

House Bill 173 (COMMITTEE SUBSTITUTE)

By: Representatives Benton of the 31st, Werkheiser of the 157th, Stephens of the 164th, McDonald of the 26th, Wiedower of the 119th, 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 revise certain provisions relating to membership of the board of trustees
3 of the Employees' Retirement System of Georgia; to increase the percentage of an eligible
4 large retirement system's assets that may be invested in alternative investments; to provide
5 limitations for the Teachers' Retirement System of Georgia and the Employees' Retirement
6 System of Georgia; to provide for related matters; to repeal conflicting laws; and for other
7 purposes.

8 BE IT ENACTED BY THE GENERAL ASSEMBLY OF GEORGIA:

9 **SECTION 1.**

10 Title 47 of the Official Code of Georgia Annotated, relating to retirement and pensions, is
11 amended by revising paragraph (5) of subsection (b) Code Section 47-2-21, relating to power
12 and duty of board of trustees to administer and operate retirement system, membership of
13 board, vacancies, expenses, oath, and quorum, as follows:

14 "(5)(A) Two trustees elected by the trustees set forth in paragraphs (1) through (4) of
15 this subsection for a term of four years, provided that in their first terms one served for
16 a term from the date of election to June 30, 1950, and the other for a term from the date

H. B. 173 (SUB)

17 of election to June 30, 1952; provided, further, that each of these two members shall
 18 have had at least five years of creditable service with an agency included in this
 19 retirement system; and

20 (B) In electing the two trustees identified in subparagraph (A) of this paragraph, the
 21 trustees set forth in paragraphs (1) through (4) of this subsection shall review and
 22 consider any individuals nominated by any organization of state retirees consisting of
 23 at least 1,000 members; and"

24 SECTION 2.

25 Said title is further amended by revising paragraph (1) of subsection (d) of Code Section
 26 47-20-87, relating to eligible large retirement systems authorized to invest in certain
 27 alternative investments, as follows:

28 "(d)(1)(A) Alternative investments by an eligible large retirement system shall not in
 29 the aggregate exceed ~~5~~ 10 percent of the eligible large retirement system's assets at any
 30 time.

31 (B) Notwithstanding subparagraph (A) of this paragraph, alternative investments by
 32 the Georgia Firefighters' Pension Fund shall not in the aggregate exceed 10 percent of
 33 its assets at any time.

34 (C) Notwithstanding subparagraph (A) of this paragraph, the Teachers' Retirement
 35 System of Georgia shall not in the aggregate exceed 5 percent of such system's assets
 36 at any time.

37 (D) Notwithstanding subparagraph (A) of this paragraph, the Employees' Retirement
 38 System of Georgia shall not in the aggregate exceed 5 percent of such system's assets
 39 at any time."

40 SECTION 3.

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