

House Bill 914 (AS PASSED HOUSE AND SENATE)

By: Representatives Cummings of the 19th, McBee of the 74th, Coleman of the 65th, and Black of the 144th

A BILL TO BE ENTITLED
AN ACT

To amend Code Section 47-2-121 of the Official Code of Georgia Annotated, relating to optional retirement allowances under the Employees' Retirement System of Georgia, so as to provide that a member of such retirement system may elect to receive a reduced retirement allowance together with a partial lump sum distribution; to provide for exceptions and limitations; to provide for the payment of certain amounts in the event of the death of a member and a designated beneficiary; to provide conditions for an effective date and automatic repeal; to repeal conflicting laws; and for other purposes.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF GEORGIA:

SECTION 1.

Code Section 47-2-121 of the Official Code of Georgia Annotated, relating to optional retirement allowances under the Employees' Retirement System of Georgia, is amended by inserting immediately following subsection (e.3) a new subsection to read as follows:

"(e.4) Option five shall consist of a reduced retirement allowance together with a partial lump sum distribution. This option may be elected by any retiring member including members electing another optional allowance under this Code section except that this option shall not be available to members retiring pursuant to Code Section 47-2-123 or members subject to the requirements of subsection (e) of Code Section 47-2-120. The amount of the lump sum distribution under this subsection may not exceed the sum of 36 months of the monthly retirement allowance the retiring member would have received had he or she not elected the partial lump sum option. The partial lump sum distribution will be made as a single payment payable at the time the first monthly retirement allowance is paid to the retired member."

SECTION 2.

Said Code section is further amended by inserting at the end thereof the following:

“(i)(1) Upon the death of the retired member and then the death of the person designated to receive continuing retirement benefits under option two, three, four, or five if the total monthly benefits paid to the retired member and to such person designated to receive continuing benefits, including any partial lump-sum distribution, do not equal or exceed the retired member’s accumulated contributions at the time of his or her retirement, the difference shall be refunded to the person designated in writing by the retired member to receive such a refund of this difference. If no such person is designated to receive a refund of this difference, or if such designated person has predeceased the person designated to receive continuing monthly retirement benefits, or if such designees are the same person, this difference shall be paid to the estate of the person designated to receive continuing monthly retirement benefits.

(2) Upon the death of the person designated by the retired member to receive continuing monthly retirement benefits under option two, three, four, or five and then the death of the retired member, if the total monthly benefits paid to the retired member prior to his or her death, including any partial lump-sum distribution, do not equal or exceed the retired member's accumulated contributions at the time of his or her retirement, the difference shall be refunded to the person designated in writing by the retired member to receive such a refund of this difference. If the person designated by the retired member to receive a refund of this difference also predeceases the retired member, or if such designees are the same person, or if no person is designated to receive a refund of this difference, this difference shall be paid to the estate of the retired member."

SECTION 3.

This Act shall become effective on July 1, 2004, only if it is determined to have been concurrently funded as provided in Chapter 20 of Title 47 of the Official Code of Georgia Annotated, the "Public Retirement Systems Standards Law"; otherwise, this Act shall not become effective and shall be automatically repealed in its entirety on July 1, 2004, as required by subsection (a) of Code Section 47-20-50.

SECTION 4.

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