

SENATE RETIREMENT COMMITTEE ROSTER

2009-2010 Legislative Sessions

Senator Bill Heath

Chairman

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Senator Jack Murphy

Ex-Officio

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Senator Ronnie Chance

Vice Chairman

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Senator Freddie Powell Sims

Secretary

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Senator Jim Butterworth

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Senator Cecil Staton

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Senator Doug Stoner

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Senator Horacena Tate

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201 Joseph Lowery Boulevard, Northwest
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SENATE RETIREMENT COMMITTEE

1. Quorum of the Committee shall be four (4) members.
2. The Chairman shall determine which bills and resolutions are to be considered and the order in which said measures are considered.
3. The Chairman shall have the authority to refer bills and resolutions to subcommittee for study. Such subcommittees, in turn, shall have the authority to make recommendations on such measures to the full committee.
4. The Committee shall convene, recess, put all questions and adjourn upon order of the Chairman.
5. The Chairman reserves the right to delay action on substitutes and amendments not provided to the Chairman at least 48 hours prior to hearing.
6. A bill, resolution or other matter will be considered only after presentation by its principal author or a legislator whom he designates to do so. In the event more than one member of the General Assembly has signed a measure, the principal author shall be the one whose name appears first in the list of authors.
7. Any member or members of the Committee who disagree with the majority report of the Committee shall be privileged to file a minority report, if they so desire.
8. No official action may be taken on any fiscal bill before the Committee unless the proper fiscal note (Actuarial study on bills having a fiscal impact) is attached.
9. The rules of the Committee will prevail in all matters not covered by Senate rules or by the "Public Retirement Systems Standards Law".
10. After adoption, these rules may be amended upon motion duly made, seconded, and subsequently approved by a two-thirds vote of the members of the Committee.
11. All retirement bills with either a fiscal or non-fiscal impact shall not be put to Final passage by the Committee until such bills comply with provisions of the "Public Retirement Systems Standards Law".
12. The secretary of the Committee shall distribute a copy of these rules to all Members of the Senate and House Retirement Committees.

Minutes
Senate Retirement Committee
Wednesday, January 28, 2009
Mezz. 1 – Capitol

Chairman Heath called the meeting to order at 2:30 p.m. and welcomed new members. The following members were in attendance:

Senator Bill Heath, 31st, Chairman
Senator Ronnie Chance, 16th, Vice-Chairman
Senator Freddie Powell Sims, 12th, Secretary

Senator Jim Butterworth, 50th
Senator Cecil Staton, 18th
Senator Doug Stoner, 6th
Senator Horacena Tate, 38th

This was the first meeting of the Senate Retirement Committee in the 2009 Session. Chairman Heath welcomed members, staff, retirement system directors and guests. Retirement Committee Rules were presented; a motion to accept committee rules was made by Senator Ronnie Chance, seconded by Senator Doug Stoner. **Motion passed** (6-0).

There being no further business, Chairman Heath adjourned the meeting at 2:37 p.m.

Respectfully Submitted,

/s/ Senator Freddie Powell Sims, 12th
Secretary
Senate Retirement Committee

/s/ Brandi Morgan Johnson
Recording Secretary

Minutes
Senate Retirement Committee
Wednesday, February 25, 2009
Mezz. 1 – Capitol

Chairman Heath called the meeting to order at 4:17 p.m. and announced that a quorum was present. The following members were in attendance:

Senator Bill Heath, 31st, Chairman
Senator Ronnie Chance, 16th, Vice-Chairman
Senator Freddie Powell Sims, 12th, Secretary

Senator Cecil Staton, 18th
Senator Horacena Tate, 38th

Chairman Heath welcomed members, staff, retirement system directors and guests. The following bills were discussed.

HB 210 (Meadows, 5th) – **Georgia Judicial Retirement System** – presented by Representative Howard Maxwell. The bill protects Georgia Judicial Retirement System employees’ rights and clarifies that employer contributions shall be paid by the respective employers under such Code sections. Motion “do pass” was made by Senator Freddie Powell Sims, seconded by Senator Horacena Tate. **Motion passed** (4-0).

