

LOST

1 Senator Heath of the 31st offered the following amendment:

2 *Amend the House substitute to SB 244 (LC 21 8952S) by striking line 1 of page 1 through*
 3 *line 4 of page 10 and inserting in lieu thereof the following:*

4 To amend Title 47 of the Official Code of Georgia Annotated, relating to retirement and
 5 pensions, so as to create the Magistrates Retirement Fund; to define certain terms; to create
 6 a board of commissioners; to provide for appointment and terms of members of the board;
 7 to provide for the office of secretary-treasurer of the board; to provide for additional
 8 employees; to provide for a salary and fund membership; to provide for powers and duties
 9 of the board; to provide that the state auditor shall make annual audits of the fund; to provide
 10 conditions for eligibility for membership; to provide for dues; to provide for a fee assessed
 11 against a party against whom a judgment is entered in magistrate courts to be paid to the
 12 fund; to provide conditions for eligibility to receive a retirement benefit; to provide for a
 13 retirement benefit; to provide for benefits for surviving spouses; to provide for a refund of
 14 dues; to provide for disability benefits; to provide for membership in other retirement plans;
 15 to provide for a reduction of benefits in the event of insufficient funds; to provide for
 16 nonassignability of benefits; to provide conditions for an effective date and automatic repeal;
 17 to repeal conflicting laws; and for other purposes.

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

19 **SECTION 1.**

20 Title 47 of the Official Code of Georgia Annotated, relating to retirement and pensions, is
 21 amended by inserting at the end thereof the following:

22 "CHAPTER 25

23 ARTICLE 1

24 47-25-1.

25 As used in this chapter, the term:

26 (1) 'Average final monthly compensation' means the average monthly earnable
 27 compensation of any employee during his or her highest 24 months of creditable service.

28 (2) 'Board' means the Board of Commissioners of the Magistrates Retirement Fund of
 29 Georgia.

1 (3) 'Full-time chief magistrate' means a chief magistrate who regularly exercises the
 2 powers of a magistrate as set forth in Code Section 15-10-2 at least 40 hours per
 3 workweek.

4 (4) 'Fund' means the Magistrates Retirement Fund of Georgia.

5 (5) 'Member' means a member of the Magistrates Retirement Fund of Georgia.

6 (6) 'Secretary-treasurer' means the secretary-treasurer of the Board of Commissioners of
 7 the Magistrates Retirement Fund of Georgia.

8 ARTICLE 2

9 47-25-20.

10 (a) There is created the Board of Commissioners of the Magistrates Retirement Fund of
 11 Georgia. The board shall consist of seven members as follows:

12 (1) The Governor or the Governor's designee;

13 (2) An appointee of the Governor who is not the Attorney General; and

14 (3) Five full-time chief magistrates who are members of the fund.

15 (b) The members of the board provided for by paragraph (3) of subsection (a) of this Code
 16 section shall be appointed by the Governor. The first such members shall be appointed by
 17 the Governor to take office on July 1, 2006, for initial terms as follows: one such member
 18 shall be appointed for one year; two such members shall be appointed for terms of two
 19 years; and two such members shall be appointed for terms of three years. Thereafter, the
 20 Governor shall appoint successors upon the expiration of the respective terms of office for
 21 terms of three years. All such members shall serve until their successors are appointed and
 22 qualified. Such members shall be eligible for reappointment to successive terms of office
 23 as members of the board.

24 (c) The board shall elect a chairperson from among its own membership to serve for a term
 25 as established by rules of the board. Four members of the board shall constitute a quorum
 26 for the transaction of business. All members of the board shall serve without compensation
 27 but may be reimbursed for travel and other expenses incurred by them in carrying out their
 28 duties as members of the board.

29 (d) In the event of a vacancy in the membership of the board, the remaining members of
 30 the board shall appoint a full-time chief magistrate who is a member of the fund to fill such
 31 vacancy for the unexpired term.

32 (e) The Council of Magistrate Court Judges shall be authorized to submit the names of
 33 nominees for each position on the board appointed by the Governor pursuant to this Code
 34 section. The Governor may consider such nominees in making such appointments, but it
 35 is specifically provided that all such appointments shall be at the sole discretion of the

1 Governor, and the Governor shall not be required to make any appointments from
2 nominees made by the Council of Magistrate Court Judges.

3 47-25-21.

4 (a)(1) There is created the office of secretary-treasurer of the board. The
5 secretary-treasurer shall be elected and appointed by the board and shall serve at the
6 pleasure of the board. His or her compensation and duties may be fixed by the board.
7 In addition to such salary, the secretary-treasurer shall receive credit for a sum of
8 \$1,250.00 per year as dues in the retirement system.

