

House Bill 879

By: Representative Powell of the 29<sup>th</sup>

A BILL TO BE ENTITLED  
AN ACT

1 To amend Title 47 of the Official Code of Georgia Annotated, relating to retirement and  
2 pensions, so as to change the definition of employees of the Board of Regents of the  
3 University System of Georgia who may opt not to participate in the Teachers Retirement  
4 System of Georgia; to provide that certain persons who elected to participate in the Regents  
5 Retirement Plan in lieu of the Teachers Retirement System of Georgia may revoke such  
6 election; to increase the employer contribution to the members' accounts in the Regents  
7 Retirement Plan; to provide conditions for an effective date and automatic repeal; to repeal  
8 conflicting laws; and for other purposes.

9 BE IT ENACTED BY THE GENERAL ASSEMBLY OF GEORGIA:

10 style="text-align:center">**SECTION 1.**

11 Title 47 of the Official Code of Georgia Annotated, relating to retirement and pensions, is  
12 amended by revising Code Section 47-3-68, relating to membership of eligible university  
13 system employees in the Teachers Retirement System of Georgia, as follows:

14 "47-3-68.

15 (a) As used in this Code section, the term 'eligible university system employee' means  
16 faculty and principal administrators employed by the University System of Georgia, as  
17 designated by regulations of the Board of Regents of the University System of Georgia,  
18 who are:

19 (1) Employed on or after July 1, 1990, and are eligible for membership in the retirement  
20 system provided for in this chapter as of the date of employment; ~~or~~

21 (2) Members of the retirement system provided for in this chapter on July 1, 1990, with  
22 less than ten years of creditable service on that date; or

23 (3) Faculty or employees who are exempt under the federal Fair Labor Standards Act of  
24 1938, as amended, 29 U.S.C. 201, et seq., and who are otherwise eligible for membership  
25 in the retirement system provided for in this chapter as of the date of employment.

1 (b) Any other provisions of this chapter to the contrary notwithstanding, any eligible  
2 university system employee may withdraw from or decline membership in the retirement  
3 system provided for in this chapter and participate in the optional retirement plan provided  
4 for in Chapter 21 of this title as provided in this Code section.

5 (c) Members of the retirement system provided for in this chapter who were eligible  
6 university system employees on July 1, 1990, shall have the option to withdraw from this  
7 retirement system and participate in the optional retirement plan provided for in Chapter  
8 21 of this title. Members exercising said option, ~~which shall be irrevocable~~, shall forfeit  
9 all rights under this retirement system except that they shall have the right to have their  
10 accumulated contributions under this retirement system transferred to the optional  
11 retirement plan. Upon such election's becoming effective, the board of trustees shall  
12 transfer the member's accumulated contributions directly to the optional retirement plan  
13 to purchase benefits thereunder and the funds so transferred will not be made available to  
14 the member except as a participant in the optional retirement plan. The option provided  
15 for in this Code section shall be exercised by filing a written notification thereof with the  
16 board of trustees and with the employer by not later than July 31, 1991. The effective date  
17 of the option and transfer for each member who elects to become a new participant in the  
18 optional retirement plan shall be August 1, 1991. The failure to exercise the option by July  
19 31, 1991, shall be an irrevocable election to remain a member of this retirement system.

20 (d) Eligible university system employees employed on or after July 1, 1990, shall, within  
21 30 days immediately following the effective date of their employment, make ~~an irrevocable~~  
22 a decision to be a member of this retirement system or participate in the optional retirement  
23 plan provided for in Chapter 21 of this title; provided, however, that such employees  
24 employed on or after July 1, 1995, shall make such ~~irrevocable~~ decision within 60 days  
25 immediately following the effective date of their employment. A written statement of the  
26 decision shall be filed with the employer and with the board of trustees and shall be  
27 effective from the date of employment. If an eligible university system employee fails to  
28 file a statement of decision provided for in this subsection, such failure shall be an  
29 irrevocable election to become a member of the retirement system provided for in this  
30 chapter.

31 (e) Any former member of this retirement system who is presently a participant in the  
32 optional retirement plan provided for in Chapter 21 of this title shall have the right to have  
33 the former member's accumulated contributions to this retirement system transferred to  
34 said optional retirement plan. Such right shall be exercised by filing a written notification  
35 thereof with the board of trustees by not later than July 31, 1991. After receiving such  
36 notification, the board of trustees shall, by not later than October 1, 1991, transfer the  
37 former member's accumulated contributions directly to the optional retirement plan to

1 purchase benefits thereunder and the funds so transferred will not be made available to the  
2 former member except as a participant in the optional retirement plan.

3 (f) Any member of this retirement system who was employed on July 1, 2004, as an  
4 assistant coach by the athletic department of a state university may make ~~an irrevocable a~~  
5 decision to participate in the optional retirement plan provided by Chapter 21 of this title.  
6 Such election shall be made to the employer and the board of trustees not later than August  
7 31, 2004. The board of trustees shall transfer to such member's account in such optional  
8 retirement plan all employer and employee contributions made by or on behalf of such  
9 member together with regular interest thereon.

10 (g)(1) Any eligible employee who elected to decline membership in this retirement  
11 system and elected to participate in the regents retirement plan created by Chapter 21 of  
12 this title may revoke such election and become a member of this retirement system as  
13 provided in this subsection.

14 (2) Any person desiring to revoke his or her participation in the regents retirement plan  
15 as provided in paragraph (1) of this subsection shall notify the board of trustees in writing  
16 in such manner as the board of trustees deems appropriate.

17 (3) The board of trustees shall reinstate such person as a member of this retirement  
18 system effective on the first day of the month following the month in which the  
19 application was received.

20 (4) Any person desiring to exercise the election provided for in this subsection shall  
21 submit his or her application:

22 (A) For persons in employment on July 1, 2008, not later than June 30, 2009; and

23 (B) For persons who become employed on or after July 1, 2008, any time during the  
24 sixth year of his or her election to participate in the regents retirement plan."

## 25 SECTION 2.

26 Said title is further amended revising subsection (b) of Code Section 47-21-4, relating to  
27 employee and other contributions in the Regents Retirement Plan, as follows:

28 "(b) The University System of Georgia shall contribute to the optional retirement plan on  
29 behalf of each participating employee the following:

30 (1) Prior to January 1, 1997, an amount equal to 4 percent of the participating  
31 employee's earnable compensation; ~~and~~

32 (2) On and after January 1, 1997, but prior to July 1, 2008, an amount equal to the  
33 normal cost contribution determined by the board of trustees in accordance with the  
34 provisions of Code Section 47-3-48. The provisions of this subsection are subject to  
35 subsequent legislation; provided, however, that such legislation shall not provide for a  
36 rate of contribution lower than 4 percent; and

1 (3) On and after July 1, 2008, an amount equal to 9 percent of the participating  
2 employee's earnable compensation. The provisions of this paragraph shall be subject to  
3 subsequent legislation; provided, however, that such legislation may not provide for a rate  
4 of contribution lower than 9 percent."

5 **SECTION 3.**

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

11 **SECTION 4.**

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