House Bill 1056 (AS PASSED HOUSE AND SENATE)
By: Representatives Hill of the 3rd, Gravley of the 67th, Lumsden of the 12th, Hitchens of the 161st, Bonner of the 72nd, and others

A BILL TO BE ENTITLED
AN ACT

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

BE IT ENACTED BY THE GENERAL ASSEMBLY OF GEORGIA:

SECTION 1.
Title 47 of the Official Code of Georgia Annotated, relating to retirement and pensions, is amended in Chapter 7, relating to the Georgia Firefighters' Pension Fund, by repealing Code Section 47-7-127, relating to the definition of alternative investments and a code of ethics.

SECTION 2.
Said title is further amended in Chapter 20, relating to public retirement systems standards, by revising subsection (d) of Code Section 47-20-87, relating to eligible large retirement systems authorized to invest in certain alternative investments, as follows:

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

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

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

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

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

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

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

SECTION 4.

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