9 (2) The board or the secretary-treasurer with the approval of the board may employ
10 additional personnel to assist the board or secretary-treasurer in carrying out duties
11 provided in this chapter. The compensation and duties of any such personnel shall be
12 fixed by the board.

13 (b) The secretary-treasurer shall be paid retirement benefits upon retiring as
14 secretary-treasurer as provided in Article 5 of this chapter for a full-time chief magistrate
15 retiring with the highest benefit allowed by such article and shall be entitled to any
16 retirement option allowed by such article.

17 (c) The board shall have authority to require the secretary-treasurer to give a good and
18 sufficient surety bond in an amount to be determined by the board. The bond shall be
19 payable to the board and shall be conditioned upon the proper and faithful performance of
20 the duties of the secretary-treasurer. The secretary-treasurer shall be required to make
21 quarterly reports to the board, which reports shall show all receipts and disbursements in
22 such form and in such manner as the board may require. He or she shall likewise be
23 required quarterly to make a full account of all moneys or property coming into his or her
24 hands on behalf of the board at any time.

25 47-25-22.

26 (a) The board is granted the following powers and duties:

27 (1) To provide for the collection of all moneys provided in this chapter;

28 (2) To pay the administrative expenses of the board;

29 (3) To hear and decide all applications for retirement benefits under this chapter;

30 (4) To make payment of all retirement benefits that may be determined to be due under
31 the terms of this chapter;

32 (5) To make all necessary rules and regulations, not inconsistent with the laws of the
33 state, for its government and for the government of the employees of the board;

34 (6) To determine and fix rules of eligibility of persons to receive retirement benefits;

- 1 (7) To make refunds and repayments to persons who may be entitled to receive them;
 2 and
 3 (8) To keep all records of its meetings.

4 (b) The board shall also have all powers necessary for the purpose of administering this
 5 chapter.

6 (c)(1) Subject to the terms and limitations of this subsection, the board is authorized to
 7 adopt from time to time a method or methods of providing for increases in the maximum
 8 monthly retirement benefit payable under Article 5 of this chapter for persons theretofore
 9 or thereafter retiring under this chapter. Such method shall be based upon:

10 (A) The recommendation of the actuary of the board of trustees;

11 (B) The maintenance of the actuarial soundness of the fund in accordance with the
 12 standards provided in Code Section 47-20-10 or such higher standards as may be
 13 adopted by the board; and

14 (C) Such other factors as the board deems relevant.

15 Any such increase may be uniform or may vary in accordance with the time of retirement,
 16 length of service, age, nature of the retirement, or such other factors as the board of
 17 trustees shall determine.

18 (2) Any provision of paragraph (1) of this subsection to the contrary notwithstanding, no
 19 member who receives an annual cost-of-living benefit increase pursuant to Code Section
 20 47-25-81 shall receive a benefit increase under this subsection greater than 1 percent of
 21 the maximum monthly benefit then in effect; provided, however, that no such member
 22 shall receive any such increase unless the members not entitled to a benefit increase under
 23 Code Section 47-25-81 receive a like amount plus an additional increase of 2 percent of
 24 the maximum benefit then in effect; provided, further, that no benefit increase shall be
 25 awarded under this subsection greater than 1.5 percent in any six-month period.

26 47-25-23.

27 (a) The board shall have control of all funds provided for in this chapter and all funds shall
 28 be received and disbursed from a special account to the credit of the board. The expenses
 29 of administering this fund and the benefits provided for in this chapter shall be paid from
 30 such funds. The board shall have authority to expend the funds in accordance with this
 31 chapter.

32 (b) The board shall have full power to invest and reinvest such funds, subject to all the
 33 terms, conditions, limitations, and restrictions imposed by Article 7 of Chapter 20 of this
 34 title, the 'Public Retirement Systems Investment Authority Law.' Subject to such terms,
 35 conditions, limitations, and restrictions, the board shall have full power to hold, purchase,
 36 sell, assign, transfer, and dispose of any of the securities and investments in which any of

1 the funds are invested, including the proceeds of any investments and any money belonging
2 to the fund.

3 (c) The board is authorized to employ agents, including, but not limited to, banks or trust
4 departments thereof, and to contract with such agents for their services as investment
5 advisers and counselors, making recommendations for investments and making
6 investments if the board so authorizes.

7 47-25-24.

8 The board may take, by gift, grant, or bequest, any money, real or personal property, or any
9 other thing of value and may hold or invest it for the use and purposes of the fund in
10 accordance with this chapter.

11 47-25-25.

