die before you receive total payments which at least equal your Employee Contributions account, your beneficiary(ies) will receive the difference in a single payment.</p> <p><i>Who May Be a Beneficiary:</i> An estate, a charity, a trust, or a living person(s).</p> <p><i>Changing a Beneficiary:</i> You may do this at any time.</p>
<p>Option 1 (100% Survivor Benefit)</p>	<p><i>Payable to You:</i> A reduced monthly benefit, payable for your lifetime.</p> <p><i>Payable to Your Beneficiary:</i> A monthly benefit equal to 100% of the monthly benefit you received during your lifetime, payable for the lifetime of the beneficiary(ies).</p> <p><i>Who May Be a Beneficiary:</i> A living person(s). If multiple beneficiaries are named, each beneficiary will receive a partial amount based on their respective ages. NOTE: This option may not be available with the election of a non-spouse beneficiary who is more than 10 years younger than the Member.</p> <p><i>Changing a Beneficiary:</i> You may not change your beneficiary(ies) after you receive your first monthly payment.</p>

**Option 2
(50% Survivor Benefit)**

Payable to You: A reduced monthly benefit, payable for your lifetime.

Payable to Your Beneficiary: A monthly benefit equal to 50% of the monthly benefit you received during your lifetime, payable for the lifetime of the beneficiary(ies).

Who May Be a Beneficiary: A living person(s). If multiple beneficiaries are named, each beneficiary will receive a partial amount based on their respective ages.

Changing a Beneficiary: You may not change your beneficiary(ies) after you receive your first monthly payment.



Participation in Group Term Life Insurance (GTLI) is mandatory and a condition of employment for all LRS Members who first joined the General Assembly before July 1, 2009. Members who joined the General Assembly on or after July 1, 2009 do not have GTLI coverage. GTLI provides a lump sum death benefit in the event of your death while active or as a retiree.

While you are actively contributing to LRS, premiums equal to $\frac{1}{4}\%$ of your monthly salary are deducted from your pay. An additional premium of $\frac{1}{4}\%$ of your monthly salary is “picked up” by your Employer. Premiums for GTLI are not refundable at any time.

If a Member has earned service prior to April 1, 1964, special rules apply to the calculation of this benefit. Please contact ERSGA if you fall into this category. If you retired before 7/1/1998, please contact ERSGA to determine how your benefit may have been calculated, as rules have changed over time.

The base GTLI benefit is 18 times your monthly salary. However, as you get older, this base benefit is reduced. At age 60, your monthly salary used to determine your GTLI benefit is frozen and your coverage begins reducing by $\frac{1}{2}\%$ per month until you reach age 65.

When you retire, your GTLI coverage continues; however, you will pay no premiums, and the amount of coverage regardless of age is reduced to 70% of the benefit payable at the date of retirement or age 60, whichever was earlier.

GTLI after Termination

If you leave the General Assembly with at least 18 years of Creditable Service, GTLI coverage is automatically retained. Premiums in the amount of 1% of your final monthly salary accumulate each month while vested, and are due at retirement, refund of Employee Contributions account, or death. *This coverage can be discontinued only by a written request to ERSGA, and premiums will continue to accrue until this request is received by our office.*

If you take a refund of your LRS Employee Contributions account, coverage in GTLI is revoked.

Cost of Living Adjustments

Each year, the Board of Trustees may consider the grant of a Cost of Living Adjustment (COLA) for retirees. The decision will be based on the long term financial soundness of the pension system. COLAs are **not** guaranteed and you should not base your financial decisions on the possibility of a COLA until a COLA has been announced.

Protection of Benefits

Your benefits from LRS are not subject to levy and sale, garnishment, attachment, or any other process or claim, except with regard to an IRS levy, court-ordered child support, or court-ordered sanctions due to conviction of certain criminal acts. Your benefits are not assignable even with a Domestic Relations Order (DRO).

Correcting a Benefit Error

The Board of Trustees of LRS is in charge of all records of the retirement system. If you receive more or less than the benefit to which you are entitled due to an error, the error will be corrected upon discovery and your benefit will be adjusted accordingly. With errors, there is a potential for underpayments or overpayments. Underpayments will be made to you as soon as possible. For any overpayments, your repayment is required and repayment options will be discussed with you.

