

2019 Legislative Summary

2019 Enacted Legislation and Fiscal Bills

June 12, 2019

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2019 Enacted Legislation

HB 31 (Act 319) – General appropriations; State Fiscal Year July 1, 2019 - June 30, 2020

The Fiscal Year 2020 Appropriations Act provides a benefit multiplier increase from \$15.25 to \$15.50 for certain Public School Employee Retirement System members effective 7/1/2019.

Effective Date: 7/1/19
Signed by Governor: 5/10/19

HB 196 (Act 244) – Retirement and pensions; each public retirement system trustee to complete appropriate education applicable to his or her fiduciary duties; require

This legislation requires trustees of public retirement systems to complete fiduciary training and educational courses in specified retirement areas beginning 7/1/2019.

Effective Date: 7/1/19
Signed by Governor: 5/7/19

HB 239 (Act 271) – Retirement and pensions; each public retirement system trustee to complete appropriate education applicable to his or her fiduciary duties; require

This legislation establishes a state-wide business court under one division with one judge, a clerk, and the ability to appoint additional employees such as law assistants, stenographers, and clerical assistants. Upon passage, the Georgia Business Court can begin operating on 1/1/2020 and start accepting cases on 8/1/2020.

Effective Date: 5/7/19
Signed by Governor: 5/7/19

SB 55 (Act 256) – Retirement; method and manner by which a member of the Employees' Retirement System of Georgia may purchase an annuity; revise

Effective 1/1/2021, this bill will allow ERS members to use money from their PSR 401(k) and 457 plan to purchase a Supplemental Guaranteed Lifetime Income (SGLI) amount to increase their monthly lifetime retirement income from the ERS pension plan.

Effective Date: 1/1/21

Signed by Governor: 5/7/19

Fiscal Bills forwarded for Actuarial Study

HB 67 – Georgia Legislative Retirement System; employee contributions; change certain provisions

Beginning 7/1/2020, this bill will increase the monthly retirement benefit payable to Legislative Retirement System (LRS) members by increasing the multiplier from \$36 to \$50 multiplied by the number of years of the member's creditable service.

This legislation also defines "Average Monthly Salary" to mean the average of the monthly salary of a member during the 24 consecutive months of membership service producing the highest such average. Additionally, "Monthly Salary" is defined to mean the full rate of the total combined regular monthly salary, not including any per diems, allowances, or expense reimbursements payable to a member, plus any additional regular monthly salary payable to the member pursuant to resolution adopted by the General Assembly. "Term of office" is also defined in this bill as the period of time beginning when an individual receives his or her commission as a member of the General Assembly from the Secretary of State, which commission is issued in accordance to law until the second Monday in January of the next off-numbered year.

Active members on 7/1/2020 will receive the greater benefit of either \$50 multiplied by the number of years of creditable service for retirement benefit calculation purposes or a monthly service retirement allowance equal to 38% of the member's average monthly salary. If an active member leaves office prior to 12/31/2020, they will only receive the \$50 multiplied by the number of years of creditable service benefit.

HB 659 – Retirement and pensions; age of eligibility for retirement benefits for appellate court judges; decrease

Effective 7/1/2020, this bill changes the normal retirement age for Appellate Court Judges from age 65 to 60 and allows a surviving spouse to receive benefit without regard to whether such judge reached age 60.

HB 663 – Georgia Judicial Retirement System; membership for certain persons employed in certain full time positions requiring admission to the State Bar of Georgia as a condition of employment; require

Beginning 7/1/2020, this bill specifies that individuals employed full-time as a judge in new Georgia Business Court are eligible for JRS membership, while other Georgia Business Court employees are eligible for ERS membership.

HB 664 – Georgia Judicial Retirement System; membership for certain persons employed in certain full time positions requiring admission to the State Bar of Georgia as a condition of employment; require

Requires new members to be members of JRS, and allows current members of Legislative Counsel to elect membership in JRS beginning 7/1/2020.

HB 699 – Employees’ Retirement System; certain former members of the Georgia Judicial Retirement System may elect to resume active membership in the Georgia Judicial Retirement System upon obtaining certain employment; provide

Allows individuals with only six (6) years of creditable JRS service, who have not withdrawn contributions, and who become or are appointed to be head of a State agency, commission, or department to elect ERS membership or to reactivate JRS membership starting on or after 7/1/2020.

HB 721 – Retirement and pensions; transfer of credible service from the Legislative Retirement System to the Employees’ Retirement System for certain members of the Georgia State Employees’ Pension and Savings Plan; provide

Beginning 7/1/2020, this bill allows GSEPS members with 2 years of membership service to transfer unwithdrawn LRS contributions to ERS.