12 The board shall keep permanent records of all persons who qualify to participate in the
13 benefits of this chapter, an accurate record of all payments and disbursements, and a
14 detailed record of all the acts and doings of the board.

15 47-25-26.

16 The state auditor is authorized and directed to make an annual audit of the acts and doings
17 of the board and to make a complete report of the same to the General Assembly in such
18 detail as he or she may see fit. The state auditor shall also have the right to audit the affairs
19 of the board and any of its employees at any time that he or she may see fit or at any time
20 that he or she may be requested to do so by the board or by the Governor.

21 ARTICLE 3

22 47-25-40.

23 Before any person shall be eligible to participate in the fund, he or she must be serving as
24 a duly qualified and commissioned full-time chief magistrate of a county of the State of
25 Georgia or as the secretary-treasurer. Any qualified person who desires to participate in
26 the fund shall make application to the board for membership in the fund on a form to be
27 furnished by the board for that purpose, giving such information, together with verification
28 and proof thereof, as may be required by the board. Such application shall be made not
29 later than July 1, 2007, or within six months after becoming eligible for membership,
30 whichever is later.

1 47-25-41.

2 Each member shall pay into the fund as dues the sum of \$105.00 per month. Each month's
3 dues shall be paid not later than the tenth day of that month.

4 ARTICLE 4

5 47-25-60.

6 (a) An additional fee shall be charged against any party against whom a judgment is
7 entered in every magistrate court having a full-time chief magistrate. Such fee shall be in
8 an amount equal to the amount determined by the actuary for the fund required to meet the
9 minimum funding requirements divided by the number of judgments satisfied plus the
10 number of consent judgments in such court for the immediately preceding calendar year.
11 Such fee shall be made a part of the judgment and shall be paid by such party after the
12 judgment is entered. Any consent judgment presented to the court shall make provision for
13 the payment of such fee, and the fee shall be paid at the time the consent judgment is
14 presented.

15 (b) The clerks of each magistrate court having a full-time chief magistrate shall collect the
16 fees provided for in subsection (a) of this Code section and the fees so collected shall be
17 remitted to the board on a quarterly basis or at such time as the board may provide. It shall
18 be the duty of the clerks to keep accurate records of the amounts due the board under this
19 Code section and such records may be audited by the board at any time. The sums remitted
20 to the board under this Code section shall be used for the purposes provided in this chapter.

21 ARTICLE 5

22 47-25-80.

23 In order for a member to be eligible to receive retirement benefits under this chapter, he or
24 she must have:

- 25 (1) Served as a regularly qualified and commissioned full-time chief magistrate or as the
26 secretary-treasurer for at least eight years;
- 27 (2) Fully complied with this chapter;
- 28 (3) Terminated his or her official capacity as a full-time chief magistrate or as the
29 secretary-treasurer;
- 30 (4) Attained the age of 60 years;
- 31 (5) Filed with the board his or her application for such retirement, on a form to be
32 furnished by the board, within a period of 90 days, or as soon thereafter as possible, after
33 reaching the age of 60 years or after termination of his or her official capacity as a

1 full-time chief magistrate or as the secretary-treasurer, whichever may occur last in point
2 of time; and

3 (6) Had his or her application for retirement approved by the board.

4 47-25-81.

5 Any member who is approved for retirement benefits as provided in Code Section 47-25-80
6 shall be paid a monthly sum equal to 4 percent of his or her average final monthly
7 compensation for each year served by the member up to, but not exceeding, a total of 20
8 years; provided, however, that the final monthly compensation used for calculating a
9 benefit under this Code section shall not exceed \$2,815.00; provided, further, that the board
10 of trustees is authorized to adopt from time to time a method or methods of providing for
11 increases in the maximum final monthly compensation used for calculating a benefit as
12 provided in this Code section. Such method or methods shall be based upon:

13 (1) The recommendation of the actuary of the board of trustees;

14 (2) The maintenance of the actuarial soundness of the fund in accordance with the
15 standards provided in Code Section 47-20-10 or such higher standards as may be adopted
16 by the board; and

17 (3) Such other factors as the board deems relevant;

18 provided, however, that any such increase shall be uniform and shall apply equally to all
19 members of this retirement system.

20 No time for which dues have not been paid in accordance with Code Section 47-25-41 shall
21 be considered in determining the number of years of service.

22 47-25-82.

23 (a) As used in this Code section, the term 'surviving spouse' means the person who was
24 married to a member on the date of the member's death.

