

Legislative Update

For the Week of: March 21- March 25, 2022
Legislative Days: 32 - 35

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Legislative Log

Monday, March 21 - Tuesday, March 22, 2022

No action was taken on retirement bills.

Wednesday, March 23, 2022

HB 780 – Retirement and pensions; membership of full-time judges of the state-wide business court in the retirement plan established for appellate court judges; provide

Currently, any individual employed as the State-wide Business Court Judge is eligible for retirement plan membership under JRS.

This bill would change such eligibility so that the State-wide Business Court Judge, on and after July 1, 2022, would no longer be eligible for JRS, but instead for the special provisions under ERS provided to judges of the Appellate and Supreme Courts.

The term “appellate court judge” is amended to include the State-wide Business Court Judge, and a new Code section is added to allow for the transfer of service for such judge from JRS to ERS. It also amends JRS statute so that current eligibility provisions in JRS are capped from July 1, 2020 to July 1, 2022.

HB 780 was debated during the Senate Retirement Committee, but no action was taken.

HB 824 – Georgia Legislative Retirement System; retirement allowance; increase

This bill increases Legislative Retirement System (LRS) member’s monthly benefit payable at retirement by increasing the multiplier from \$36 to \$50. Such increase will be effective July 1, 2022 and only applies to those individuals who were contributing members on January 1, 2022 or who first becomes an LRS member after January 1, 2022.

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In addition to the benefit increase, members will continue the current contribution rate (8.5%) until June 30, 2022 at which point on and after July 1, 2022 each member must contribute \$165 each month.

It also includes a definition of "presiding creditable service," such that individuals who are serving as the presiding officer in the House of Representatives will receive an additional \$200 in their monthly benefit for each year of such member's presiding creditable service. Affected individuals will also be required to contribute an additional \$660 each month on top of the newly required \$165 monthly employee contribution.

HB 824 was TABLED by the Senate Retirement Committee.

HB 1288 – State Employees' Assurance Department; assignment of certain group term life insurance benefits; provide

This bill allows beneficiaries of group term life insurance members of ERS, JRS and LRS to assign life insurance benefits to a person licensed by the State Board of Funeral Service to practice embalming or funeral directing in order to pay for the cost of funeral service of the deceased member.

Assignments authorized by this Code section must be in writing on a form provided by ERS, JRS, or LRS and must be attached to a notarized copy of the contract between the beneficiary and licensed funeral director or embalmer. SEAD is then required to pay any sum assigned in the method and manner provided for in the funeral service contract, but only to the extent such terms are carried out in competition.

HB 1288 received a DO PASS from the Senate Retirement Committee.

Thursday, March 24, 2022

HB 1280 – Revenue and taxation; county tax commissioner duties; revise provisions

This bill authorizes the State Revenue Commissioner to contract with the Employees' Retirement System of Georgia (ERSGA) for the administration of a deferred compensation plan for "eligible county tax commissioners," where such term is defined in the legislation. In accordance with such contract, ERGSA shall investigate and approve a deferred compensation plan which:

- Offers income tax benefits in connection with plans authorized by United States Internal Revenue Code of 1986;
- Does not include compensation deferred under such plan for the purposes of computation of any federal income tax withheld on behalf of or payable by any such individual before any deferred payment date; and

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- Exempts all contributions to such deferred compensation plan from State withholding tax, so long as such contributions are not includable in gross income for federal income tax purposes. Currently, any individual employed as the State-wide Business Court Judge is eligible for retirement plan membership under JRS.

In addition to the above deferred compensation plan requirements, ERSGA is also authorized to include, as an option, for "eligible county tax commissioners" a qualified ROTH contribution program in accordance with Section 402A of the IRC.

On or after July 1, 2022, any "eligible county tax commissioner" who contributes a percentage of their minimum annual salary paid by the county according to O.C.G.A. § 48-5-183(b)(1) and (2) into the deferred compensation plan, the State shall contribute an equal amount up to five percent (5%), with the State contributions being subject to federal law limitations. Each "eligible county tax commissioner" can make additional contributions to their deferred compensation accounts, which will also be subject to federal law limitations.

This legislation also authorizes both the Board of ERGSA and the State Revenue Commissioner to impose withholding and remittance of contribution requirements by county governing authorities in order to carry out this Code section and comply with state and federal law.

HB 1280 received a DO PASS BY COMMITTEE SUBSTITUTE from the Senate Finance Committee.

Friday, March 25, 2022

No action was taken on retirement bills.