

Legislative Update

For the Week of: January 27 - 31, 2020
Legislative Days: 5 - 9

January 31, 2020

Page 1

Inside This Update

1-3 Legislative Log

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Legislative Log

Monday, January 27, 2020

No retirement bills were considered.

Tuesday, January 28, 2020

HB 67 – Georgia Legislative Retirement System; employee contributions; change certain provisions

Beginning 7/1/2020, this bill will increase the monthly retirement benefit payable to Legislative Retirement System (LRS) members by increasing the multiplier from \$36 to \$50 multiplied by the number of years of the member's creditable service.

This legislation also defines "Average Monthly Salary" to mean the average of the monthly salary of a member during the 24 consecutive months of membership service producing the highest such average. Additionally, "Monthly Salary" is defined to mean the full rate of the total combined regular monthly salary, not including any per diems, allowances, or expense reimbursements payable to a member, plus any additional regular monthly salary payable to the member pursuant to resolution adopted by the General Assembly. "Term of office" is also defined in this bill as the period of time beginning when an individual receives his or her commission as a member of the General Assembly from the Secretary of State, which commission is issued in accordance to law until the second Monday in January of the next off-numbered year.

Active members on 7/1/2020 will receive the greater benefit of either \$50 multiplied by the number of years of creditable service for retirement benefit calculation purposes or a monthly service retirement allowance equal to 38% of the member's average monthly salary. If an active member leaves office prior to 12/31/2020, they will only receive the \$50 multiplied by the number of years of creditable service benefit.

HB 67 received a DO PASS from the House Retirement Committee.

Legislative Log (continued)

HB 821 – Retirement and pensions; granting post-retirement benefit adjustments to certain individuals; provisions

This bill would allow all members of the Employees' Retirement System (ERS), the Judicial Retirement System (JRS), and the Legislative Retirement System (LRS) to be eligible to receive any post-retirement benefit adjustments granted on or after 7/1/2020 by their respective Boards, while still maintaining that no members with membership dates on and after 7/1/2009 receive any post-retirement adjustments that were granted before 7/1/2020.

HB 821 was assigned to the House Retirement Committee.

Wednesday, January 29, 2020

HB 830 – Retirement and pensions; increase percentage of eligible large retirement system's assets that may be invested in alternative investments

This bill increases the allowable percentage of assets an eligible large retirement system may invest in alternative investments from 5% to 10%, effective 7/1/2020.

HB 830 was assigned to the House Retirement Committee.

SB 26 – Employees' Retirement System of Georgia; prior service as a member of Georgia Defined Contribution Plan; creditable service; provide

Effective 7/1/2020, Employees' Retirement System (ERS) members with at least five years of service who were members of the Georgia Defined Contribution Plan (GDGP) immediately prior to becoming members of ERS may obtain credit for all such prior GDGP service. Members must pay full actuarial cost for the service and will have the ability to pay for such service with a payment plan option.

SB 26 received a DO PASS from the Senate Retirement Committee.

SB 47 – Retirement Benefits; creditable service for certain military service; provide

Beginning 7/1/2020, the legislation allows an ERS member with at least two years of service to purchase up to three years of creditable service for military service performed on or after 1/1/1990. Members must pay full actuarial cost for such service and will have the ability to pay for such with a payment plan.

SB 47 received a DO PASS from the Senate Retirement Committee.

SB 262 – Employees’ Retirement System of Georgia; eligibility of beneficiary to make new retirement election; provide

Effective for all retirement allowances due on or after January 1, 2021, this bill allows ERS retirees who have selected Options 2, 3, or 4 and whose designated individual(s) set to receive a lifetime retirement allowance predeceases them to either reelect their original Option with a new individual(s) or begin receiving the maximum plan benefit. A few conditions must be met in order to be eligible:

- If multiple beneficiaries are named for benefit, all must predecease the member in order to reelect Option or receive max plan benefit;
- Reelection of Option with new individual(s) must take place within one year of death of original beneficiary(ies); and
- (Only Option 4) If reelecting Option, must select the same variant of Option 4 originally chosen.

This bill also removes the ability for retirees to select Option 5 on or after January 1, 2021, as it is redundant and no longer necessary with the changes to the other Options.

SB 262 received a DO PASS by Committee Substitute from the Senate Retirement Committee.

Thursday, January 30 - Friday, January 31, 2020

No retirement bills were considered.