Senator Murphy of the 27th will carry the legislation in the Senate.

HB 202 (Maxwell, 17th) – **Computation of retirement and pension contributions and benefits** – presented by Representative Howard Maxwell and Patti Keesler, Special Assistant to Attorney General’s Office on IRS issues (ERS). The bill clarifies the process of and benefits of certain retirement and pensions and ratifies certain prior changes to public retirement plans as to comply with federal law and regulations. Motion “do pass” was made by Senator Cecil Staton, seconded by Senator Ronnie Chance. **Motion passed** (4-0).

Senator Heath of the 31st will carry the legislation in the Senate.

SB 176 (Heath, 31st) – **Funding of increases in actuarial accrued unfunded liabilities** – presented by Senator Bill Heath. The bill provides that any increase in the actuarial accrued unfunded liability must be fully funded in the year the legislation becomes effective. Motion “do pass” was made by Senator Ronnie Chance, seconded by Senator Freddie Powell Sims. **Motion passed** (3-1). Senator Horacena Tate opposed the bill.

SB 177 (Heath, 31st) – Appellate court judges life insurance benefits – presented by Senator Bill Heath and Pamela Pharris, Executive Director of ERS. The bill corrects omission in SB 328 (2008) to provide that appellate court judges who first become members shall not be entitled to certain group term life insurance benefits. Motion “do pass” was made by Senator Cecil Staton, seconded by Senator Ronnie Chance. **Motion passed** (4-0).

There being no further business, Chairman Heath adjourned the meeting at 4:36 p.m.

Respectfully Submitted,

/s/ Senator Freddie Powell Sims, 12th
Secretary
Senate Retirement Committee

/s/ Brandi Morgan Johnson
Recording Secretary

Minutes
Senate Retirement Committee
Wednesday, March 4, 2009
Mezz. 1 – Capitol

Chairman Heath called the meeting to order at 2:11 p.m. and announced that a quorum was present. The following members were in attendance:

Senator Bill Heath, 31st, Chairman
Senator Ronnie Chance, 16th, Vice-Chairman

Senator Cecil Staton, 18th
Senator Doug Stoner, 6th
Senator Horacena Tate, 38th
Senator Jack Murphy, 27th, Ex-Officio

Chairman Heath welcomed members, staff, retirement system directors and guests. The following bills were discussed.

SB 109 (Smith, 52nd) – Public Retirement Systems Standards Law – presented by Senator Preston Smith. The bill transfers certain duties and obligations relating to retirement and pensions from the Department of Administrative Services to the Council of Superior Court Judges of Georgia, the Council of State Court Judges of Georgia, the Prosecuting Attorneys' Council of the State of Georgia, and the Council of Juvenile Court Judges, as appropriate. Ms. Pamela Pharris, Director of ERS, expressed concerns about the language in the bill and proposed language amendments via substitute. After some discussion, motion “do pass by substitute” was made by Senator Jack Murphy, seconded by Senator Ronnie Chance. **Motion passed** (5-0).

HB 190 (Benton, 31st) – Employees’ Retirement System death benefits provisions – presented by Representative Tommy Benton. The bill changes the provisions for Georgia Bureau of Investigation, Department of Corrections, and State Board of Pardons and Paroles personnel under the Employees’ Retirement System to authorize the Board of Trustees to increase the normal and accrued liability employer contribution rates to an amount actuarially sufficient to fund the employer’s cost of the benefits. Motion “do pass” was made by Senator Cecil Staton, seconded by Senator Doug Stoner. **Motion passed** (5-0).

Senator Hawkins of the 49th will carry the legislation in the Senate.

HB 320 (Pruett, 144th) – Name change of “Georgia Environmental Facilities Authority” to “Georgia Environmental Finance Authority” – presented by Senator Bill Heath. The bill amends provisions of membership and creditable service in the Employees’ Retirement System. The bill specifically changes all references of the “Georgia Environmental Facilities Authority” to the “Georgia Environmental Finance Authority” should an act be passed to change the name of that organization. Motion “do pass” was made by Senator Jack Murphy, seconded by Senator Horacena Tate. **Motion passed** (5-0).