Deductions

Your LRS retirement benefit is generally not assignable. This means that only limited deductions may be made from your retirement check, such as:

- Federal income tax
- Georgia state income tax
- Health insurance premiums
- Dental insurance premiums
- GTLI premiums (if applicable)
- Some credit unions

Taxes

Employee Contributions made by a Member are contributed to LRS on an after-tax basis, and the portion of the retirement benefits which are attributable to these Employee Contributions is determined on a pro-rated basis using the tables found in the Internal Revenue Code to provide a partial tax exemption each calendar year.

However, Employee Contributions only provide a small portion of each monthly payment. The majority of the monthly payment is taxable to the retiree and/or beneficiary(ies). When the Employee Contributions are exhausted, the total benefit check is taxable. Each year a 1099-R is issued to every retiree and beneficiary receiving benefits to identify taxable retirement benefits when filing for income taxes.

Withholding forms (W-4P for federal and G-4P for Georgia state taxes) are included in the retirement packet. Retirees can change their tax withholding and direct deposit elections at any time by accessing your account at <http://www.ers.ga.gov>, or by contacting ERSGA.

Re-employment after Commencement of Retirement Benefits

If you return to the General Assembly after retirement and after reaching Normal Retirement Age, you will have to choose whether:

- To continue to receive your monthly retirement benefit, and not accrue any additional benefits under LRS, or
- To suspend your monthly retirement benefit and re-establish active LRS membership

Your election to re-establish LRS active membership must be made in writing to the Board within 30 days of the date you return to the General Assembly. When you resume your retirement, the additional Creditable Service you earn during your period of rehire will be added to the service you had earned at the time of your original retirement.

If you return to the General Assembly after retirement but before reaching Normal Retirement Age, your benefits will be suspended and you will re-establish active LRS membership. When you resume your retirement, the additional Creditable Service you earn during your period of rehire will be added to the service you had earned at the time of your original retirement.

If you return to service with the State of Georgia in any capacity other than as a member of the General Assembly or as a General Assembly staff member, your LRS benefit will be suspended if you work more than 1,040 hours during any calendar year.

Re-employment before Receiving a Refund of your Employee Contributions Account

If you leave the General Assembly and leave your Employee Contributions account with LRS, you have the opportunity to retain your membership rights under LRS in the event that you decide to return to active employment in the General Assembly.

Any previously earned Creditable Service will be added to any Creditable Service you earn upon your re-employment.

Re-employment after Receiving a Refund of your Employee Contributions Account

When you receive a refund of your Employee Contributions account, you forfeit any Creditable Service attributable to that same period of employment.

When you return to the General Assembly, you receive a new LRS membership date that disregards any prior membership you had under LRS. Your benefits will be based on the plan rules in place for new hires at the time of your re-employment.

You may re-establish the Creditable Service you forfeited when you received your refund, after you return to the General Assembly. To re-establish your Creditable Service, you must make a lump sum payment to LRS in an amount equal to the refund you originally received, plus 4% interest compounded annually from the date of your refund.

Even if you establish forfeited Creditable Service by paying back the refund of your Employee Contributions account, your membership date will not be adjusted back to your original membership date, and your benefits will be based on the plan rules in place for new hires at the time of your re-employment.

Actively Employed

All active LRS Members are strongly encouraged to designate one or more beneficiaries to receive the LRS benefit which may be payable at the Member's death. If you are covered under the Group Term Life Insurance (GTLI) benefit, you should also designate a beneficiary(ies) to receive that benefit.

Failure to designate a beneficiary(ies) will result in any applicable death benefits for an active Member being paid to the Member's estate. In certain circumstances, the death benefit payable to a living person is larger than the death benefit which may be paid to an estate. Please see the Handbook section titled "Death Benefits" for more information.

You will be asked to designate a primary beneficiary and a secondary beneficiary(ies) for both the retirement plan and the GTLI benefit (if applicable). You may designate one or more primary and one or more secondary beneficiary(ies) for each benefit. If you want your Estate to be your primary beneficiary, you do not need a secondary beneficiary.

A primary and a secondary beneficiary do not share benefits. A secondary beneficiary(ies) will only receive a benefit if there is no surviving primary beneficiary(ies) at the time the death benefit is to be paid, or if the primary beneficiary(ies) does not survive the Member by at least 32 days.

