



Legislative Update

February 14, 2018



**Crossover Day
Legislative Day 28**
Wednesday, February 28, 2018

2017-18 BIENNIUM SESSION

**Mid-Session Update
As of Day 21— February 14, 2018**

The 2018 legislative session opened on January 8, 2018 and kicked off the second year of the two year (2017-2018) biennium session. Retirement legislation which was introduced in 2017 and has a fiscal impact was forwarded for an actuarial study and those bills remain valid for the 2018 session. Non-fiscal bills do not require an actuarial study and are always valid.

The House Retirement Committee has convened for three hearings this session. On January 31, 2018, HB 218 was heard before Committee and received no motion to move the bill forward. Thus, HB 218 died in committee.

On February 7, 2018, the Committee heard and favorably reported out HB 418. However, at publication of this update, HB 418 remains in House Rules and has not moved to the House Floor for vote. Additionally, on this date, HB 706 was called for a hearing only and appears to not have the traction required to continue moving through the legislative process.

The Senate Retirement Committee has convened for two hearings this session. On January 30, 2018, the Committee favorably reported SB 197 by substitute. On February 8, 2018, the bill was heard by and voted on in the full Senate and passed with a vote of 52-0. At publication, SB 197 substitute has been second read in the House and is eligible to be called for a hearing by the House Retirement Committee.

On February 13, 2018, the Senate Retirement Committee heard and favorably reported out SB 293 by substitute. This bill still has a very long road ahead. It must first be called out of Senate Rules to be heard on the Senate Floor. Should SB 293 pass the Senate, it must then be read twice by the House Clerk (over two legislative days) before it can be referred to the House Retirement Committee. Then it must called by the Chairman for a hearing and pass out of House Retirement. Next, it must be called out of House Rules in order to be ultimately heard on the House Floor for a vote.

On February 12, 2018, Representative Maxwell (R-Dallas) introduced HB 903, which has been referred to House Retirement, but has yet to be called for a hearing at time of publication.

page 1 of 2

All of the bills listed on page 2 (and any further bills to come before either chamber) must “crossover” to the other chamber by the end of Legislative Day 28. If a bill fails to “crossover”, it is a “dead bill” for the current legislative session.

It is up to the discretion of the chairperson of any committee to call a bill for a hearing. Failure to be called for a hearing is a common reason a bill may not survive Crossover Day. Additionally, once a bill is favorably reported (passed) out of committee, it must next go to the Rules Committee of the chamber it is currently moving through. A bill can “get stuck in Rules” for a variety of reasons. Failure of a bill to “get called out” of Rules in time for Crossover Day is another common cause of death for a bill.

Supporting Legislation

If you are interested in expressing your support for legislation currently being considered, please contact your State Representative or Senator, as the Legislature is responsible for enacting Georgia law. Please visit www.legis.ga.gov for more information.

The complete legislative process for retirement bills is very detailed. For more information, please visit [www.trsga.com/Legislation/HowLegislation Works](http://www.trsga.com/Legislation/HowLegislationWorks)).





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Legislation

HB 218 is a fiscal bill that would allow an individual who made an irrevocable election to join the Regents Optional Retirement Plan (ORP) to revoke the election and join the TRS. The individual would also be allowed to establish the previous ORP service by paying any amount they choose; however, TRS will only grant service credit based on the amount funded by the member's payment without creating any actuarial accrued unfunded liability to TRS. The member will not be granted service credit in excess of the actual years of ORP service.

HB 418 is a fiscal bill that would allow a member to establish service credit for international teaching service. "International teaching service" means service as an educator for at least 30 hours per week at a school located in a foreign country, provided such school is accredited by a recognized regional, national, or international body of accreditation. To establish the service, the member shall apply within ten years of completing such service; establish five years of TRS membership service; submit proof of the international teaching service; and, pay the full actuarial cost of the service. A member may not establish such service with TRS if the service has been or will be used in the determination of eligibility for retirement benefits from another source, excluding social security.

HB 706 is a non-fiscal bill which amends Title 47 to allow participants in a state retirement program, including the Teachers Retirement System, to assign benefits to a funeral director or a funeral business for the purposes of paying for the participant's funeral.

SB 197 by substitute was first introduced as a fiscal bill related to the Employees' Retirement System of Georgia. The bill's sponsor, Senator Ellis Black, substituted the language and the bill now amends the Public Retirement Systems Standards Law. Any future law, rule, regulation, resolution, or ordinance that allows for the establishment of creditable service in a public retirement system must require payment of the full actuarial cost of the service. The bill authorizes a public retirement system to adopt a procedure allowing the service to be purchased through a payment plan, not to exceed 120 months. This substitute bill is a non-fiscal bill.

SB 293 is a fiscal bill that would require an employer who employs, either directly or indirectly, a TRS retiree, to pay the applicable employee and employer contribution rates. Under the provisions of this bill, the retiree would continue to receive their benefit payment. However, the retiree would not accrue any additional service credit.

HB 903 is a non-fiscal bill that would prohibit any person who started teaching on or after July 1, 1993 from receiving a postretirement benefit adjustment (this includes cost of living adjustments) unless the following conditions exist: 1.) The annual required employer contribution for the preceding fiscal year was less than \$150 million; and 2.) The employee contribution rate is established by the Board at 6 percent.