



## DEPARTMENT OF AUDITS AND ACCOUNTS

270 Washington Street, S.W., Suite 1-156  
Atlanta, Georgia 30334-8400

Russell W. Hinton  
State Auditor  
(404) 656-2174

April 4, 2008

The Honorable Bill Heath, Chairman  
Senate Retirement Committee  
State Capitol, Room 109  
Atlanta, Georgia 30334

SUBJECT: State Auditor's Certification  
Substitute to SB 327 (LC 21 9934S)  
As Amended (AM 21 3621)

Dear Chairman Heath:

As amended, this bill would revise provisions relating to re-employment of retired teachers under the Teachers Retirement System. Specifically, this bill would allow retired teachers, who have been retired for at least 12 calendar months, to return to full-time employment in certain positions and continue to receive retirement benefits. This bill would only apply to teachers who retired under a 'normal service retirement' as defined by this legislation. Under the provisions of this substitute bill, public school systems would be authorized to employ retired teachers as full-time classroom teachers, principals, superintendents, media specialists, or counselors. Public school systems would not be authorized to employ retired teachers as full-time improvement specialists. However, this bill would continue to allow regional education service agencies to hire retired teachers into such positions.

This bill also specifies that the salary paid to any retired teacher shall be determined pursuant to an agreement between the retired teacher and the employing school system. Additionally, this legislation would require the public school system employing a retired teacher to pay all employee and employer contributions to the retirement system. Currently, the public school system only pays the employer contribution. Finally, this bill establishes an automatic repeal date of June 30, 2016.

The amendment offered by (AM 21 3621) would revise provisions relating to retirement bills in the General Assembly. Specifically, this amendment would revise the definition of 'retirement bill having a fiscal impact' to include any bill requiring a public retirement system to divest or refrain from investing in specific investments or classes of investments. Under the provisions of this amendment, any bill requiring a public retirement system to divest or refrain from investing in specific investments or classes of investments may only be introduced in the first year of the biennial session. At the time such bill is introduced, it must be accompanied by a statement from the Governor, Lieutenant Governor, or the Speaker of the House of Representatives describing the primary goal that the bill is attempting to achieve and must include a fiscal analysis from each affected public retirement system stating the cost of compliance with the legislation and the anticipated annual fiscal losses which will be incurred as a result of complying with the legislation.

This is to certify that this amendment is a nonfiscal amendment as defined in the Public Retirement Systems Standards Law. Therefore, the actuarial investigation and State Auditor's Summary for Senate Bill 327 (LC 21 9848S) would apply to (LC 21 9934S), as amended (AM 21 3621). It should be noted that Senate Bill 327 also incorporates the provisions previously addressed in (LC 21 9690S). Therefore, a copy of the actuarial investigations and State Auditor Summaries for (LC 21 9848S) and (LC 21 9690S) are attached to this certification.

Respectfully,

/s/ Russell W. Hinton  
State Auditor

RWH/cs