

Senate Bill 452

By: Senators Hatchett of the 50th, Robertson of the 29th, Strickland of the 42nd, Tillery of the 19th, Albers of the 56th and others

**AS PASSED SENATE**

A BILL TO BE ENTITLED

AN ACT

1 To amend Code Section 47-2-357 of the Official Code of Georgia Annotated, relating to  
2 withdrawal, employer contributions, vesting, and date of election, so as to increase the  
3 maximum employer contribution to a 401(k) for certain state law enforcement officers; to  
4 provide for definitions; to provide for an effective date; to provide for related matters; to  
5 repeal conflicting laws; and for other purposes.

6 BE IT ENACTED BY THE GENERAL ASSEMBLY OF GEORGIA:

7 **SECTION 1.**

8 Code Section 47-2-357 of the Official Code of Georgia Annotated, relating to withdrawal,  
9 employer contributions, vesting, and date of election, is amended as follows:  
10 "47-2-357.

11 (a) As used in this Code section, the term:

12 (1) '401(k)' means the deferred compensation plan offered by the state for public  
13 employees pursuant to Article 3 of Chapter 18 of Title 45 utilizing Section 401(k) of the  
14 federal Internal Revenue Code.

15 (2) 'Plan' means the employee savings plan created by this article.

16 (3) 'State law enforcement officer' means:

17 (A) A peace officer, as such term is defined in Code Section 35-8-2, employed by the  
18 Department of Community Supervision; or

19 (B) A sworn law enforcement officer certified by the Georgia Peace Officer Standards  
20 and Training Council who, by virtue of his or her office or public employment giving  
21 rise to his or her membership under this article, is vested by law with the duties of a  
22 peace officer, as such term is defined in Code Section 16-1-3.

23 (b) Each member shall, at the time of becoming a member, be automatically enrolled in  
24 the plan; provided, however, that the member shall have a period of 90 days from the date  
25 of enrollment to withdraw from the plan. Such withdrawal shall be made in writing to the  
26 board of trustees in such form as the board prescribes and any employee account balance  
27 shall be returned to the member. Thereafter, participation in the plan shall be voluntary.  
28 The member may not withdraw from the plan so long as he or she remains eligible to  
29 participate in the 401(k) plan offered by the state.

30 (c)(1) This paragraph shall apply to persons who became members prior to July 1, 2014.  
31 Unless the participating member elects otherwise, the member shall, for each pay period,  
32 contribute 1 percent of his or her compensation into his or her 401(k) account. The  
33 member may change such level of participation at any time.

34 (2) This paragraph shall apply to persons who become members on or after July 1, 2014.  
35 Unless the participating member elects otherwise, the member shall, for each pay period,  
36 contribute 5 percent of his or her compensation into his or her 401(k) account. The  
37 member may change such level of participation at any time.

38 (d)(1) On and after July 1, 2022, for any participating member who contributes a  
39 percentage of his or her salary into the 401(k) plan for a pay period, the employer shall  
40 contribute an equal amount into his or her 401(k) account up to a maximum of 5 percent  
41 except as otherwise provided in paragraph (2) of this subsection.

42 (2) On and after July 1, ~~2022~~ 2026, in addition to the amounts provided for in  
43 paragraph (1) of this subsection, for any participating member, other than a state law

44 enforcement officer, who has attained five years or more of creditable service in the plan  
45 and contributes at least 5 percent of his or her salary into his or her 401(k) account, such  
46 member's employer shall contribute an additional amount equal to 0.5 percent of the  
47 member's compensation for each year of such member's creditable service that exceeds  
48 five years; provided, however, that the total rate of any employer's contribution pursuant  
49 to this subsection shall not exceed 9 percent of the member's compensation.

50 (3) On and after July 1, 2026, in addition to the amounts provided for in paragraph (1)  
51 of this subsection, for any participating member who is a state law enforcement officer  
52 who has attained five years or more of creditable service in the plan and who contributes  
53 at least 5 percent of his or her salary into his or her 401(k) account, such member's  
54 employer shall contribute an additional amount equal to 2 percent of the member's  
55 compensation for each year of such member's creditable service that exceeds five years;  
56 provided, however, that the total rate of any employer's contribution pursuant to this  
57 subsection shall not exceed 15 percent of the member's compensation.

58 ~~(3)~~(4)(A) Notwithstanding the provisions of this subsection, employer contributions  
59 shall be subject to the limitations imposed by federal law.

60 (B) The member may make such additional contributions as he or she desires, subject  
61 to limitations imposed by federal law.

62 (e) The board of trustees shall apportion the costs of administering the plan among the  
63 employers and members on the basis of the normal costs of administration against any  
64 special services requested by any member.

65 (f) All contributions by participating members are 100 percent vested and shall be  
66 maintained in an account and invested based on the participant's investment allocation  
67 choices. All employer contributed amounts credited to a member's account shall be  
68 maintained as a matching contribution subaccount and invested based on the participant's  
69 investment allocation choices. Any and all amounts credited to a member's matching  
70 contribution subaccount, including applicable earnings and investment appreciation or

71 depreciation, shall become vested and nonforfeitable based on the number of employment  
 72 service years completed and in accordance with the vesting schedule set forth below:

Years of Service	Employer Nonforfeitable Vested Percentage
1	20
2	40
3	60
4	80
5	100

80 Upon separation from service for greater than 31 days, the portion of such matching  
 81 contribution subaccount not so vested shall be transferred from the member's account into  
 82 a temporary plan forfeiture accumulation account for future disposition as determined by  
 83 the board of trustees. A break in service less than 32 days shall not affect vesting rights.

84 (g) Members electing to be governed by the provisions of this article pursuant to  
 85 subsection (b) of Code Section 47-2-351 shall use their date of election as the beginning  
 86 date for purposes of calculating their vesting service for the employer contribution as  
 87 provided in subsection (f) of this Code section used to calculate the vesting requirements  
 88 of subsection (f) of this Code section, except that service as provided under Code  
 89 Section 47-2-91 shall not constitute creditable service for this purpose."

90 **SECTION 2.**

91 This Act shall become effective on July 1, 2026.

92 **SECTION 3.**

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