

Legislative Update

Employees' Retirement System of Georgia

March 12, 2010

Page 1

Inside This Update

- 1 Adjournment Schedule
- 1 Legislative Log

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Legislation, please visit:
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Legislative Adjournment Schedule Announced through March 29th

| | |
|---------------|--------------------|
| March 11 | Legislative Day 24 |
| March 12 - 15 | Recess* |
| March 16 | Legislative Day 25 |
| March 17 | Legislative Day 26 |
| March 18 | Legislative Day 27 |
| March 19 - 21 | Recess* |
| March 22 | Legislative Day 28 |
| March 23 | Legislative Day 29 |
| March 24 | Recess* |
| March 25 | Legislative Day 30 |
| March 26 - 28 | Recess* |
| March 29 | Legislative Day 31 |

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

LEGISLATIVE LOG

Monday, March 8, 2010

No Retirement Bills were considered today.

Tuesday, March 9, 2010

No Retirement Bills were considered today.

Wednesday, March 10, 2010

HB 1237 - Retirement; Title 47; correct errors and omissions of the Official Code of Georgia Annotated

Corrects typographical, stylistic, and other errors and omissions in Title 47.

**HB 1237 received a DO PASS from the House Retirement
Committee.**

LEGISLATIVE LOG - Continued

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 BY COMMITTEE SUBSTITUTE from the House Retirement Committee.

Thursday, March 11, 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.

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 Senate 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;

- 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:

LEGISLATIVE LOG - Continued

- 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 from the Senate 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 Senate Retirement Committee.

HB 1380 - Insurance; insurable interest in retired employee; may void insurance; provisions

This legislation allows the State to have an insurable interest in life insurance for the purpose of allowing the purchase of life insurance on all current and retired employees.

The bill impacts current Group Term Life Insurance (GTLI) coverage for all current and retired employees by giving the State the ability to void current coverage (after a 10 day consent window) and replacing it with another life insurance policy. At this time, there is no data to support what type of coverage will be available to current and retired employees and if all members will be covered. There is also no data regarding the cost of premiums, which are required to be paid by the Employees' Retirement System of Georgia (ERSGA). Such payment of premiums could drastically impact the funding ratio of ERSGA.

HB 1380 was assigned to the House Appropriations Committee by the full House.

SB 436 - Retirement; repeal certain obsolete and inoperative provisions

Updates Title 47 by removing obsolete and dated language from the statute. Any rights that members had under such provisions will remain intact.

SB 436 received a DO PASS BY COMMITTEE SUBSTITUTE from the Senate Retirement Committee.

LEGISLATIVE LOG - Continued

Friday, March 12, 2010

No Bills were considered today due to the General Assembly being in Recess.