You may designate your retirement plan and GTLI (if applicable) beneficiary(ies) online at <http://www.ers.ga.gov> or by contacting ERSGA directly. You do not have to designate the same beneficiary(ies) for all of your benefit plans.

All beneficiary designations must be received in the ERSGA office prior to the death of the Member in order to be effective.

At Retirement

When you retire, you will be asked to choose the form of the benefit you wish to receive and designate the applicable beneficiary(ies) at that time. Please see the Handbook section titled "Optional Forms of Payment" for more information.



Optional Form Factors

The percentages in the following tables show the proportion of the Maximum Plan Benefit payable to you when choosing a survivor benefit. To calculate Options 1 and 2, find the percentage relating to your age and your beneficiary's age as of your retirement date and multiply the Maximum Plan Benefit amount by that factor. For multiple beneficiaries or Member/beneficiary ages not listed in the table, please contact ERSGA.

You can also generate an Estimate of your Retirement Benefit, including optional forms of payment, by choosing "Account Access" on our website.

Because of certain limitations under the federal Internal Revenue Code, you might not be eligible to elect the 100% Survivor Benefit under Option 1 if you elect a non-spouse beneficiary who is more than 10 years younger than you. If this is applicable, you can still choose the 50% Survivor Benefit under Option 2 with your chosen beneficiary.

Option 1: 100% Survivor Benefit

The following table shows the percentage of the monthly Maximum Plan Benefit as a result of receiving a monthly benefit in the form of Option 1.

Beneficiary Age	Retiring Member's Age					
	60	61	62	63	64	65
55	84.4%	83.1%	81.7%	80.2%	78.7%	77.1%
56	85.0%	83.6%	82.2%	80.8%	79.2%	77.6%
57	85.5%	84.2%	82.8%	81.3%	79.8%	78.3%
58	86.0%	84.7%	83.4%	81.9%	80.4%	78.9%
59	86.5%	85.3%	83.9%	82.5%	81.1%	79.5%
60	87.1%	85.8%	84.5%	83.2%	81.7%	80.2%
61	87.6%	86.4%	85.1%	83.8%	82.4%	80.9%
62	88.2%	87.0%	85.7%	84.4%	83.0%	81.5%
63	88.7%	87.6%	86.4%	85.1%	83.7%	82.2%
64	89.3%	88.2%	87.0%	85.7%	84.4%	82.9%
65	89.8%	88.7%	87.6%	86.4%	85.1%	83.7%
66	90.3%	89.3%	88.2%	87.0%	85.7%	84.4%
67	90.9%	89.9%	88.8%	87.7%	86.4%	85.1%
68	91.4%	90.4%	89.4%	88.3%	87.1%	85.8%
69	91.9%	91.0%	90.0%	88.9%	87.8%	86.6%
70	92.4%	91.6%	90.6%	89.6%	88.5%	87.3%

Option 2: 50% Survivor Benefit

The following table shows the percentage of the monthly Maximum Plan Benefit as a result of receiving a monthly benefit in the form of Option 2.

Beneficiary Age	Retiring Member's Age					
	60	61	62	63	64	65
55	91.6%	90.8%	89.9%	89.0%	88.1%	87.1%
56	91.9%	91.1%	90.3%	89.4%	88.4%	87.4%
57	92.2%	91.4%	90.6%	89.7%	88.8%	87.8%
58	92.5%	91.7%	90.9%	90.1%	89.2%	88.2%
59	92.8%	92.1%	91.3%	90.4%	89.5%	88.6%
60	93.1%	92.4%	91.6%	90.8%	89.9%	89.0%
61	93.4%	92.7%	92.0%	91.2%	90.3%	89.4%
62	93.7%	93.0%	92.3%	91.6%	90.7%	89.8%
63	94.0%	93.4%	92.7%	91.9%	91.1%	90.3%
64	94.3%	93.7%	93.0%	92.3%	91.5%	90.7%
65	94.6%	94.0%	93.4%	92.7%	91.9%	91.1%
66	94.9%	94.4%	93.7%	93.1%	92.3%	91.5%
67	95.2%	94.7%	94.1%	93.4%	92.7%	92.0%
68	95.5%	95.0%	94.4%	93.8%	93.1%	92.4%
69	95.8%	95.3%	94.7%	94.2%	93.5%	92.8%
70	96.1%	95.6%	95.1%	94.5%	93.9%	93.2%