

Legislative Update

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Legislative Log

The House and Senate Retirement Committees met in a joint meeting on May 7, 2015, to decide which fiscal retirement bills would be forwarded for an actuarial study.

The following bills were forwarded for an actuarial study and will be eligible for consideration next session:

HB 421 – Retirement and pensions; officers employed by Department of Community Supervision shall be entitled to certain disability benefits; provide

This bill is a companion bill to HB 310, which creates a new Department of Community Supervision. Certain employees of the new Department will remain eligible for enhanced disability benefits once transferred. Certain employees of the new Department currently not eligible for enhanced disability benefits would become eligible upon passage.

HB 508 – Appellate court judges; age of eligibility for certain benefits; decrease

This bill changes the normal retirement age for Appellate Court Judges eligible to receive pension benefits from age 65 to age 60.

HB 605 – Georgia Judicial Retirement System; member who was serving in a full-time position on his or her retirement may use prior part-time service for vesting; provide

This bill changes the vesting requirements for judges moving from part-time to full-time service and allows for an actuarial calculation of benefits upon transfer to full-time service and subsequent retirement.

Legislative Log (continued)

HB 687 – Employees' Retirement System; member eligible to transfer funds to Georgia Judicial Retirement System; provide

This bill allows any member of the Judicial Retirement System (JRS) who was previously a member of the Employees' Retirement System (ERS) to transfer ERS service to JRS by December 31, 2016. New JRS members will have up to 90 days after employment to request such a service transfer.

HB 690 – Employees' Retirement System of Georgia; provide that certain law enforcement officers obtain creditable service in system under certain conditions; provisions

This bill allows certain law enforcement members to purchase up to five years of certain local government authority service by paying full actuarial cost.

SB 149 – Retirement; provide for creditable service for certain military service

This bill allows ERS members with at least two years of service to obtain up to five years of creditable service for active military service in the armed forces of the United States on or after January 1, 1990.

SB 243 – Georgia Judicial Retirement System; preservation of rights by certain persons; change certain provisions

This bill allows any person who is a member of ERS and is employed as Legislative Counsel in a full-time position requiring admission to the State Bar of Georgia to make an irrevocable election to become a member of JRS.

Any eligible person wishing to become a member of the system must notify the Board no later than December 31, 2016, or within 90 days of employment. Persons transferring to JRS would receive creditable service for actual years of service as a member of ERS.

This bill would also allow any person who was employed as Legislative Counsel on June 30, 2016 in a full-time position requiring admission to the State Bar of Georgia and is a member of JRS to remain a member of that system.

SB 246 – Retirement; provide for the creation of a Scrutinized Company List

This bill requires that boards administering public retirement funds of the State of Georgia identify all companies in which public funds are invested in certain types of active investments in Iran, Syria, Cuba, and Sudan.

Such boards must create and maintain a Scrutinized Companies list and divest from such companies as long as they remain on the list. The Scrutinized Companies list must be made available on October 1, 2016, and annually thereafter.

Legislative Log (continued)

The following bills were **NOT** forwarded for an actuarial study, and therefore will not be eligible for consideration next session:

HB 698 – Retirement; no public retirement system shall invest funds in companies producing songs using certain racist or obscene lyrics; provide

This bill prevents Public Retirement Systems from investing in companies or businesses that produce, sell, or market songs with certain lyrics.

SB 150 – Retirement; provide for creditable service for certain military service; provide for application and payment

This bill allows ERS members with at least two years of service to obtain up to ten years of creditable service for active military service in the armed forces of the United States on or after January 1, 1990.

SB 152 – Retirement; provide for the transfer of membership between the Employees' Retirement and the Teachers Retirement System of Georgia

This bill creates the Georgia Teachers Pension and Savings Plan for any person who first or again becomes a member of the Teachers Retirement System (TRS) on or after January 1, 2017.

All persons who become members of TRS on or after January 1, 2017, will be automatically enrolled in the Peach State Reserves 401(k) Plan, administered by ERSGA, at a rate of 5% of compensation. The defined benefit retirement allowance will be calculated using a factor of 1%.

The following bills do not require an actuarial study and will be eligible for consideration next session:

HB 250 - Retirement and pensions; assignment of payments to a beneficiary to a self-settled, supplemental needs trust; provide

This bill relates to the payment of benefits to members or beneficiaries of all retirement systems administered by the Employees' Retirement System of Georgia (ERSGA) who have physical, psychiatric, or intellectual disabilities.

All benefits payable to a beneficiary with such disabilities may be assigned to a self-settled supplemental needs trust for that beneficiary. This trust will protect the assets of the beneficiary and still allow the individual to maintain eligibility for government benefits such as Medicaid and Social Security Income.

Benefits payable to members of all retirement systems administered by ERSGA may be assigned by court order to the member's spouse if the member is Medicaid eligible, is institutionalized in a facility licensed for medical care, or is receiving home or community based care.

Legislative Log (continued)

HB 344 – Retirement and pensions; create Georgia Public Retirement System Trustee Training Council; provisions

This bill creates a Public Retirement System Training Council to develop a training course for trustees.

HB 383 – Retirement systems; alternative investments; modify provisions

This bill removes safeguards previously put in place for conservatively investing in alternative investments.

HB 689 – Health insurance plans; provide that any person who becomes eligible to participate in plans on or after July 1, 2016 shall pay premium which reflects entire cost of coverage; provisions

This bill would end state subsidies to health care coverage premiums for state employees (while active and after retirement) hired on or after July 1, 2016. The bill does not appear to impact currently eligible employees and retirees who were hired prior to July 1, 2016.
