

The Senate Committee on Retirement offers the following substitute to HB 266:

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 correct certain provisions relative to the investment authority of local
3 retirement systems; to correct the name of a certain council; to modify a definition related
4 to the Georgia Municipal Employees Benefit System; to modify provisions related to the
5 return of mandatory employee contributions in the Georgia Municipal Employees Benefit
6 System; to repeal conflicting laws; and for other purposes.

7 BE IT ENACTED BY THE GENERAL ASSEMBLY OF GEORGIA:

SECTION 1.

8 Title 47 of the Official Code of Georgia Annotated, relating to retirement and pensions, is
9 amended in Chapter 1, relating to investment and reinvestment of assets of local retirement
10 system, valuation and limitation on investments, and duties of the state auditor, by revising
11 subsection (a) of Code Section 47-1-12, relating to investment and reinvestment of assets of
12 local retirement system, as follows:

14 "(a) The board of trustees of any local retirement system shall have full power to invest
15 and reinvest assets of the retirement system and to purchase, hold, sell, assign, transfer, and
16 dispose of any securities and other investments in which assets of the retirement system
17 have been invested, any proceeds of any investments, and any money belonging to the
18 retirement system; provided, however, that, except as otherwise provided in this Code
19 section, such power shall be subject to all terms, conditions, limitations, and restrictions
20 imposed by ~~the laws of this state upon domestic life insurance companies~~ Article 7 of
21 Chapter 20 of this title in making and disposing of their investments."

SECTION 2.

22 Said title is further amended in Chapter 2, relating to the Employees' Retirement System of
23 Georgia, by revising paragraph (1) of subsection (a) of Code Section 47-2-323, relating to
24

25 membership in retirement system of employees of the Georgia Public Defender Standards
26 Council, creditable service, and contributions, as follows:

27 "(1) 'Council' means the Georgia Public Defender Standards Council established by Code
28 Section 17-12-3."

29 SECTION 3.

30 Said title is further amended in Chapter 5, relating to the Georgia Municipal Employees
31 Benefit System, by revising paragraph (6) of Code Section 47-5-2, relating to definitions, as
32 follows:

33 "(6) 'Employee' means any full-time salaried or hourly rated person in the active service
34 of an employer and any employees of the board of trustees. Notwithstanding any laws
35 to the contrary, the term also includes any appointed or elected member of the governing
36 authority of a municipal corporation of this state or of an employer created pursuant to
37 the charter of a municipal corporation of this state, the chief legal officer or any associate
38 legal officer of a municipal corporation, and any municipal officer elected or appointed
39 to preside over the court of a municipal corporation. Said term shall also include
40 part-time employees of an employer for the purposes of participating in employee benefit
41 plans."

42 SECTION 4.

43 Said title is further amended in said chapter by revising Code Section 47-5-47, relating to
44 return of contributions to employee or employee's estate, as follows:

45 "47-5-47.

46 Plans Except as otherwise provided with respect to the provision of death benefits under
47 a plan, plans providing for retirement benefits established under this chapter shall provide
48 that mandatory contributions made by a participating employee shall be returned to such
49 employee employee's surviving spouse or his to the estate of the participant or the
50 participant's pre-retirement beneficiary in the event of death before retirement. If the
51 employee is separated from employment prior to the time he or she is eligible for
52 retirement benefits, such contributions shall be returned unless the employee chooses to
53 claim his or her vested benefits, in which case the employee contributions shall remain with
54 the fund until such time as the employee becomes eligible for the vested benefits. Such
55 contributions may be returned without interest or with such interest as is provided in the
56 plan."

57 SECTION 5.

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