

The House Committee on Retirement offers the following substitute to HB 995:

A BILL TO BE ENTITLED
AN ACT

1 To amend Code Section 47-3-41 of the Official Code of Georgia Annotated, relating to the
2 annuity savings fund of the Teachers Retirement System of Georgia, so as to provide that
3 the board of trustees of such retirement system shall be authorized, under certain
4 conditions, to establish an employee's contribution rate at not less than 3 percent nor more
5 than 6 percent of the member's compensation; to repeal conflicting laws; and for other
6 purposes.

7 BE IT ENACTED BY THE GENERAL ASSEMBLY OF GEORGIA:

SECTION 1.

8 Code Section 47-3-41 of the Official Code of Georgia Annotated, relating to the annuity
9 savings fund of the Teachers Retirement System of Georgia, is amended by striking in its
10 entirety paragraph (1) of subsection (a) and inserting in lieu thereof the following:
11

12 "(1) After the commencement date, each employer shall cause to be deducted from the
13 salary of each member for each and every payroll period a percentage of the member's
14 earnable compensation as determined by the board of trustees which shall be not less
15 than ~~5~~ 3 nor more than 6 percent; provided, however, that any reduction in such
16 percentage shall be based upon the recommendation of the actuary of the board of
17 trustees, the maintenance of the actuarial soundness of the fund in accordance with the
18 standards provided in Code Section 47-20-10 or such higher standards as may be adopted
19 by the board, and such other factors as the board deems relevant. ~~but no~~ No such
20 deduction shall be made from the compensation of a member after the close of the
21 school, fiscal, or contract year in which the member has attained age 65 and has
22 completed 40 or more years of creditable service. In determining the amount earnable
23 by a member in a payroll period, the employer may consider the annual rate of
24 compensation payable to such member on the first day of the payroll period as continuing
25 throughout such payroll period. The employer may omit the deduction from
26 compensation for any period which is less than a full payroll period, if a teacher was not

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1 a member on the first day of the payroll period. In order to facilitate the making of
2 deductions, the employer may modify the deductions required of any member by an
3 amount not to exceed one-tenth of 1 percent of the annual compensation, on the basis of
4 which such deductions are to be made. Each employer shall immediately pay the amount
5 deducted to the board of trustees, in such manner as the board of trustees shall prescribe,
6 which amount shall be credited by the board of trustees to the individual accounts in the
7 annuity savings fund of the member from whose compensation the deductions were
8 made. Beginning July 1, 1987, the employee contributions required under this paragraph
9 shall be paid as provided in Code Section 47-3-41.1"

10 **SECTION 2.**
11 All laws and parts of laws in conflict with this Act are repealed.