

The Senate Committee on Retirement offered the following substitute to SB 261:

A BILL TO BE ENTITLED
AN ACT

1 To amend Chapter 25 of Title 47 of the Official Code of Georgia Annotated, relating to the
2 magistrates retirement fund, so as to change the makeup of the Board of Commissioners of
3 the Magistrates Retirement Fund of Georgia; to provide for an early retirement benefit; to
4 provide for an employee contribution increase; to replace the statutory maximum monthly
5 compensation used to calculate a benefit with an amount determined by the board; to increase
6 the maximum number of years of service used to calculate a benefit; to provide for related
7 matters; to provide conditions for an effective date and automatic repeal; to repeal conflicting
8 laws; and for other purposes.

9 BE IT ENACTED BY THE GENERAL ASSEMBLY OF GEORGIA:

10

SECTION 1.

11 Chapter 25 of Title 47 of the Official Code of Georgia Annotated, relating to the magistrates
12 retirement fund, is amended by revising Code Section 47-25-20, relating to Board of
13 Commissioners created, members, and term of office, as follows:

14 "47-25-20.

15 (a) There is created the Board of Commissioners of the Magistrates Retirement Fund of
16 Georgia.

17 (1) Prior to July 1, 2026, the The board shall consist of seven members as follows:

18 ~~(1)~~(A) The Governor or the Governor's designee;

19 ~~(2)~~(B) An appointee of the Governor who is not the Attorney General; and

20 ~~(3)~~(C) Five chief magistrates who are members of the fund.

21 (2) On and after July 1, 2026, the board shall consist of seven members as follows:

22 (A) The Governor or the Governor's designee;

23 (B) An appointee of the Governor who is not the Attorney General;

24 (C) Four chief magistrates who are members of the fund; and

25 (D) One retired chief magistrate who is a member of the fund.

26 (b) The members of the board provided for by paragraph (3) of subsection (a) of this Code
27 section shall be appointed by the Governor. The first such members shall be appointed by
28 the Governor to take office on July 1, 2006, for initial terms as follows: one such member
29 shall be appointed for one year; two such members shall be appointed for terms of two
30 years; and two such members shall be appointed for terms of three years. Thereafter, the
31 Governor shall appoint successors upon the expiration of the respective terms of office for
32 terms of three years. All such members shall serve until their successors are appointed and
33 qualified. Such members shall be eligible for reappointment to successive terms of office
34 as members of the board.

35 (c) The board shall elect a chairperson from among its own membership to serve for a term
36 as established by rules of the board. Four members of the board shall constitute a quorum
37 for the transaction of business. All members of the board shall serve without compensation
38 but may be reimbursed for travel and other expenses incurred by them in carrying out their
39 duties as members of the board.

40 (d) In the event of a vacancy in the membership of the board, the remaining members of
41 the board shall appoint a chief magistrate who is a member of the fund to fill such vacancy
42 for the unexpired term.

43 (e) The Council of Magistrate Court Judges shall be authorized to submit the names of
44 nominees for each position on the board appointed by the Governor pursuant to this Code
45 section. The Governor may consider such nominees in making such appointments, but it
46 is specifically provided that all such appointments shall be at the sole discretion of the
47 Governor, and the Governor shall not be required to make any appointments from
48 nominees made by the Council of Magistrate Court Judges."

49

SECTION 2.

50 Said chapter is further amended by revising Code Section 47-25-41, relating to member dues,
51 as follows:

52 "47-25-41.

53 Each member shall pay into the fund as dues a sum equal to ~~3.42~~ 4.0 percent of the
54 member's maximum average final monthly compensation established by subsection (a) of
55 Code Section 47-25-81 per month. Each month's dues shall be paid not later than the tenth
56 day of that month."

57

SECTION 3.

58 Said chapter is further amended by revising Code Section 47-25-80, relating to requirements
59 to receiving benefits, as follows:

60 "47-25-80.

