

House Bill 295

By: Representatives Maxwell of the 17th, Benton of the 31st, Meadows of the 5th, Brooks of the 63rd, Buckner of the 130th, and others

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 provide a method of calculating accrued benefits for persons subject to the
3 Georgia State Employees Pension and Savings Plan who transfer between the Employees'
4 Retirement System of Georgia and the Teachers Retirement System of Georgia; to provide
5 for the transfer of the accrued benefit amount and the present value of the accrued benefit;
6 to provide that the present value shall be based on methods and assumptions of the
7 transferring system; to provide for the recalculation of benefits; to provide for related
8 matters; to provide conditions for an effective date and automatic repeal; to repeal conflicting
9 laws; and for other purposes.

10 BE IT ENACTED BY THE GENERAL ASSEMBLY OF GEORGIA:

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

12 Title 47 of the Official Code of Georgia Annotated, relating to retirement and pensions, is
13 amended in Code Section 47-2-181, relating to transfer of service credits and accumulated
14 contributions from the Teachers Retirement System of Georgia to the Employees' Retirement
15 System of Georgia, by adding a new subsection to read as follows:

16 "(d)(1) At the time the membership of a person is transferred from the Teachers
17 Retirement System of Georgia to this retirement system subject to Article 10 of this
18 chapter, this retirement system shall receive the funds transferred from the Teachers
19 Retirement System of Georgia pursuant to Code Section 47-3-81 and, as applicable, add
20 the accrued benefit transferred from the Teachers Retirement System of Georgia to the
21 accrued benefit or the balance of employee contributions and interest. The total benefits
22 of any such member shall be subject to the rules of this retirement system.

23 (2) At the time the membership of a person subject to Article 10 of this chapter transfers
24 to the Teachers Retirement System of Georgia, this retirement system shall:

25 (A) Calculate the accumulated benefit using the service and compensation at the time
26 of the transfer;

27 (B) Calculate present value of the accrued benefit using methods and assumptions
 28 adopted by the board; and

29 (C) Transfer to the Teachers Retirement System of Georgia the greater of the present
 30 value of the accumulated benefit or the balance of the employee contributions and
 31 interest.

32 (3) All service transferred pursuant to this subsection shall be calculated as credit in this
 33 retirement system for all purposes in this retirement system.

34 (4) This retirement system and the Teachers Retirement System of Georgia shall
 35 recalculate the accumulated benefit of any person transferred between such retirement
 36 systems from January 1, 2009, through June 30, 2012, according to the methods
 37 prescribed by this subsection."

38 SECTION 2.

39 Said title is further amended in Code Section 47-3-81, relating to transfer of service credits
 40 from the Employees' Retirement System of Georgia to the Teachers Retirement System of
 41 Georgia, limitations, and additional contributions or adjustments required, by adding a new
 42 subsection to read as follows:

43 "(c)(1) At the time the membership of a person subject to Article 10 of Chapter 2 of this
 44 title is transferred from the Employees' Retirement System of Georgia to this retirement
 45 system, this retirement system shall receive the funds transferred from the Employees'
 46 Retirement System of Georgia pursuant to Code Section 47-2-181 and, as applicable, add
 47 the accrued benefit transferred from the Employees' Retirement System of Georgia to the
 48 accrued benefit or the balance of employee contributions and interest. The total benefits
 49 of any such member shall be subject to the rules of this retirement system.

50 (2) At the time the membership of a member of this retirement system transfers to the
 51 Employees' Retirement System of Georgia and is subject to Article 10 of Chapter 2 of
 52 this title, this retirement system shall:

53 (A) Calculate the accumulated benefit using the service and compensation at the time
 54 of the transfer;

55 (B) Calculate present value of the accrued benefit using methods and assumptions
 56 adopted by the board; and

57 (C) Transfer to the Employees' Retirement System of Georgia the greater of the present
 58 value of the accumulated benefit or the balance of the employee contributions and
 59 interest.

60 (3) All service transferred pursuant to this subsection shall be calculated as credit in this
 61 retirement system for all purposes in this retirement system.

62 (4) This retirement system and the Employees' Retirement System of Georgia shall
63 recalculate the accumulated benefit of any person transferred between such retirement
64 systems from January 1, 2009, through June 30, 2012, according to the methods
65 prescribed by this subsection."

66 **SECTION 3.**

67 This Act shall become effective on July 1, 2012, only if it is determined to have been
68 concurrently funded as provided in Chapter 20 of Title 47 of the Official Code of Georgia
69 Annotated, the "Public Retirement Systems Standards Law"; otherwise, this Act shall not
70 become effective and shall be automatically repealed in its entirety on July 1, 2012, as
71 required by subsection (a) of Code Section 47-20-50.

72 **SECTION 4.**

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