HB 733 – Georgia Judicial Retirement System; prohibition of postretirement benefit adjustments for members who first became members of the retirement system on or after July 1, 2009; remove

Effective 7/1/20, this bill removes the current provision prohibiting postretirement benefit adjustments (COLA) for all new members of JRS on or after July 1, 2009, allowing for all members to be eligible to receive a COLA.

SB 14 – Georgia Legislative Retirement System; definitions; employee contribution; prior service credit for military service; provisions; change

Beginning 7/1/2020, this bill will increase the monthly retirement benefit payable to Legislative Retirement System (LRS) members by increasing the multiplier from \$36 to \$50 multiplied by the number of years of the member's creditable service.

This legislation also defines "Average Monthly Salary" to mean the average of the monthly salary of a member during the 24 consecutive months of membership service producing the highest such average. Additionally, "Monthly Salary" is defined to mean the full rate of the total combined regular monthly salary, not including any per diems, allowances, or expense reimbursements payable to a member, plus any additional regular monthly salary payable to the member pursuant to resolution adopted by the General Assembly. "Term of office" is also defined in this bill as the period of time beginning when an individual receives his or her commission as a member of the General Assembly from the Secretary of State, which commission is issued in accordance to law until the second Monday in January of the next off-numbered year.

Active members on 7/1/2020 will receive the greater benefit of either \$50 multiplied by the number of years of creditable service for retirement benefit calculation purposes or a monthly service retirement allowance equal to 38% of the member's average monthly salary. If an active member leaves office prior to 12/31/2020, they will only receive the \$50 multiplied by the number of years of creditable service benefit.

SB 26 – Employees' Retirement System of Georgia; prior service as a member of Georgia Defined Contribution Plan; creditable service; provide

Allows ERS members with 5 years of service to purchase prior Georgia Defined Contribution Plan (GDGP) service. Effective 7/1/2020, members must pay full actuarial cost for such service and will have the ability to pay for such with a payment plan.

SB 47 – Retirement Benefits; creditable service for certain military service; provide

Beginning 7/1/2020, the legislation allows an ERS member with at least two years of service to purchase up to three years of creditable service for military service performed on or after 1/1/1990. Members must pay full actuarial cost for such service and will have the ability to pay for such with a payment plan.

SB 259 – Georgia Legislative Retirement System; certain provisions relating to employee contributions, prior service credit for military service; change

Beginning 7/1/2020, this bill will increase the monthly retirement benefit payable to Legislative Retirement System (LRS) members by increasing the multiplier from \$36 to \$50 multiplied by the number of years of the member's creditable service.

This legislation also defines "Average Monthly Salary" to mean the average of the monthly salary of a member during the 24 consecutive months of membership service producing the highest such average. Additionally, "Monthly Salary" is defined to mean the full rate of the total combined regular monthly salary, not including any per diems, allowances, or expense reimbursements payable to a member, plus any additional regular monthly salary payable to the member pursuant to resolution adopted by the General Assembly. "Term of office" is also defined in this bill as the period of time beginning when an individual receives his or her commission as a member of the General Assembly from the Secretary of State, which commission is issued in accordance to law until the second Monday in January of the next off-numbered year.

Active members and beneficiaries on 7/1/2020 will receive the greater benefit of either \$50 multiplied by the number of years of creditable service for retirement benefit calculation purposes or a monthly service retirement allowance equal to 38% of the member's average monthly salary.

SB 262 – Employees' Retirement System of Georgia; eligibility of beneficiary to make new retirement election; provide

Effective for all retirement allowances due on or after January 1, 2021, this bill allows ERS retirees who have selected Options 2, 3, or 4 and whose designated individual(s) set to receive a lifetime retirement allowance predeceases them to either reelect their original Option with a new individual(s) or begin receiving the maximum plan benefit. A few conditions must be met in order to be eligible:

- If multiple beneficiaries are named for benefit, all must predecease the member in order to reelect Option or receive max plan benefit;
- Reelection of Option with new individual(s) must take place within one year of death of original beneficiary(ies); and
- (Only Option 4) If reelecting Option, must select the same variant of Option 4 originally chosen.

This bill also removes the ability for retirees to select Option 5 on or after January 1, 2021, as it is redundant and no longer necessary with the changes to the other Options.

SB 270 – Retirement Benefits; appellate court judges; age of eligibility; decrease

Effective 7/1/2020, this bill changes the normal retirement age for Appellate Court Judges from age 65 to 60 and allows a surviving spouse to receive benefit without regard to whether such judge reached age 60.

SB 271 – Law Assistants; rename as law clerks and staff attorneys

Allows law clerks and staff attorneys previously employed by a judicial circuit to purchase up to four (4) years of creditable service within six months of first or again becoming an ERS member beginning 7/1/2020.
