

The House Committee on Retirement offers the following substitute to HB 328:

A BILL TO BE ENTITLED  
AN ACT

1 To amend Code Section 20-2-55 of the Official Code of Georgia Annotated, relating to per  
2 diem and expenses of local boards of education, so as to authorize the expenditure of funds  
3 for life, disability, and liability insurance, retirement and pension coverage, social security  
4 coverage, and similar benefits for members of such local boards of education; to provide for  
5 a notice of intention; to repeal conflicting laws; and for other purposes.

6 BE IT ENACTED BY THE GENERAL ASSEMBLY OF GEORGIA:

7 **SECTION 1.**

8 Code Section 20-2-55 of the Official Code of Georgia Annotated, relating to per diem and  
9 expenses of local boards of education, is amended by striking in its entirety subsection (b)  
10 and inserting in lieu thereof the following:

11 "(b)(1) A local board of education is authorized to provide and expend local funds for the  
12 provision of group medical, and dental, life, disability, and liability insurance and  
13 retirement or pension coverage, social security and employment security coverage, and  
14 similar or related employment benefits for its members who elect to participate; provided,  
15 however, that the board must announce its intention to provide such benefits at a  
16 regularly scheduled meeting at least one month before such benefits are granted. Such  
17 insurance and benefits may be provided through a group policy or plan secured by the  
18 local school district, a group policy or plan secured by several local school districts, a  
19 policy or plan secured by an organization of local school boards, or in accordance with  
20 Code Section 45-18-5 providing for the inclusion of members of the local board of  
21 education and their spouses and dependents within any health insurance plan or plans  
22 established under Article 1 of Chapter 18 of Title 45. It shall be the duty of the board to  
23 make the employer contributions required for the operation of such plan or plans. Except  
24 as provided in paragraph (3) of this subsection, a board providing such insurance shall  
25 pay no greater percentage of the cost of that insurance than the percentage of the cost paid  
26 as an employer contribution by the state for the health insurance plan for state employees

1 pursuant to Article 1 of Chapter 18 of Title 45. The remainder of such insurance costs,  
 2 and all the costs of any coverage for family members, shall be paid as an employee  
 3 contribution by the board member. It shall be the duty of the board to deduct from the  
 4 salary or other remuneration of qualified members or otherwise collect such payment  
 5 from the qualified members or dependents.

6 (2) Taxes levied by or on behalf of a local board of education may be expended for  
 7 employer contributions, but not employee contributions, required for insurance coverage  
 8 ~~of~~ or other benefits for members of that board as provided in paragraph (1) of this  
 9 subsection. Taxes levied by or on behalf of a local board of education also may be  
 10 expended for contributions authorized in paragraph (3) of this subsection. Such  
 11 expenditures on behalf of any member may continue only as long as that member  
 12 continues in office and makes any employee contribution required for such coverage.  
 13 That member, and eligible dependents thereof, shall be ineligible for coverage pursuant  
 14 to the provisions of paragraph (1) of this subsection upon such person's ceasing to serve  
 15 as a member of a local board of education. Such expenditures on behalf of any member  
 16 in accordance with paragraph (3) of this subsection may continue only as long as that  
 17 member continues in office and makes any contribution which is not the result of the  
 18 board of education's decision to allow its members to participate in the health insurance  
 19 plan. Expenditures authorized by this Code section shall be in addition to, and not in lieu  
 20 of, any salary, expense, per diem, or other compensation payable to that member of a  
 21 local board of education.

22 (3) If a board member is already a member of a health insurance plan established by  
 23 Article 1 of Chapter 18 of Title 45 as a retired employee and the result of the board of  
 24 education's decision to allow its members to participate is to establish dual eligibility for  
 25 a member and thus to increase the cost to such member of the state insurance plan, then  
 26 the local board may pay any additional cost imposed on such member as a result of the  
 27 local board's decision to allow its members to participate in coverage under paragraph (1)  
 28 of this subsection."

## 29 SECTION 2.

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