

The House Committee on Retirement offers the following substitute to HB 917:

A BILL TO BE ENTITLED  
AN ACT

1 To amend Code Section 47-3-121 of the Official Code of Georgia Annotated, relating to  
2 optional retirement allowances under the Teachers Retirement System of Georgia, the  
3 election of options, and revocation of the election, so as to provide that a member of such  
4 retirement system may elect to receive a reduced retirement allowance together with a partial  
5 lump sum distribution; to provide for exceptions and limitations; to provide for a refund in  
6 the event of the death of a member or benefit recipient; to provide conditions for an effective  
7 date and automatic repeal; to repeal conflicting laws; and for other purposes.

8 **BE IT ENACTED BY THE GENERAL ASSEMBLY OF GEORGIA:**

9 **SECTION 1.**

10 Code Section 47-3-121 of the Official Code of Georgia Annotated, relating to optional  
11 retirement allowances under the Teachers Retirement System of Georgia, the election of  
12 options, and revocation of the election, is amended by inserting immediately following  
13 subsection (e) a new subsection to read as follows:

14 "(e.1) Option five shall consist of a reduced retirement allowance together with a partial  
15 lump sum distribution. This option may be elected by any retiring member including  
16 members electing another optional allowance under this Code section except that this  
17 option shall not be available to members retiring pursuant to Code Section 47-3-122 or  
18 members subject to the requirements of subsection (b) of Code Section 47-3-120. The  
19 amount of the lump sum distribution under this subsection may not exceed the sum of 36  
20 months of the monthly retirement allowance the retiring member would have received had  
21 he or she not elected the partial lump sum option. The partial lump sum distribution will  
22 be made as a single payment payable at the time the first monthly retirement allowance is  
23 paid to the retired member."

**SECTION 2.**

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2 Said Code section is further amended by striking subsection (h) and inserting in lieu thereof  
3 the following:

4 "(h) Upon the death of the retired member and then the death of the person designated by  
5 him or her to receive continuing retirement benefits under option two, three, ~~or four~~, or five  
6 if the total monthly benefits paid, including any partial lump sum distribution, to the retired  
7 member and to such person designated to receive continuing benefits do not equal or  
8 exceed the retired member's accumulated contributions at the time of his or her retirement,  
9 the difference shall be refunded to the person designated in writing by the retired member  
10 to receive such a refund of this difference. If no such person is designated to receive this  
11 difference, or if such designated person has predeceased the person designated to receive  
12 continuing monthly retirement benefits, or if such designees are the same person, this  
13 difference shall be paid to the estate of the person designated to receive continuing monthly  
14 retirement benefits."

**SECTION 3.**

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16 Said Code section is further amended by striking in its entirety subsection (i) and inserting  
17 in lieu thereof the following:

18 "(i) Upon the death of the person designated by the retired member to receive continuing  
19 monthly retirement benefits under option two, three, ~~or four~~, or five and then the death of  
20 the retired member, if the total monthly benefits paid, including any partial lump sum  
21 distribution, to the retired member prior to his or her death do not equal or exceed the  
22 retired member's accumulated contributions at the time of his or her retirement, the  
23 difference shall be refunded to the person designated in writing by the retired member to  
24 receive such a refund of this difference. If the person designated by the retired member to  
25 receive a refund of this difference also predeceases the retired member, or if such designees  
26 are the same person, or if no person is designated to receive this difference, this difference  
27 shall be paid to the estate of the retired member."

**SECTION 4.**

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29 This Act shall become effective on July 1, 2004, only if it is determined to have been  
30 concurrently funded as provided in Chapter 20 of Title 47 of the Official Code of Georgia  
31 Annotated, the "Public Retirement Systems Standards Law"; otherwise, this Act shall not  
32 become effective and shall be automatically repealed in its entirety on July 1, 2004, as  
33 required by subsection (a) of Code Section 47-20-50.

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**SECTION 5.**

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