

House Bill 1056 (AS PASSED HOUSE AND SENATE)

By: Representatives Hill of the 3<sup>rd</sup>, Gravley of the 67<sup>th</sup>, Lumsden of the 12<sup>th</sup>, Hitchens of the 161<sup>st</sup>, Bonner of the 72<sup>nd</sup>, and others

A BILL TO BE ENTITLED  
AN ACT

1 To amend Title 47 of the Official Code of Georgia Annotated, relating to retirement and  
2 pensions, so as to repeal certain restrictions and requirements concerning the authority to  
3 make alternative investments for the Georgia Firefighters' Pension Fund; to increase the  
4 percentage of alternative investments allowable for the Georgia Firefighters' Pension Fund;  
5 to provide for related matters; to provide for an effective date; to repeal conflicting laws; and  
6 for other purposes.

7 BE IT ENACTED BY THE GENERAL ASSEMBLY OF GEORGIA:

8 **SECTION 1.**

9 Title 47 of the Official Code of Georgia Annotated, relating to retirement and pensions, is  
10 amended in Chapter 7, relating to the Georgia Firefighters' Pension Fund, by repealing Code  
11 Section 47-7-127, relating to the definition of alternative investments and a code of ethics.

12 **SECTION 2.**

13 Said title is further amended in Chapter 20, relating to public retirement systems standards,  
14 by revising subsection (d) of Code Section 47-20-87, relating to eligible large retirement  
15 systems authorized to invest in certain alternative investments, as follows:

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16 "(d)(1)(A) Alternative investments by an eligible large retirement system shall not in  
17 the aggregate exceed 10 percent of the eligible large retirement system's assets at any  
18 time.

19 (B) Notwithstanding subparagraph (A) of this paragraph, alternative investments by  
20 the Georgia Firefighters' Pension Fund shall not in the aggregate exceed ~~10~~ 15 percent  
21 of its assets at any time.

22 (C) Notwithstanding subparagraph (A) of this paragraph, the Teachers' Retirement  
23 System of Georgia shall not in the aggregate exceed 5 percent of such system's assets  
24 at any time.

25 (D) Notwithstanding subparagraph (A) of this paragraph, the Employees' Retirement  
26 System of Georgia shall not in the aggregate exceed 5 percent of such system's assets  
27 at any time.

28 (2) The board of trustees of an eligible large retirement system shall have the discretion  
29 to designate whether any investment that is permitted to be made as an alternative  
30 investment pursuant to this Code section ~~and~~ that is also permitted to be made as an  
31 investment pursuant to Code Section 47-20-83 shall be treated ~~for purposes of the 5~~  
32 ~~percent or 10 percent limitation and otherwise~~ as an alternative investment made pursuant  
33 to this Code section and subject to and included within the percentage limitations  
34 provided in paragraph (1) of this subsection or as an investment made pursuant to Code  
35 Section 47-20-83.

36 (3) If an eligible large retirement system is not in compliance with the limitations  
37 imposed by this subsection, it shall make a good faith effort to come into compliance  
38 within two years and in any event as soon as practicable thereafter; provided, however,  
39 that during any period of noncompliance, the eligible large retirement system shall not  
40 increase the percentage of its assets committed to be invested in alternative investments  
41 but shall be permitted during such period to continue to make investments as required by  
42 the then existing commitments of the eligible large retirement system to alternative  
43 investments made before the period of noncompliance."

44 **SECTION 3.**

45 This Act shall become effective upon its approval by the Governor or upon its becoming law  
46 without such approval.

47 **SECTION 4.**

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