

HOUSE SUBSTITUTE TO SENATE BILL 286

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 that tax
8 commissioners, tax collectors, and tax receivers and all employees in their offices who first
9 or again take office or become employed on or after July 1, 2012, shall not be members of
10 the Employees' Retirement System of Georgia by operation of law; to provide that the
11 governing authority of each county may elect to include such officers and employees in the
12 retirement system; to provide for employee and employer contributions; to provide that no
13 such person may be a member of another public retirement system; to provide for related
14 matters; to provide conditions for an effective date and automatic repeal; to repeal conflicting
15 laws; and for other purposes.

16 BE IT ENACTED BY THE GENERAL ASSEMBLY OF GEORGIA:

17 **SECTION 1.**

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

22 "(d)(1) At the time the membership of a person is transferred from the Teachers
23 Retirement System of Georgia to this retirement system subject to Article 10 of this
24 chapter, this retirement system shall receive the funds transferred from the Teachers
25 Retirement System of Georgia pursuant to Code Section 47-3-81 and, as applicable, add
26 the accrued benefit transferred from the Teachers Retirement System of Georgia to the

27 accrued benefit or the balance of employee contributions and interest. The total benefits
 28 of any such member shall be subject to the rules of this retirement system.

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

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

33 (B) Calculate the present value of the accrued benefit using methods and assumptions
 34 adopted by the board of trustees; and

35 (C) Transfer to the Teachers Retirement System of Georgia the greater of the present
 36 value of the accumulated benefit or the balance of the employee contributions and
 37 interest.

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

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

44 **SECTION 2.**

45 Said title is further amended in Code Section 47-2-292, relating to merit system of personnel
 46 administration for county revenue employees, membership in retirement system,
 47 contributions, and credit for prior service, by adding a new subsection to read as follows:

48 "(a.1) Notwithstanding any other provision of this Code section, no person who first or
 49 again takes office or becomes employed on or after July 1, 2012, shall become a member
 50 of the retirement system pursuant to the provisions of this Code section. Any person
 51 serving in any such position on July 1, 2012, who continues in service without a break in
 52 service shall remain a member of this retirement system. The reelection of any such officer
 53 or the election of any eligible employee to such office shall not constitute a break in
 54 service."

55 **SECTION 3.**

56 Said title is further amended by adding a new Code section to read as follows:

57 "47-2-292.1.

58 (a) The provisions of this Code section shall apply to tax commissioners, tax collectors,
 59 and tax receivers and employees in their offices who first or again take office or become
 60 employed on or after July 1, 2012.

61 (b) On and after July 1, 2012, the governing authority of each county shall have the option
 62 of including the county tax commissioner, tax collector, or tax receiver and all employees
 63 of such person's office as members of the retirement system. Such option shall be made
 64 by adopting a resolution and forwarding such resolution to the board of trustees.

65 (c) The official in charge of such office, if he or she is responsible for the payment of the
 66 employees in that office, or the governing authority of the county, if the official and the
 67 employees are paid by it, shall deduct or collect from each member the employee
 68 contributions required by this chapter and shall remit the same to the retirement system as
 69 required by regulations. The governing authority of the county shall pay to the board of
 70 trustees the employer contributions required by this chapter, upon receipt of an invoice
 71 from the retirement system.

72 (d) An election by a county governing authority made pursuant to subsection (b) of this
 73 Code section may be revoked in the same manner as the election was made, but the
 74 county's obligations as to any officer or employee who became a member of the retirement
 75 system as a result of such election shall continue, and the rights and benefits of any such
 76 officer or employee shall be unaffected by such revocation.

77 (e) All persons subject to the provisions of this Code section shall be members of the
 78 retirement system under the provisions of Article 10 of this chapter as a condition of
 79 holding office.

80 (f) Notwithstanding any other provisions of this Code section, no tax commissioner, tax
 81 collector, tax receiver, or any employee of any such official shall be eligible for
 82 membership in the retirement system if such officer or employee is covered or becomes
 83 covered by any other public retirement or pension system, excluding social security
 84 coverage."

85 **SECTION 4.**

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

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

- 97 (2) At the time the membership of a member of this retirement system transfers to the
 98 Employees' Retirement System of Georgia and is subject to Article 10 of Chapter 2 of
 99 this title, this retirement system shall:
- 100 (A) Calculate the accumulated benefit using the service and compensation at the time
 101 of the transfer;
- 102 (B) Calculate the present value of the accrued benefit using methods and assumptions
 103 adopted by the board of trustees; and
- 104 (C) Transfer to the Employees' Retirement System of Georgia the greater of the present
 105 value of the accumulated benefit or the balance of the employee contributions and
 106 interest.
- 107 (3) All service transferred pursuant to this subsection shall be calculated as credit in this
 108 retirement system for all purposes in this retirement system.
- 109 (4) This retirement system and the Employees' Retirement System of Georgia shall
 110 recalculate the accumulated benefit of any person transferred between such retirement
 111 systems from January 1, 2009, through June 30, 2012, according to the methods
 112 prescribed by this subsection."

113 **SECTION 5.**

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

119 **SECTION 6.**

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