61 (a) In order for a member to be eligible to receive retirement benefits under this chapter,
62 he or she must have:

63 (1) Served as a regularly qualified and commissioned chief magistrate or as the
64 secretary-treasurer for at least eight years;

- 65 (2) Fully complied with this chapter;
- 66 (3) Terminated his or her official capacity as a chief magistrate or as the
67 secretary-treasurer;
- 68 (4) Attained the age of ~~60~~ 55 years;
- 69 (5) Filed with the board his or her application for such retirement, on a form to be
70 furnished by the board, within a period of 90 days, or as soon thereafter as possible, after
71 reaching the age of ~~60~~ 55 years or after termination of his or her official capacity as a
72 chief magistrate or as the secretary-treasurer, whichever may occur last in point of time;
73 and
- 74 (6) Had his or her application for retirement approved by the board.
- 75 (b) If a member retires prior to the age of 60, his or her benefit, as calculated pursuant to
76 Code Section 47-25-81, shall be reduced by one-twelfth of 3 percent for each month by
77 which his or her age at the time of retirement is below 60 years."

78 **SECTION 4.**

79 Said chapter is further amended by revising Code Section 47-25-81, relating to the amount
80 of benefits, as follows:

81 "47-25-81.

82 (a) Any member who is approved for retirement benefits as provided in Code
83 Section 47-25-80 shall be paid a monthly sum equal to ~~4~~ 5 percent of his or her average
84 final monthly compensation for each year served by the member up to, but not exceeding,
85 a total of ~~20~~ 28 years; provided, however, that the final ~~annual~~ monthly compensation used
86 for calculating a benefit under this Code section shall not exceed an amount set pursuant
87 to subsection (b) of this Code section. \$42,781.22 or the amount fixed in the following
88 schedule according to county population, whichever amount is higher:

	<u>Maximum Average Final</u>
<u>Population</u>	<u>Monthly Compensation</u>

90	500,000 or more	\$ 7,247.87
91	400,000 - 499,999	6,975.70
92	300,000 - 399,999	6,703.53
93	250,000 - 299,999	6,072.65
94	200,000 - 249,999	5,594.17
95	150,000 - 199,999	5,132.49
96	100,000 - 149,999	4,797.70
97	75,000 - 99,999	4,490.76
98	50,000 - 74,999	4,183.47
99	39,000 - 49,999	3,732.53
100	29,000 - 38,999	3,512.80
101	20,000 - 28,999	3,293.34
102	11,890 - 19,999	3,073.88
103	6,000 - 11,889	2,713.53
104	0 - 5,999	1,975.98

105 (b) The board of commissioners ~~is authorized to~~ shall adopt from time to time ~~a method~~
 106 ~~or methods of providing for increases in the~~ a maximum final monthly compensation used
 107 for calculating a benefit as provided in this Code section. Such ~~method or methods~~
 108 maximum final monthly compensation shall be based upon:

- 109 (1) The recommendation of the actuary of the board of commissioners;
- 110 (2) The maintenance of the actuarial soundness of the fund in accordance with the
- 111 standards provided in Code Section 47-20-10 or such higher standards as may be adopted
- 112 by the board; and
- 113 (3) Such other factors as the board deems relevant; provided, however, that any such
- 114 increase shall be uniform and shall apply equally to all members of this retirement
- 115 system.

116 (c) No time for which dues have not been paid in accordance with Code Section 47-25-41
117 shall be considered in determining the number of years of service."

118 **SECTION 5.**

119 This Act shall become effective on July 1, 2026, only if it is determined to have been
120 concurrently funded as provided in Chapter 20 of Title 47 of the Official Code of Georgia
121 Annotated, the "Public Retirement Systems Standards Law"; otherwise, this Act shall not
122 become effective and shall be automatically repealed in its entirety on July 1, 2026, as
123 required by subsection (a) of Code Section 47-20-50.

124 **SECTION 6.**

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