

The Senate Committee on Retirement offered the following substitute to HB 692:

A BILL TO BE ENTITLED
AN ACT

1 To amend Article 2 of Chapter 18 of Title 45 of the Official Code of Georgia Annotated,
2 relating to deferred compensation plans, so as to provide that the governing authority of a
3 municipality or county may pay costs or fees associated with an employee's participation in
4 a deferred compensation plan; to provide that certain public employees may be automatically
5 enrolled in deferred compensation plans; to provide for related matters; to provide for an
6 effective date; to repeal conflicting laws; and for other purposes.

7 BE IT ENACTED BY THE GENERAL ASSEMBLY OF GEORGIA:

8 SECTION 1.

9 Article 2 of Chapter 18 of Title 45 of the Official Code of Georgia Annotated, relating to
10 deferred compensation plans, is amended by revising Code Section 45-18-35, relating to
11 plans to operate without cost to state, counties, cities, or other political subdivisions, as
12 follows:

13 "45-18-35.

14 The Board of Trustees of the Employees' Retirement System of Georgia or the
15 administrator of the plan shall arrange for all services required to carry out the deferred
16 compensation plan or plans so that such plan or plans shall operate without cost to the state,
17 county, city, or other political subdivision except for:

18 (1) Employer ~~employer~~ contributions to a deferred compensation plan ~~and for~~;

19 (2) The ~~the~~ incidental expense of administering the payroll salary deduction or reduction
20 and the remittance thereof; or

21 (3) The payment of costs or fees associated with an employee's participation in a
22 deferred compensation plan when authorized by the governing authority of a municipality
23 or county pursuant to ordinance or resolution."

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SECTION 2.

Said article is further amended by revising Code Section 45-18-36, relating to salary deductions and records of individual account information, as follows:

"45-18-36.

(a) The salary reduction or deductions referred to in this article shall be instituted:

(1) At at the request of the participating employees by the payroll departments applicable to the respective employees; or

(2) Pursuant to an automatic enrollment arrangement permitted by and operated in accordance with applicable federal laws and regulations.

(b) Records of participation agreements, payroll deductions, investment options, and other individual account information shall be maintained as confidential by the administrator. The records shall not be disclosed except as necessary to accomplish the purposes of this article or in cases where a subpoena has been issued for the purpose of discovery or as otherwise authorized in writing by the employee. This prohibition shall not bar federal, state, or local tax authorities from such access to the records as may be necessary to establish the tax status or liability of a participating employee."

SECTION 3.

This Act shall become effective upon its approval by the Governor or upon its becoming law without such approval.

SECTION 4.

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