



DOAA

Georgia Department
of Audits & Accounts

Greg S. Griffin
State Auditor

March 20, 2023

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

SUBJECT: State Auditor's Certification
Substitute to Senate Bill 240 (LC 43 2817S)

Dear Chairman Carson:

This substitute bill would revise laws relating to social security coverage for employees of the state and political subdivisions of the state. Specifically, this bill would require the Employees' Retirement System (ERS) to identify each political subdivision of this state that does not extend coverage for the benefits of Title II of the Social Security Act to its employees or positions which are eligible for membership in the Public School Employees Retirement System (PSERS). The Employees' Retirement System would be required to submit a report by September 1, 2023 to the Chairpersons of the House and Senate Retirement Committees. This report must include the names of all political subdivisions that do not extend this benefit, the number of people impacted, and information regarding any alternative plan that may be offered to such employees in lieu of social security.

Subject to federal law, this substitute bill would also prohibit the ERS from approving plans for any political subdivisions that do not extend social security benefit coverage to employees or positions which are eligible for membership in the PSERS. This would apply to any plans which require approval on and after September 1, 2023.

This substitute bill would amend provisions relating to membership in the Teachers Retirement System of Georgia. Under the provisions of this bill, persons who become employed as a "teacher" in a charter school on or after June 1, 2023 may no longer be eligible for membership in the Teachers Retirement System. This would apply to:

- Employees of a charter school established pursuant to Article 31 of Chapter 2 of Title 20 of the Official Code of Georgia Annotated, which created local charter schools and state-chartered special schools, and
- Employees of a charter school established pursuant to Article 31A of Chapter 2 of Title 20 of the Official Code of Georgia Annotated, which created commission charter schools.

Under the provisions of this bill, this prohibition would only apply to persons who are hired by a charter school which offers an alternative retirement plan to such employees. Any current employee of a charter school that is a member of the Teachers Retirement System will be authorized to remain a member.

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

Respectfully,

A handwritten signature in blue ink, appearing to read "Greg S. Griffin".

Greg S. Griffin
State Auditor

GSG/cs