

# Legislative Update

For the Week of: January 23 - 27, 2012  
Legislative Days: 6 - 9

January 27, 2012

Page 1

## Inside This Update

- 1 Legislative Schedule
- 2 Legislative Log

For More Information on  
Legislation, please visit:  
[www.ers.ga.gov](http://www.ers.ga.gov)

## Contact Us

**Jim Potvin**  
Interim Executive Director,  
ERSGA  
404-603-5605  
[jim.potvin@ers.ga.gov](mailto:jim.potvin@ers.ga.gov)

**Kelly L. Moody**  
Legislative Liaison and  
Assistant Director, ERS  
404-603-5646  
[kelly.moody@ers.ga.gov](mailto:kelly.moody@ers.ga.gov)

**Danise Thaxton**  
Executive Assistant to the  
Director, ERS  
404-603-5602  
[danise.thaxton@ers.ga.gov](mailto:danise.thaxton@ers.ga.gov)

## Legislative Adjournment Schedule Announced through March 12th

January 30	Legislative Day 10
January 31	Legislative Day 11
February 1	Legislative Day 12
February 2	Legislative Day 13
February 3	Legislative Day 14
February 4-5	Recess*
February 6	Legislative Day 15
February 7	Legislative Day 16
February 8	Legislative Day 17
February 9	Legislative Day 18
February 10-14	Recess*
February 15	Legislative Day 19
February 16	Legislative Day 20
February 17	Legislative Day 21
February 18-19	Recess*
February 20	Legislative Day 22
February 21	Legislative Day 23
February 22	Legislative Day 24
February 23	Legislative Day 25
February 24-26	Recess*
February 27	Legislative Day 26
February 28	Legislative Day 27
February 29	Legislative Day 28
March 1-4	Recess*
March 5	Legislative Day 29
March 6	Recess*
March 7	Legislative Day 30
March 8-11	Recess*
March 12	Legislative Day 31

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

## **Legislative Log**

**Monday, January 23, 2012**

### **HB 295 - Georgia State Employees Pension and Savings Plan; transfer of accrued benefit; provide**

This bill provides for transfers between the Georgia State Employees' Pension and Savings Plan (GSEPS) under the Employees' Retirement System (ERS) and the Teachers Retirement System (TRS) with retirement benefits being calculated on a pro-rated basis.

An individual could have nine years of TRS service and then transfers to the ERS (GSEPS) plan and lose the benefit they had under TRS. TRS is a 2% formula and ERS is now a 1% formula under GSEPS. This was an oversight when the new GSEPS plan was passed in 2008. This creates a windfall situation for some and a huge loss for others.

Under this legislation, if a non-vested GSEPS member of ERS transfers to TRS, the member would retain their 1% GSEPS ERS formula for the period they worked under ERS, and then would begin the 2% TRS formula once the transfer to TRS occurs.

If a non-vested member of TRS transfers to GSEPS under ERS, the member would retain their 2% TRS formula for the period they worked under TRS, and then would begin the 1% GSEPS ERS formula once the transfer to ERS occurs.

There is no cost to ERS for this legislation.

**HB 295 was placed on the House Debate Calendar for 1/24/12.**

**Tuesday, January 24, 2012**

### **HB 293 - Retirement bills; define a certain term**

This bill amends the definition of a fiscal retirement bill in the Public Retirement Systems Standards to include any bill or amendment which grants a public retirement system an insurable interest in active or retired members, or authorizes or directs a public retirement system to expend or obligate funds to purchase life insurances on its members. A bill of such nature will be required to go through the Retirement Committee.

**HB 293 received a DO PASS from the Senate Retirement Committee.**

### **HB 295 - Georgia State Employees Pension and Savings Plan; transfer of accrued benefit; provide**

This bill provides for transfers between the Georgia State Employees' Pension and Savings Plan (GSEPS) under the Employees' Retirement System (ERS) and the Teachers Retirement System (TRS) with retirement benefits being calculated on a pro-rated basis.

An individual could have nine years of TRS service and then transfers to the ERS (GSEPS) plan and lose the benefit they had under TRS. TRS is a 2% formula and ERS is now a 1% formula under GSEPS. This was an oversight when the new GSEPS plan was passed in 2008. This creates a windfall situation for some and a huge loss for others.

## ***Legislative Log (continued)***

Under this legislation, if a non-vested GSEPS member of ERS transfers to TRS, the member would retain their 1% GSEPS ERS formula for the period they worked under ERS, and then would begin the 2% TRS formula once the transfer to TRS occurs.

If a non-vested member of TRS transfers to GSEPS under ERS, the member would retain their 2% TRS formula for the period they worked under TRS, and then would begin the 1% GSEPS ERS formula once the transfer to ERS occurs.

There is no cost to ERS for this legislation.

**HB 295 received a DO PASS by the full House of Representatives.**

### **HB 297 - Retirement and pensions; public systems prohibited from expending funds for certain purposes; provide**

This bill prevents any public retirement system from having an insurable interest in the system's active or retired members unless benefits are paid to a designated beneficiary or the member's estate.

**HB 297 received a DO PASS from the Senate Retirement Committee.**

### **HB 308 - Public retirement systems; duties of boards of trustees; provide**

Prior to July 1, 2010, boards of trustees of public retirement systems were subject to applicable provisions in Title 53 dealing with Common Law fiduciary duties. However, an oversight occurred when the statute was amended last session. This bill adds back the needed references concerning Common Law fiduciary duties for boards of trustees of public retirement systems.

**HB 308 received a DO PASS from the Senate Retirement Committee.**

**Wednesday, January 25, 2012**

### **HB 542 - Employees' Retirement System of Georgia; transfer service credit; provide**

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 by December 31, 2012.

If a member has withdrawn his/her employee contributions from JRS, the member must provide notice to the Board of Trustees requesting a transfer to ERS. At that time, the member must pay the Board the total of such contributions, with regular interest thereon, and employee and employer contributions from JRS will be transferred to ERS.

**HB 542 received a DO PASS by Committee Substitute from the House Retirement Committee.**

## ***Legislative Log (continued)***

**Thursday, January 26, 2012**

**HB 805 - State Personnel Administration; abolition; make conforming amendments and correct references**

This bill removes references to the State Personnel Administration throughout Title 47 and provides for the transfer of certain functions to the Department of Administrative Services.

**HB 805 was assigned to the House Retirement Committee by the full House of Representatives.**

**Friday, January 27, 2012**

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