Senator Heath of the 31st will carry the legislation in the Senate.

There being no further business, Chairman Heath adjourned the meeting at 2:28 p.m.

Respectfully Submitted,

/s/ Senator Bill Heath, 31st
Chairman
Senate Retirement Committee

/s/ Brandi Morgan Johnson
Recording Secretary

Minutes
Senate Retirement Committee
Wednesday, March 18, 2009
Mezz. 1 – Capitol

Chairman Heath called the meeting to order at 2:15 p.m. and announced that a quorum was present. The following members were in attendance:

Senator Bill Heath, 31st, Chairman
Senator Freddie Powell Sims, 12th, Secretary

Senator Jim Butterworth, 50th
Senator Cecil Staton, 18th
Senator Doug Stoner, 6th
Senator Horacena Tate, 38th
Senator Jack Murphy, 27th, Ex-Officio

Chairman Heath welcomed members, staff, retirement system directors and guests. The following bills were discussed.

HB 191 (Benton, 31st) – Calculation of a Service Retirement Allowance – presented by Representative Tommy Benton and Representative Howard Maxwell. The bill amends provisions relating to the calculation of a service retirement allowance for employees hired after July 1st, 2009 and covered under the Georgia State Employees’ Pension and Savings Plan. The bill provides that the calculation of employees’ retirement benefits shall not include a compensation increase of over five percent within the last 12 months of employment. Chairman Bill Heath expressed concerns about the language in the bill and proposed language amendments via substitute. After some discussion, the committee agreed to table the bill until an acceptable substitute can be drafted and will be discussed again at the next meeting. The committee did not take action on the bill at this time.

HB 452 (Buckner, 130th) – Ineligibility for Post Requirement Benefit Adjustments – presented by Representative Debbie Buckner and Representative Howard Maxwell. The bill amends provisions relating to retirement and pensions under the ERS, the Judicial Retirement System, and the Legislative Retirement System to provide that any person who becomes a member of one of these retirement systems on or after July 1st would no longer be eligible to receive any postretirement benefit adjustments. Ms. Pamela Pharris, Director of ERS, spoke in favor of this bill and was available to answer any questions. Motion “do pass” was made by Senator Jack Murphy, seconded by Senator Doug Stoner. **Motion passed** (4-2). Senators Horacena Tate and Freddie Powell Sims opposed the bill.

Senator Hooks of the 14th will carry the legislation in the Senate.

HB 477 (Maxwell, 17th) – **Creditable Service for Qualified Veterans** – presented by Representative Howard Maxwell. The bill amends the provisions of creditable service for qualified veterans as to comply with federal law. The bill removes the application deadlines for qualified veterans to establish creditable service after a period of creditable service. Motion “do pass” was made by Senator Jack Murphy, seconded by Senator Horacena Tate. **Motion passed** (6-0).

Senator Heath of the 31st will carry the legislation in the Senate.

HB 172 (Maxwell, 17th) – **Disability Benefits** – presented by Representative Howard Maxwell. The bill amends the provisions of re-examination of persons receiving disability benefits under the Employees’ Retirement System of Georgia to remove the requirement that the examination be made at the beneficiary’s personal residence. The bill also provides that for ERS members who join on or after September 1, 2009, disability benefits will include any income payment received as a lump sum and in the event of such payment, monthly disability allowance will be reduced on an actuarial basis as determined by the ERS. After some discussion, motion “do pass” was made by Senator Jack Murphy, seconded by Senator Cecil Staton. **Motion passed** (4-2). Senators Horacena Tate and Freddie Powell Sims opposed the bill.

Senator Heath of the 31st will carry the legislation in the Senate.

There being no further business, Chairman Heath adjourned the meeting at 2:44 p.m.

Respectfully Submitted,

/s/ Senator Freddie Powell Sims, 12th
Secretary
Senate Retirement Committee

/s/ Brandi Morgan Johnson
Recording Secretary

Minutes
Senate Retirement Committee
Tuesday, March 24, 2009
Room 125 – Capitol

Vice-Chairman Chance called the meeting to order at 2:19 p.m. and announced that a quorum was present. The following members were in attendance:

Senator Ronnie Chance, 16th, Vice-Chairman

Senator Jim Butterworth, 50th
Senator Cecil Staton, 18th
Senator Doug Stoner, 6th
Senator Horacena Tate, 38th

The following bills were discussed.

