

House Bill 835

By: Representatives Meeks of the 178th, Corbett of the 174th, Bentley of the 150th, Carpenter of the 4th, and Scoggins of the 14th

A BILL TO BE ENTITLED
AN ACT

1 To amend Chapter 2 of Title 47 of the Official Code of Georgia Annotated, relating to the
2 Employees' Retirement System of Georgia, so as to create an option for the full-time
3 employment of beneficiaries under certain circumstances; to provide for related matters; to
4 provide conditions for an effective date and automatic repeal; to repeal conflicting laws; and
5 for other purposes.

6 BE IT ENACTED BY THE GENERAL ASSEMBLY OF GEORGIA:

7 **SECTION 1.**

8 Chapter 2 of Title 47 of the Official Code of Georgia Annotated, relating to the Employees'
9 Retirement System of Georgia, is amended by revising Code Section 47-2-112, relating to
10 reemployment of retired members, required contributions from employers, and suspension
11 of retirement allowance, as follows:

12 "47-2-112.

13 (a) As used in this Code section, and in addition to the definition provided in Code Section
14 47-2-1, the term 'employer' shall include a retired member's last employer which reported
15 to the retirement system prior to the member's effective date of retirement. Such term shall
16 also include the Board of Regents of the University System of Georgia.

H. B. 835

17 (b) If a member who retired under this chapter accepts paid employment with or renders
18 services for pay to any employer, including, without limitation, services directly or
19 indirectly as or for an independent contractor, after his or her retirement:

20 (1) Such employer shall pay to the retirement system the employer and employee
21 contributions required by this chapter for members; and

22 (2) Except as provided in ~~subsection~~ subsections (c) and (e) of this Code section,
23 payment of such member's retirement allowance shall be suspended.

24 Such member shall not receive creditable service as a result of such employment or
25 rendering of services. Upon termination of such employment or rendering of services, all
26 rights shall vest in such member as if he or she had continued his or her option to retire.

27 (c) The retirement allowance of a retired member who accepts paid employment with or
28 renders services for pay to any employer after his or her retirement shall not be suspended
29 if the employee has attained normal retirement age or has not been employed by or
30 rendered services for pay to any employer for at least two consecutive calendar months and
31 performs no more than 1,040 hours of paid employment or paid service, including, without
32 limitation, services directly or indirectly as or for an independent contractor, for the
33 employer in any calendar year; provided, however, that return to service directly or
34 indirectly as or for an independent contractor shall not result in the suspension of an
35 employee's retirement allowance or the requirement of an employer to pay to the retirement
36 system the employer and employee contributions required by this chapter if the employing
37 agency certifies to the board of trustees that:

38 (1) The contracting entity has multiple employees;

39 (2) The contracting entity has multiple contracts, and the contracts are not limited to
40 employers, as such term is defined in Code Section 47-2-1; and

41 (3) The contractual relationship with the employer was not created to allow a retired
42 employee to continue employment after retirement in a position similar to the one he or
43 she held before retirement.

44 (d) Any employer that employs a retired plan member shall, within 30 days of the
45 employee accepting employment, notify the board of trustees in writing of the name of the
46 plan member and the number of hours the employee is expected to work annually and shall
47 provide such other information as the board of trustees may request. If the retired plan
48 member performs more than 1,040 hours in any calendar year, such employer shall notify
49 the board of trustees of such as soon as such information is available. Any employer that
50 fails to notify the board of trustees as required by this subsection shall reimburse the
51 retirement system for any benefits wrongfully paid. It shall be the duty of the retired plan
52 member seeking employment with the employer to notify the employer of his or her
53 retirement status prior to accepting such position. If a retired plan member fails to so notify
54 the employer and such employer becomes liable to the retirement system, the plan member
55 shall hold such employer harmless for all such liability.

56 (e)(1) On and after July 1, 2024, to the extent and under the conditions provided for in
57 this subsection, an employer may employ a beneficiary of the retirement system in a
58 full-time capacity, provided that such beneficiary retired after attaining normal retirement
59 age and at least one year has expired from the effective date of such beneficiary's
60 retirement and such beneficiary did not accept paid employment with or render service
61 for pay to any employer, including, without limitation, services directly or indirectly as
62 or for an independent contractor, during such year.

63 (2) An individual employed as described in paragraph (1) of this subsection shall remain
64 a beneficiary and shall continue to receive his or her retirement allowance and any
65 postretirement benefit adjustments for which he or she is eligible; provided, however, that
66 such service shall not constitute creditable service and shall not entitle such beneficiary
67 to a recomputation of retirement benefits upon cessation of such service.

68 (3) It shall be the duty of each beneficiary to notify an employer of his or her status as
69 a beneficiary prior to accepting employment with such employer.

70 (4) Within 30 days of employing a beneficiary pursuant to paragraph (1) of this
71 subsection, such employer shall notify the board of trustees of such beneficiary's name,
72 the amount of his or her earnable compensation, a description of any other forms of
73 remuneration to be made, the number of hours to be worked, job responsibilities, and
74 other such information as the board of trustees may prescribe.

75 (5) An employer that employs a beneficiary pursuant to paragraph (1) of this subsection
76 shall pay to the retirement system an amount equal to the product of:

77 (A) The combination of the rates required by this chapter for employer contributions
78 and employee contributions; and

79 (B) The earnable compensation of such beneficiary.

80 (6) A beneficiary shall not receive creditable service from or access to contributions
81 made as a result of payments required by paragraph (5) of this subsection, and he or she
82 shall be considered by the retirement system solely as a beneficiary.

83 (7) If an employer that is obligated to make contributions or reimbursements to the
84 retirement system pursuant to this Code section fails to make such contributions, any
85 unpaid amounts shall be deducted from any funds payable to such employer by the state,
86 including without limitation the Department of Education and the Board of Regents of
87 the University System of Georgia, and shall be paid to the retirement system."

88 **SECTION 2.**

89 This Act shall become effective on July 1, 2024, only if it is determined to have been
90 concurrently funded as provided in Chapter 20 of Title 47 of the Official Code of Georgia
91 Annotated, the "Public Retirement Systems Standards Law"; otherwise, this Act shall not
92 become effective and shall be automatically repealed in its entirety on July 1, 2024, as
93 required by subsection (a) of Code Section 47-20-50.

94

SECTION 3.

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