

Senate Bill 343

By: Senators Hufstetler of the 52nd, Tillery of the 19th, Orrock of the 36th, Miller of the 49th,
Parent of the 42nd and others

AS PASSED SENATE

A BILL TO BE ENTITLED

AN ACT

1 To amend Title 47 of the Official Code of Georgia Annotated, relating to retirement and
2 pensions, so as to remove the prohibition of granting postretirement benefit adjustments to
3 any individual who became a member on or after July 1, 2009, of the Employees' Retirement
4 System of Georgia, the Georgia Legislative Retirement System, or the Georgia Judicial
5 Retirement System; to allow for the possibility of such adjustments for such members
6 granted on or after July 1, 2022; to revise provisions related to employer contributions for
7 creditable service for forfeited leave; to increase the rate of employer contributions to certain
8 members' 401(k) accounts based upon years of creditable service; to provide for limitations;
9 to provide for related matters; to repeal conflicting laws; and for other purposes.

10 BE IT ENACTED BY THE GENERAL ASSEMBLY OF GEORGIA:

11 **SECTION 1.**

12 Title 47 of the Official Code of Georgia Annotated, relating to retirement and pensions, is
13 amended by revising Code Section 47-2-29, relating to postretirement benefit adjustments
14 for the Employees' Retirement System of Georgia, as follows:

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15 "47-2-29.

16 (a) On a date to be established by the board of trustees, but not before April 1, 1967, the
17 board of trustees is authorized to adopt a method of providing for postretirement benefit
18 adjustments for the purpose of maintaining essentially no less purchasing power for a
19 beneficiary in his or her postretirement years. Such method shall be based upon:

20 (1) Recommendation of the actuary for the board of trustees;

21 (2) Maintaining the actuarial soundness of the retirement system;

22 (3) Its application to the retirement income of members retiring on or after the adoption
23 of such method by the board of trustees; and

24 (4) Any additional contribution by the member in an amount not to exceed one-fourth
25 of 1 percent of his or her monthly earnable compensation.

26 This Code section shall also be applicable to those members retiring before April 1, 1967.

27 (b) Notwithstanding any other provision of this Code section, no member who becomes
28 a member of this retirement system on or after July 1, 2009, shall be entitled to receive any
29 postretirement benefit adjustment granted prior to July 1, 2022, but such members shall be
30 eligible for postretirement benefit adjustments granted on or after July 1, 2022."

31

SECTION 2.

32 Said title is further amended by revising subsection (b) of Code Section 47-2-91, relating to
33 credit for accumulations of forfeited annual and sick leave, as follows:

34 "(b)(1) Accumulated days of forfeited annual and sick leave for which a member has not
35 been paid shall constitute creditable service if such member has at least six months of
36 such forfeited leave at the time of the member's retirement. The member shall be given
37 one month of creditable service for each 20 days of forfeited annual and sick leave. Upon
38 retirement of a classified member, the employer shall certify to the board of trustees the
39 total amount of that member's forfeited annual and sick leave based on leave records for
40 periods of service where employers have maintained adequate leave records. For periods

41 of service where no leave records are available for classified members, forfeited leave for
42 an undocumented period may be computed as provided in subsection (i) of this Code
43 section. The determination of accumulated days of forfeited annual and sick leave for
44 unclassified members shall be based on leave records for periods of service where
45 employers have maintained adequate leave records. For periods of service where no
46 leave records are available, forfeited leave for unclassified employees shall be computed
47 as follows:

48 (A) When 15 years or more of leave records are available for an unclassified member,
49 the determination of forfeited leave for undocumented periods shall be computed as
50 provided in subsection (i) of this Code section; or

51 (B) When less than 15 years of leave records are available for an unclassified member,
52 the determination of forfeited leave for undocumented periods shall be based on the
53 one-year average amount of forfeited annual and sick leave calculated by the
54 commissioner pursuant to subsection (f) of this Code section and as provided in
55 subsection (g) of this Code section, subject to the limitation in subsection (j) of this
56 Code section.

57 (2) For retirements that become effective prior to July 1, 2022, for both classified and
58 unclassified members, each employer shall contribute the same amount as would have
59 been contributed by the employer had the member obtaining creditable service for
60 forfeited annual and sick leave remained in state employment without change in
61 compensation for a period of time equal to the amount of forfeited annual and sick leave
62 for which creditable service is obtained."

63 **SECTION 3.**

64 Said title is further amended by revising subsection (d) of Code Section 47-2-357, relating
65 to withdrawal, employer contributions, vesting, and date of election, as follows:

66 “(d)(1) On and after July 1, 2022, for any participating member who contributes a
67 percentage ~~After the participating member has contributed an amount equal to 1 percent~~
68 ~~of his or her salary into the 401(k) plan for a pay period, the employer shall contribute an~~
69 ~~equal amount into his or her 401(k) account up to a maximum of 5 percent except as~~
70 ~~otherwise provided in paragraph (2) of this subsection. Thereafter, the employer shall~~
71 ~~contribute an amount equal to 50 percent of such amount as the member chooses to~~
72 ~~contribute for each pay period, up to an additional 2 percent of the member's~~
73 ~~compensation.~~

74 (2) On and after July 1, 2022, in addition to the amounts provided for in paragraph (1)
75 of this subsection, for any participating member who has attained five years or more of
76 creditable service in the plan and contributes at least 5 percent of his or her salary into his
77 or her 401(k) account, such member's employer shall contribute an additional amount
78 equal to 0.5 percent of the member's compensation for each year of such member's
79 creditable service that exceeds five years; provided, however, that the total rate of any
80 employer's contribution pursuant to this subsection shall not exceed 9 percent of the
81 member's compensation.

82 (3)(A) Notwithstanding the provisions of this subsection, employer contributions shall
83 be subject to the limitations imposed by federal law.

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

86 **SECTION 4.**

87 Said title is further amended by revising subsection (g) of Code Section 47-6-80, relating to
88 eligibility and application for a retirement allowance, early retirement, amount of retirement
89 allowance, compliance with federal tax laws, and increases in retirement allowance for the
90 Georgia Legislative Retirement System, as follows:

91 "(g) Notwithstanding any other provision of this Code section, no member who becomes
92 a member of this retirement system on or after July 1, 2009, shall be entitled to receive any
93 postretirement benefit adjustment granted prior to July 1, 2022, but such members shall be
94 eligible for postretirement benefit adjustments granted on or after July 1, 2022."

95 **SECTION 5.**

96 Said title is further amended by revising subsection (e) of Code Section 47-23-21, relating
97 to authority of the board for the Georgia Judicial Retirement System, as follows:

98 "(e) Notwithstanding the provisions of subsection (d) of this Code section, no member who
99 becomes a member of this retirement system on or after July 1, 2009, shall be entitled to
100 receive any postretirement benefit adjustment granted prior to July 1, 2022, but such
101 members shall be eligible for postretirement benefit adjustments granted on or after July 1,
102 2022."

103 **SECTION 6.**

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