[HB 371](#) (Ehrhart, 36th) / **LC 21 0437S – Increase in Allowable Fund Investment** – presented by Senator Kasim Reed of the 35th. The bill amends provisions relating to the Public Retirement Systems Investment Authority Law to expand the definition of 'large retirement system' to include any public retirement system that has assets in excess of \$200 million. The bill provides that retirement systems currently affected by this provision would be required, in order to be classified as 'large retirement systems,' have either an accumulated unfunded actuarial liability not greater than 25 percent of the total of its assets or have assets in excess of \$50 million and an accumulated unfunded actuarial liability not greater than 30 percent of the total of its assets. The bill also removes the current 15 percent limitation on investments in foreign corporations or obligations for 'large retirement systems.' Furthermore, HB 371 revises the investing guidelines for retirement systems to allow that 'large retirement systems' would be subject to the following investing limitations: Prior to July 1, 2010, a fund may invest no more than 65 percent of retirement system assets in equities; On and after July 1, 2010, a fund may invest no more than 70 percent of retirement system assets in equities; and on and after July 1, 2011, a fund may invest no more than 75 percent of retirement system assets in equities. The bill provides that no fund would be authorized to increase its assets in equities through purchase by more than 20 percent in any fiscal year and establishes requirements in cases of noncompliance. Mr. Virgil Moon, Director of Cobb County Support Services Agency, was available to answer any questions. Mr. Tom Wommack, Director of Legal & Legislative Services for the Professional Association of Georgia Educators, and Mr. Charlie Roberts of TRS spoke in favor of this bill. Motion “do pass by substitute” was made by Senator Doug Stoner, seconded by Senator Cecil Staton. **Motion passed** (4-0).

Senator Reed of the 35th will carry the legislation in the Senate.

[HB 465](#) (Maxwell, 17th) / **LC 21 0284 – Composite State Board of Medical Examiners** – presented by Representative Howard Maxwell. The bill amends provisions relating to revenues collected under the Peace Officers' Annuity and Benefit Fund to provide that the Composite

State Board of Medical Examiners shall be required to pay an employer contribution for those persons employed as investigators who became eligible to participate in the fund as of July 1, 2008. The Board would be required to pay the full actuarial cost of the member's participation as calculated by the actuary for the Fund. Mr. Bob Carter of Peace Officers' Annuity and Benefit Fund of Georgia was available to answer any questions. Motion "do pass" was made by Senator Cecil Staton, seconded by Senator Horacena Tate. **Motion passed** (4-0).

Senator Heath of the 31st will carry the legislation in the Senate.

HB 488 (Meadows, 5th) / LC 21 0322 – **Superior Court Clerks' Retirement Fund; eligibility criteria for creditable service** – presented by Representative Howard Maxwell. The bill relates to retirement benefits under the Superior Court Clerks' Retirement Fund. This bill would prohibit any member from being credited with service for any time in which the member was not in compliance with the training requirements outlined in Georgia Code Section 15-6-50. The provisions of this legislation would apply to persons who first or again become members of the Superior Court Clerks' Retirement Fund on or after September 1, 2009. Ms. Sheila Studdard of Superior Court Clerks' Authority spoke in favor of this bill and was available to answer any questions. After some discussion, motion "do pass" was made by Senator Doug Stoner, seconded by Senator Horacena Tate. **Motion passed** (4-0).

Senator Smith of the 52nd will carry the legislation in the Senate.

At 2:33 p.m., Vice-Chairman Chance announced that the committee will stand at ease until a later time this afternoon.

Chairman Heath called the meeting back to order at 5:11 p.m. and announced that a quorum was present. The following members were in attendance:

Senator Bill Heath, 31st, Chairman
Senator Ronnie Chance, 16th, Vice-Chairman

Senator Jim Butterworth, 50th (returned at 5:26 p.m.)
Senator Cecil Staton, 18th
Senator Doug Stoner, 6th

The following bills were discussed.

