



## DEPARTMENT OF AUDITS AND ACCOUNTS

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March 27, 2009

The Honorable Horacena Tate  
State Senator  
State Capitol, Room 110-C  
Atlanta, Georgia 30334

SUBJECT: State Auditor's Certification  
Senate Bill (LC 21 0414)

Dear Senator Tate:

This bill would amend provisions relating to the calculation of retirement benefits under the Teachers Retirement System. Specifically, this bill would revise the formula used to calculate retirement benefits for members. Currently, members receive a benefit equal to 2.0 percent of the member's average compensation over the two consecutive years of membership service producing the highest such average, multiplied by the number of years of creditable service, not to exceed 40 years. If this legislation is enacted, the multiplier would be increased from 2.0 percent to 2.5 percent. Also, the maximum number of years used in the calculation would be reduced from 40 years to 35 years. Additionally, this bill would require the Board of Trustees to recalculate the retirement benefits of members who were retired prior to the effective date of this bill. Effective July 1, 2010, such members would begin receiving benefits based on this new formula.

This is to certify that this bill is a fiscal retirement bill as defined in the Public Retirement Systems Standards Law.

Respectfully,

/s/ Russell W. Hinton  
State Auditor

RWH/cs

