

House Bill 267

By: Representatives Cummings of the 19th, Black of the 144th, Williams of the 61st, Post 2
and McBee of the 74th

A BILL TO BE ENTITLED
AN ACT

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

BE IT ENACTED BY THE GENERAL ASSEMBLY OF GEORGIA:

SECTION 1.

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

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

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

9 **SECTION 2.**

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