HB 487 (Meadows, 5th) / LC 21 0457S – **Superior Court Clerks' Retirement Fund; increase employee contribution** – presented by Representative Howard Maxwell. The bill amends provisions of the Superior Court Clerks' Retirement Fund to increase the amount of employee contributions to be paid by persons who first or again become members of the Fund on or after September 1, 2009 from \$50 to \$100. Additionally, this substitute bill would amend provisions relating to the collection of fines and fees under the Superior Court Clerks' Retirement Fund to

provide that the Board collect \$2.00 (previously \$1.75) for each criminal or quasi-criminal case for violation of state law if the case is tried in a court in which the clerk is eligible for membership in the Fund. The bill also requires that \$1.00 be paid to the Fund from fees charged and collected in each civil suit, action, case, or proceeding filed in the Superior Courts or in any other court of this State in which the clerk is eligible for membership in the Fund. Ms. Sheila Studdard of Superior Court Clerks' Authority spoke in favor of this bill and was available to answer any questions. Motion "do pass by substitute" was made by Senator Doug Stoner, seconded by Senator Ronnie Chance. **Motion passed** (3-0).

Senator Smith of the 52nd will carry the legislation in the Senate.

Senator Butterworth of the 50th returned at 5:26 p.m.

HB 476 (Maxwell, 17th) / LC 21 0459S – Employees' Retirement System – presented by Representative Howard Maxwell. The bill, which amends provisions of the Employees' Retirement System, requires that employers who grant salary increases in excess of 5 percent during the 12 months prior to an employee's retirement be responsible for paying the full actuarial cost of retirement benefits as a result of the salary increase. The bill also amends provisions relating to the calculation of a service retirement allowance for persons who become employed on or after July 1, 2009 and are covered under the Georgia State Employees' Pension and Savings Plan to provide that the computation of a retirement benefit will not include a compensation increase of more than 5 percent in the last 12 months of employment. Additionally, the bill authorizes the Board of Trustees to increase the normal and accrued liability employer contribution rates for the Georgia Bureau of Investigation, Department of Corrections, and the State Board of Pardons and Paroles to an amount that is actuarially sufficient to fund the employer's cost of the benefits provided for the law enforcement personnel of these departments and also clarifies language relating to death benefits paid to members hired on or after July 1, 2007. Finally, this bill disallows members of the Peace Officers' Annuity and Benefit Fund, upon reemployment as a peace officer, from continuing to receive retirement benefits for the duration of the reemployment. After much discussion, motion to amend the substitute was made by Senator Doug Stoner, seconded by Senator Ronnie Chance. **Motion passed** (4-0); motion "do pass by substitute" was made by Senator Ronnie Chance, seconded by Senator Cecil Staton. **Motion passed** (4-0).

Senator Hawkins of the 49th will carry the legislation in the Senate.

There being no further business, Chairman Heath adjourned the meeting at 5:34 p.m.

Respectfully Submitted,

/s/ Senator Bill Heath, 31st
Chairman
Senate Retirement Committee

/s/ Brandi Morgan Johnson
Recording Secretary

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The State Senate

Atlanta, Georgia 30334

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Agriculture and Consumer Affairs, Ex Officio
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Finance
Fiscal Affairs
Government Oversight
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Vice Chairman, Science and Technology
Transportation, Ex Officio

ADMINISTRATION FLOOR LEADER

April 6, 2009

Office of the Secretary of the Senate
353 State Capitol
Atlanta, Georgia 30334

I am returning the following bills assigned to the Senate Retirement Committee for the 2009 session of the general assembly.

No action was taken on the following legislation.

[SB 113](#)
[SB 129](#)
[SB 171](#)
[SB 181](#)
[SB 214](#)
[SB 257](#)
[SB 259](#)

[SB 260](#)
[SB 275](#)
[SB 283](#)
[SB 288](#)
[SR 174](#)
[HB 191](#)

Respectfully Submitted,

/s/ Brandi Morgan Johnson
Recording Secretary
Senate Retirement Committee