



DOAA

Georgia Department
of Audits & Accounts

Greg S. Griffin
State Auditor

February 15, 2023

The Honorable John Carson
Chairman, House Retirement Committee
State Capitol, Room 401-E
Atlanta, GA 30334

SUBJECT: State Auditor's Certification House
Bill (LC 43 2649)

Dear Chairman Carson:

This bill would amend provisions relating to the Public Retirement Systems Investment Authority Law. Specifically, this bill defines the word 'fiduciary' to mean any retirement system or administrator that:

- Exercises any discretionary authority or control relative to the management or disposition of a retirement system's assets;
- Renders investment advice for a fee or other compensation; or
- Has discretionary authority or control in the management or administration of a retirement system.

Under the provisions of this legislation, fiduciaries would be required to execute their duties solely in the best interest of the plan members and beneficiaries. This bill would allow fiduciaries to delegate investment management decisions to qualified professional investment personnel. However, the fiduciary is still liable if it is determined that investment decisions were not made in the best financial interest of the plan members and beneficiaries.

Furthermore, this bill would require all retirement systems to fully comply with the provisions of this bill by November 1, 2023 and must conform any plan documents, contracts, local laws, ordinances, or resolutions that are not in compliance with the provisions of this bill. It should be noted that the provisions of this bill would apply to all retirement systems that receive public funds.

This is to certify that this bill is a nonfiscal retirement bill as defined in the Public Retirement Systems Standards Law.

Respectfully,

Greg S. Griffin
State Auditor

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