DOAA
Georgia Department
of Audits & Accounts

Greg S. Griffin
State Auditor

February 13, 2025

The Honorable John Albers
State Senator
State Capitol, Room 421-C
Atlanta, GA 30334

SUBJECT: State Auditor's Certification
Senate Bill (LC 56 0312)

Dear Senator Albers:

This bill would amend provisions relating to monthly retirement allowances under the Georgia Legislative Retirement System. Effective July 1, 2022, the monthly retirement allowance is $50 for each year of creditable service earned provided the member was making contributions on January 1, 2022. Members who ceased making contributions prior to this date receive a monthly allowance based on a lower multiplier. These multipliers are currently included in statute.

If this legislation is enacted, the board of trustees for the Georgia Legislative Retirement System would be required to increase the benefit multiplier in such a manner that the System maintains a funded ratio, as defined in this bill, as close to 120 percent as practicable. Under the provisions of this bill, benefit increases would first be awarded to retirees who receive a benefit calculated with the lower benefit multiplier. Once the increases awarded to retirees with the lower benefit multiplier are equal among all active and retired members, future increases would be awarded to all members. Under the provisions of this bill, the minimum increase shall not be less than $1.00.

This legislation also provides for increases in the member contributions that are proportional to any increase in the benefit multiplier. As written, it is unclear whether member contributions would be adjusted to cover the cost of increasing benefit multipliers for beneficiaries or just active members who would subsequently benefit from benefit increases.

Finally, this bill would still prohibit persons who become members of the Georgia Legislative Retirement System on or after July 1, 2009 from receiving a postretirement benefit adjustment. While such members would be entitled to the increased benefit multiplier awarded when the System's funded ratio exceeds 120 percent, such members would not be entitled to any other postretirement benefit adjustments that could be awarded by the board of trustees.

S.B. 198

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

Respectfully,

Greg S. Griffin
State Auditor

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