

House Bill 1347

By: Representatives Thomas of the 21<sup>st</sup>, Carson of the 46<sup>th</sup>, Erwin of the 32<sup>nd</sup>, and Franklin of the 160<sup>th</sup>

A BILL TO BE ENTITLED  
AN ACT

1 To amend Article 7 of Chapter 20 of Title 47 of the Official Code of Georgia Annotated, the  
2 "Public Retirement Systems Investment Authority Law," so as to provide certain retirement  
3 systems the option to invest in real estate; to provide for an increase in certain retirement  
4 systems allowable alternative investments; to provide for related matters; to repeal  
5 conflicting laws; and for other purposes.

6 BE IT ENACTED BY THE GENERAL ASSEMBLY OF GEORGIA:

7 **SECTION 1.**

8 Article 7 of Chapter 20 of Title 47 of the Official Code of Georgia Annotated, the "Public  
9 Retirement Systems Investment Authority Law," is amended by revising subsection (b) of  
10 Code Section 47-20-83, relating to certified or uncertified forms of investment and real estate  
11 investments, as follows:

12 "(b)(1) Notwithstanding the provisions of subsection (a) of this Code section, the Georgia  
13 Municipal Employees Benefit System and any association of like political subdivisions  
14 which contracts with its members for the pooling of assets may invest up to 10 percent  
15 of the total assets of its fund in real estate; provided, however, that in the event the fund's  
16 assets decrease in value, ~~the~~ such system or association shall be entitled to retain all real

17 estate investments if owned prior to the reduction in value of assets; and provided,  
18 further, that any such system or association shall be entitled to retain all real estate assets  
19 it owned on July 1, 1999, without regard to the limitation imposed by this subsection.

20 (2) Notwithstanding the provisions of subsection (a) of this Code section, the Georgia  
21 Firefighters' Pension Fund may invest up to 10 percent of the total assets of its fund in  
22 real estate; provided, however, that in the event the fund's assets decrease in value, the  
23 fund shall be entitled to retain all real estate investments if owned prior to the reduction  
24 in value of assets.

25 (3) Notwithstanding the provisions of subsection (a) of this Code section, a large  
26 retirement system, as defined in Code Section 47-20-84, not otherwise described in this  
27 subsection, and excluding the Employees' Retirement System of Georgia and the  
28 Teachers Retirement System of Georgia, may invest up to 10 percent of the total assets  
29 of its fund in real estate; provided, however, that, in the event the fund's assets decrease  
30 in value, the fund shall be entitled to retain all real estate investments if owned prior to  
31 the reduction in value of assets."

32 **SECTION 2.**

33 Said article is further amended by revising paragraph (1) of subsection (d) of Code Section  
34 47-20-87, relating to eligible large retirement systems authorized to invest in certain  
35 alternative investments, as follows:

36 "(d)(1)(A) Alternative investments by an eligible large retirement system shall not in  
37 the aggregate exceed ~~10~~ 15 percent of the eligible large retirement system's assets at  
38 any time.

39 (B) Notwithstanding subparagraph (A) of this paragraph, alternative investments by  
40 the Georgia Firefighters' Pension Fund shall not in the aggregate exceed 20 percent of  
41 its assets at any time.

42 (B.1) Notwithstanding subparagraph (A) of this paragraph, alternative investments by  
43 the Peace Officers' Annuity and Benefit Fund shall not in the aggregate exceed 15  
44 percent of its assets at any time.

45 (C) Notwithstanding subparagraph (A) of this paragraph, the Teachers Retirement  
46 System of Georgia shall not in the aggregate exceed 5 percent of such system's assets  
47 at any time.

48 (D) Notwithstanding subparagraph (A) of this paragraph, the Employees' Retirement  
49 System of Georgia shall not in the aggregate exceed 10 percent of such system's assets  
50 at any time."

51 **SECTION 3.**

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