

House Bill 612

By: Representative Cummings of the 27th

A BILL TO BE ENTITLED
AN ACT

1 To amend Title 47 of the Official Code of Georgia Annotated, relating to retirement and
2 pensions, so as to provide for the power of the board of trustees of the Employees'
3 Retirement System of Georgia to invest and reinvest the assets of the retirement system; to
4 provide that the Georgia Municipal Employees Benefit System and any association of like
5 political subdivisions which contracts with its members for the pooling of assets may invest
6 up to 5 percent of the total assets of its fund in real estate; to repeal conflicting laws; and for
7 other purposes.

8 BE IT ENACTED BY THE GENERAL ASSEMBLY OF GEORGIA:

9 **SECTION 1.**

10 Title 47 of the Official Code of Georgia Annotated, relating to retirement and pensions, is
11 amended by striking in its entirety subsection (a) of Code Section 47-2-31, relating to
12 investment powers of the board of trustees of the Employees' Retirement System of Georgia
13 and the board's power to employ agents as investment advisors and to make investments, and
14 inserting in lieu thereof the following:

15 "(a) The board of trustees shall have full power to invest and reinvest the assets of the
16 retirement system and to purchase, hold, sell, assign, transfer, and dispose of any securities
17 and other investments in which assets of the retirement system have been invested, any
18 proceeds of any investments, and any money belonging to the retirement system; provided,
19 however, that such power shall be subject to all terms, conditions, limitations, and
20 restrictions imposed by Article 7 of Chapter 20 of this title, the 'Public Retirement Systems
21 Investment Authority Law.'"

22 **SECTION 2.**

23 Said title is further amended by striking subsection (b) of Code Section 47-20-83, relating
24 to certificated or uncertificated forms of investment and real estate investments, and inserting
25 in lieu thereof the following:

1 "(b) Notwithstanding the provisions of subsection (a) of this Code section, the Georgia
2 Municipal Employees Benefit System and any association of like political subdivisions
3 which contracts with its members for the pooling of assets may invest up to 5 percent of
4 the total assets of its fund in real estate; provided, however, that in the event the fund's
5 assets decrease in value, the association shall be entitled to retain all real estate investments
6 if owned prior to the reduction in value of assets; provided, further, that any such
7 association shall be entitled to retain all real estate assets it owned on July 1, 1999, without
8 regard to the limitation imposed by this subsection."

9

SECTION 3.

10 All laws and parts of laws in conflict with this Act are repealed.