25 (b) Upon the death of any member who is then receiving retirement benefits and upon the
26 surviving spouse of such member attaining 60 years of age, said spouse shall be paid
27 spouse's benefits which shall be equal to 50 percent of the retirement benefits then being
28 paid to such member. Such benefits shall be paid for the remainder of the life of such
29 surviving spouse.

30 (c) Upon the death of any member prior to retirement, the surviving spouse of such
31 member may elect:

32 (1) To withdraw the dues paid into the retirement fund by the deceased member plus
33 interest at the rate specified by law, in which case the spouse shall be deemed to have
34 waived any right to any benefits; or

1 (2) To leave such dues in the retirement fund and to receive spouse's benefits which shall
2 be payable beginning:

3 (A) On the date of the member's death, if such member is 60 years of age or older; or

4 (B) On the date on which the surviving spouse of the deceased member reaches 60
5 years of age,

6 whichever event occurs last, and which shall be equal to 50 percent of the retirement
7 benefits which the deceased member was drawing at the time of death or, in the case of
8 a member who dies prior to his or her sixtieth birthday, which such deceased member
9 would have been entitled to receive upon reaching 60 years of age had he or she lived and
10 ceased service as a full-time chief magistrate or the secretary-treasurer on the date of his
11 or her death.

12 47-25-83.

13 (a) Any member, after ceasing to serve as a full-time chief magistrate or as the
14 secretary-treasurer and after waiving any right to retirement benefits in writing on a form
15 to be provided by the board, may apply for and be refunded all dues paid, together with 5
16 percent simple interest per annum from the end of the calendar year in which paid to the
17 end of the calendar year next preceding the application for the refund.

18 (b) Although retirement pay shall be based on Code Section 47-25-81 and nothing in this
19 Code section shall be construed to alter same, at the effective date of retirement, simple
20 interest at a rate of 5 percent per annum shall be computed on all dues paid from the end
21 of the calendar year in which paid to the end of the calendar year immediately preceding
22 the date of retirement and shall be added to the total dues paid. After all retirement benefits
23 coming due under Code Section 47-25-81 have been paid and if the total thereof shall not
24 be equal to or exceed the above total of dues and interest, then the balance of such principal
25 and interest shall be paid to the estate of the deceased member.

26 (c) Upon application by the estate of any member who dies prior to retirement and who
27 does not have a surviving spouse who is eligible for benefits under Code Section 47-25-82,
28 all dues paid by such deceased member, together with 5 percent simple interest per annum
29 from the end of the calendar year in which paid to the end of the calendar year next
30 preceding the application for the refund, shall be paid to the estate of the deceased member.

31 (d) No dues may be refunded except in strict compliance with this Code section.

32 47-25-84.

33 Notwithstanding any other provisions of this chapter to the contrary, a member may retire
34 after completing four years of creditable service if he or she becomes totally and
35 permanently disabled after commencing service as a full-time chief magistrate or as the

1 secretary-treasurer. Any such member shall be entitled to receive retirement benefits in the
 2 amount that he or she would receive if his or her retirement were effective at the time he
 3 or she became disabled. All questions relating to the degree and nature of the total and
 4 permanent disability suffered by the member shall be determined by the board.

5 47-25-85.

6 Nothing contained in this chapter shall be construed so as to prevent any person who is a
 7 member of the fund from belonging to any other retirement, annuity, or benefit system.

8 47-25-86.

9 (a) If a retired member becomes employed as a full-time or part-time magistrate or chief
 10 magistrate, his or her retirement benefits shall be suspended during the period of time he
 11 or she holds such position, and upon cessation of such service, his or her prior retirement
 12 allowance shall be resumed.

13 (b) If a retired member becomes employed as a full-time chief magistrate, he or she may
 14 elect again to become a contributing member of the retirement system and be governed by
 15 the retirement provisions of this chapter.

16 ARTICLE 6

17 47-25-100.

18 If the board determines that the funds derived from the sources provided for in this chapter
 19 are not actuarially sufficient at any time to enable the board to pay in full each person
 20 determined to be entitled to the benefits provided for, plus all contingent and other
 21 liabilities, then a prorated percentage of such payments shall be made to each person
 22 entitled thereto until the funds shall be replenished actuarially sufficient to enable the board
 23 to resume such payments in accordance with the terms of this chapter. In no event shall
 24 the board or any member thereof be liable to any person for any deficiency in payments
 25 made under this Code section.

26 47-25-101.

27 None of the funds provided for in this chapter shall be assignable."

28 SECTION 2.

29 This Act shall become effective on July 1, 2006, 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

1 become effective and shall be automatically repealed in its entirety on July 1, 2006, as
2 required by subsection (a) of Code Section 47-20-50.

3 **SECTION 3.**

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