

Senate Bill 329

By: Senators Heath of the 31st, Schaefer of the 50th and Murphy of the 27th

A BILL TO BE ENTITLED  
AN ACT

1 To amend Code Section 47-2-334 of the Official Code of Georgia Annotated, relating to  
2 service retirement allowance under the Employees' Retirement System of Georgia,  
3 calculation, employee membership contributions, employer contributions, optional  
4 membership, conditions, and construction of provisions, so as to authorize the reduction of  
5 the portion of a member's compensation used to calculate a retirement benefit for future state  
6 employees; to provide for applicability; to provide conditions for an effective date and  
7 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 47-2-334 of the Official Code of Georgia Annotated, relating to service  
11 retirement allowance under the Employees' Retirement System of Georgia, calculation,  
12 employee membership contributions, employer contributions, optional membership,  
13 conditions, and construction of provisions, is amended by revising subsection (b) as follows:

14 "(b)(1) Every member subject to this Code section shall, upon becoming eligible under  
15 the provisions of this chapter, be entitled to a service retirement allowance, which shall  
16 consist of:

17 (A) An annuity which shall be the actuarial equivalent of the member's accumulated  
18 contributions at the time of retirement; and

19 (B)(i) For members who are members on June 30, 2008, or who again become  
20 members and have a vested right to be reinstated in this retirement system, a ~~A~~  
21 monthly pension which, together with the annuity, shall provide a total retirement  
22 allowance equal to more than 1.5 percent, but not greater than 2 percent, the actual  
23 percent to be set by the board of trustees in direct relation to the amount of increased  
24 appropriations provided by the General Assembly to fund the provisions of this  
25 paragraph, of the member's highest average monthly earnable compensation during

1 a period of 24 consecutive calendar months while a member of the retirement system,  
 2 multiplied by the number of the member's years of creditable service; or

3 (ii) For persons who first on or after July 1, 2008, and for persons who again become  
 4 members on or after such date and who do not have a vested right to reinstatement in  
 5 this retirement system, a monthly pension which, together with the annuity, shall  
 6 provide a total retirement allowance equal to more than 1.5 percent, but not greater  
 7 than 2 percent, the actual percent to be set by the board of trustees in direct relation  
 8 to the amount of increased appropriations provided by the General Assembly to fund  
 9 the provisions of this paragraph, of the member's highest average monthly earnable  
 10 compensation during a period of 24 consecutive calendar months while a member of  
 11 the retirement system, multiplied by the number of the member's years of creditable  
 12 service; provided, however, that the monthly pension provided pursuant to this  
 13 division may be different from the monthly pension provided pursuant to division (i)  
 14 of this subparagraph.

15 (2) For members subject to this Code section, the calculation of retirement benefits or  
 16 allowances for any other form or type of retirement shall also be based upon the  
 17 calculations provided for in paragraph (1) of this subsection."

## 18 SECTION 2.

19 This Act shall become effective on July 1, 2008, only if it is determined to have been  
 20 concurrently funded as provided in Chapter 20 of Title 47 of the Official Code of Georgia  
 21 Annotated, the "Public Retirement Systems Standards Law"; otherwise, this Act shall not  
 22 become effective and shall be automatically repealed in its entirety on July 1, 2008, as  
 23 required by subsection (a) of Code Section 47-20-50.

## 24 SECTION 3.

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