

The Senate Committee on Retirement offered the following substitute to SB 129:

A BILL TO BE ENTITLED
AN ACT

1 To amend Article 5 of Chapter 2 of Title 47 of the Official Code of Georgia Annotated,
2 relating to service creditable toward retirement benefits, so as to provide for creditable
3 service for certain military service; to provide for application and payment; to provide for
4 related matters; to provide conditions for an effective date and automatic repeal; to repeal
5 conflicting laws; and for other purposes.

6 BE IT ENACTED BY THE GENERAL ASSEMBLY OF GEORGIA:

SECTION 1.

7 Article 5 of Chapter 2 of Title 47 of the Official Code of Georgia Annotated, relating to
8 service creditable toward retirement benefits, is amended by revising Code Section 47-2-95,
9 which is designated as reserved, as follows:
10

11 "47-2-95.

12 (a) A member with at least two years of membership service may obtain up to 60 months
13 of creditable service to be awarded month for month for active military service in the
14 armed forces of the United States performed on or after January 1, 1990.

15 (b) To obtain such creditable service, a member shall:

16 (1) Apply in a method or manner to be prescribed by the board of trustees;

17 (2) Submit proof of qualifying active military service as the board shall deem necessary;

18 and

19 (3) Pay to the board of trustees an amount determined by the board of trustees to be equal
20 to the full actuarial cost of such creditable service.

21 (c) Following its approval of an application for creditable service pursuant to this Code
22 section, the board of trustees shall certify to the applicant the amount of the payment to the
23 retirement system required to earn creditable service under this Code section.

24 (d) A member may make a one-time payment of the full amount established by the board
25 of trustees under subsection (c) of this Code section within 90 days and thereafter receive
26 such creditable service to which he or she is entitled or may elect to participate in a
27 payment plan pursuant to subsection (e) of this Code section.

28 (e)(1)(A) A member may elect to make equal monthly payments to be deducted from
29 such member's earnable compensation over a period of 12, 24, 36, 48, 60, or 120
30 months to be paid according to a schedule established by the board of trustees, which
31 amortizes the full actuarial cost of obtaining the creditable service, over the elected
32 period of time based on the retirement system's most recent valuation assumptions.
33 Such schedule shall include a present accounting of the full amount necessary to
34 complete the payments.

35 (B) Once a member makes an election for an eligible period of time, he or she shall not
36 be permitted to change such election.

37 (2) At any time prior to retirement, a contributing member may make a one-time
38 payment of the full amount necessary to complete the payments owed pursuant to the
39 schedule established by the board of trustees pursuant to paragraph (1) of this subsection.

40 (3) Upon application for retirement, a member may make a one-time payment to the
41 retirement system of the remaining amount owed pursuant to paragraph (1) of this
42 subsection and shall be awarded such creditable service to which he or she is entitled.

43 (4) Upon retirement, if a member has not paid an amount constituting the full actuarial
44 cost as amortized, he or she shall only be awarded only as many months of creditable
45 service on a whole month, pro rata basis as determined by the board of trustees from the
46 original amortized payment schedule elected under paragraph (1) of this subsection as
47 have been paid for in full.

48 (5) Within 30 days of a member ceasing to be an employee for a reason other than death
49 or retirement, such individual shall make a one-time payment to the retirement system of
50 the remaining amount necessary to complete the payments owed in accordance with the
51 schedule established pursuant to paragraph (1) of this subsection and be awarded such
52 creditable service to which he or she is entitled. If he or she does not make such
53 payment, the board of trustees shall issue to such individual a refund of payments made
54 pursuant to this subsection, and he or she shall forfeit the related creditable service;
55 provided, however, that if the individual is a vested member of the retirement system, he
56 or she shall be awarded such creditable service allowed pursuant to paragraph (4) of this
57 subsection. Such individual may reapply for the creditable service sought if eligible and
58 in accordance with this Code section.

59 (6) Within 30 days of a member defaulting by failing to make his or her complete
60 monthly payment in accordance with the schedule established pursuant to paragraph (1)
61 of this subsection, such individual shall make a one-time payment to the retirement
62 system of the remaining amount necessary to complete the payments owed in accordance
63 with the schedule established pursuant to paragraph (1) of this subsection and be awarded
64 such creditable service to which he or she is entitled. If he or she does not make such

65 payment, the board of trustees shall issue to such individual a refund of payments made
 66 pursuant to this subsection, and he or she shall forfeit the related creditable service. Such
 67 individual may reapply for the creditable service sought if eligible and in accordance with
 68 this Code section.

69 (f) Pursuant to this Code section, no member shall receive creditable service:

70 (1) If such member was not honorably discharged;

71 (2) For reserve duty;

72 (3) For any period of time for which he or she obtained membership service; or

73 (4) For any portion of such member's active military service in the armed forces of the
 74 United States that has been or will be used in the determination of eligibility for
 75 retirement benefits or allowances from any other state or federal retirement program,
 76 excluding social security. Reserved."

77 **SECTION 2.**

78 This Act shall become effective on July 1, 2018, only if it is determined to have been
 79 concurrently funded as provided in Chapter 20 of Title 47 of the Official Code of Georgia
 80 Annotated, the "Public Retirement Systems Standards Law"; otherwise, this Act shall not
 81 become effective and shall be automatically repealed in its entirety on July 1, 2018, as
 82 required by subsection (a) of Code Section 47-20-50.

83 **SECTION 3.**

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