

House Bill 662

By: Representative Benton of the 31st

A BILL TO BE ENTITLED
AN ACT

1 To amend Chapter 3 of Title 47 of the Official Code of Georgia Annotated, relating to the
2 Teachers Retirement System of Georgia, so as to require actuarial investigations for the
3 retirement system to occur at least once in every three-year period; to provide that the
4 maximum annual assumed rate of return shall not exceed 6 percent; to provide for related
5 matters; to provide conditions for an effective date and automatic repeal; to repeal conflicting
6 laws; and for other purposes.

7 BE IT ENACTED BY THE GENERAL ASSEMBLY OF GEORGIA:

8 **SECTION 1.**

9 Chapter 3 of Title 47 of the Official Code of Georgia Annotated, relating to the Teachers
10 Retirement System of Georgia, is amended by revising Code Section 47-3-23, relating to
11 designation and duties of an actuary for the board of trustees, periodic actuarial investigation
12 and recommendations, calculation tables and regular interest rate, and annual valuation, as
13 follows:

14 "47-3-23.

15 (a) The board of trustees shall designate an actuary who shall be the technical adviser of
16 the board of trustees on matters regarding the operation of the funds created by this chapter
17 and who shall perform such duties as are required in connection therewith.

18 (b) ~~From time to time, but at least once in every five-year period~~ At least once in every
19 three-year period, the actuary shall make an actuarial investigation into the mortality,
20 service, and compensation experience of the members and beneficiaries of the retirement
21 system and recommend for adoption by the board of trustees, mortality, service, and other
22 tables needed in the operation of the retirement system. Taking into account the results of
23 such investigations, the board of trustees from time to time shall adopt for the retirement
24 system such mortality, service, and other tables as it shall deem necessary for use in all
25 calculations required in connection with this retirement system. The board of trustees shall

26 also determine from time to time the rates of regular interest for use in all calculations
27 required in connection with the retirement system, limited to a minimum of 2 percent.

28 (c) On the basis of regular interest and the tables last adopted by the board of trustees, the
29 actuary shall make annual valuations of the contingent assets and liabilities of the
30 retirement system.

31 (d) The maximum annual assumed rate of return utilized by the retirement system for any
32 determination of normal cost, actuarial accrued liability, actuarial value of assets, actuarial
33 present values, or actuarial valuation, as such terms are defined by Code Section 47-20-3,
34 shall not exceed 6 percent."

35 **SECTION 2.**

36 This Act shall become effective on July 1, 2020, only if it is determined to have been
37 concurrently funded as provided in Chapter 20 of Title 47 of the Official Code of Georgia
38 Annotated, the "Public Retirement Systems Standards Law"; otherwise, this Act shall not
39 become effective and shall be automatically repealed in its entirety on July 1, 2020, as
40 required by subsection (a) of Code Section 47-20-50.

41 **SECTION 3.**

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