

The House Committee on Retirement offers the following substitute to HB 656:

A BILL TO BE ENTITLED
AN ACT

1 To amend Code Section 47-3-121, relating to optional retirement allowances under the
2 Teachers Retirement System of Georgia, election of such options, and revocation of election,
3 so as to provide that a member who upon retirement elects survivor's benefits for a spouse
4 and another may, in the event of divorce, revoke such election as to the spouse; to provide
5 that the member may elect to reallocate the spouse's share amount among the other
6 beneficiaries or such beneficiaries shall continue to be entitled to the same benefit; to provide
7 for a recalculation of the member's benefit; to provide conditions for an effective date and
8 automatic repeal; to repeal conflicting laws; and for other purposes.

9 BE IT ENACTED BY THE GENERAL ASSEMBLY OF GEORGIA:

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

11 Code Section 47-3-121, relating to optional retirement allowances under the Teachers
12 Retirement System of Georgia, election of such options, and revocation of election, is
13 amended by adding a new subsection to read as follows:

14 "(1) If a member has elected an optional allowance under this Code section and has
15 nominated his or her spouse and one or more other persons to receive all amounts and
16 benefits payable on or after his or her death as a result of such election, then after the entry
17 of a final judgment of complete divorce from the spouse so nominated the member may
18 revoke the election as to such spouse. Upon any such revocation, the member may elect
19 one of the following options:

20 (1) The member may allocate the spouse's percentage among the beneficiaries other than
21 the spouse, in which event the member's benefit shall be recalculated to compensate for
22 the remaining survivor's benefit as determined by an actuary; or

23 (2) The beneficiaries other than the spouse shall continue to be entitled to receive the
24 same percentage of the member's retirement allowance they had before the revocation,
25 and the member's benefit shall return to the allowance which would otherwise be payable

1 to him or her if he or she had not elected such option, reduced to compensate for the
2 remaining survivor's benefit as determined by an actuary.

3 This subsection shall apply to final judgments received by the retirement system on or after
4 July 1, 2008. Any adjustments shall be effective on the first day of the month following
5 the receipt of the final judgment by the retirement system. In no event shall any adjustment
6 be made effective retroactively."

7 **SECTION 2.**

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

13 **SECTION 3.**

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