



Action Alert

Georgia State Retirees Association

www.GeorgiaRetirees.org

April 5, 2007

Update on Senate Bill 80

The wily old foxes at the Capitol are still circling the ERS hen house. Senate Bill 80 (SB80) was to be taken up in the House Retirement Committee on Wednesday March 28th, but that meeting was hastily cancelled. Perhaps it was because many of you voiced your opinions on SB80. The next meeting of the House Retirement Committee will be on **Monday, April 9, 2007** in Room 403 of the Capitol at 3:00 p.m. The meeting notice states that the bills scheduled for consideration are Senate Bills 156, 161, and 162. *That does not mean that Senate Bill 80 could not be brought up, discussed and even voted on.* You should by all means let the committee members know your position on this legislation.



Please do not sit on the sidelines and let this opportunity to protect your retirement fund pass by! Contact the Retirement Committee members as soon as possible and voice your opinion. Senate Bill 80 passed by only 6 votes in the Senate. A vote of 29 to 23 demonstrates that the arguments to pass the bill are controversial. **Your voice and opinion definitely matter!** The committee members' names and e-mail addresses are listed below. *In addition, please contact your own Representative and voice your opinion.*

House Retirement Committee Members

Email Address

Ben Bridges, Chairman	ben.bridges@house.ga.gov
Howard Maxwell, Vice Chairman	howard.maxwell@house.ga.gov
Robert Mumford, Secretary	xda92@mmm-law.com
Tommy Benton	tommy.benton@house.ga.gov
Brooks Coleman	brooks.coleman@house.ga.gov
J. Craig Gordon	craig.gordon@house.ga.gov
John Meadows	johnmeadows@starrmathews.com
Tyrone Brooks	tyrone.brooks@house.ga.gov
Burke Day	burke.day@house.ga.gov
Lynmore James	lynmore.james@house.ga.gov
Earnest "Coach" Williams	earnest.williams@house.ga.gov
Debbie Buckner	debbie.buckner@house.ga.gov
Rich Golick	rich.golick@house.ga.gov
Charles Jenkins	cjxjbj@alltel.net

If you want to send the same email message to all these House members, then write your email message. Then simply 'copy & paste' the entire paragraph below into your email TO Line:

ben.bridges@house.ga.gov, howard.maxwell@house.ga.gov, xda92@mmm-law.com,
tommy.benton@house.ga.gov, brooks.coleman@house.ga.gov, craig.gordon@house.ga.gov,
johnmeadows@starrmathews.com, tyrone.brooks@house.ga.gov, burke.day@house.ga.gov,
lynmore.james@house.ga.gov, earnest.williams@house.ga.gov, debbie.buckner@house.ga.gov,
rich.golick@house.ga.gov, cjxbj@alltel.net

We believe that one point that needs to be hammered onto the minds of legislators is the complete lack of any disclosure provisions, outside a select few, in this bill. People have and deserve the right to know how retirement funding is invested.

Be Prepared

Should these wily old foxes succeed and get Senate Bill 80 through Committee, you need to be prepared to contact your representative and other representatives to let them know your opinion on this legislation. Be prepared to send your emails and letters again. We need to continue to impress our legislators of the dangers in Senate Bill 80 before they put the eggs in the ERS hen house in jeopardy.

Remember

Senate Bill 80 allows retirement funds to be invested in very risky "alternative investments" such as private equity funds, mezzanine funds, leveraged buyout funds and venture capital funds, among others. These investments may be allowed by some states but we do not need them as Georgia's Employees Retirement System is one of the most solvent and highly rated retirement systems in the nation. It is not true, as one sponsor of the bill indicated, that such 'alternative investments' are necessary to meet the ERS need for 'growth and solvency.'

This legislation is not driven by the need to change investment strategies but by those who might profit from investing in alternative investments. Passage of this legislation would possibly enable placement of state retiree monies in investments with friends for whom favors were desired. Why else would the sponsors be so unrelenting in their efforts to shield any and all of the alternative investments from public scrutiny? They simply do not want the public to know what is about to happen to Georgia's state employees' pension funds.

If you are wondering what is driving this legislation, go to our website at www.georgiaretirees.org and then to the "News" button and then to "Reports" and click on the **Public Finance Task Force Report**. Section VII of that report clearly states: "Permit the State to invest public pension funds in private equity investment vehicles." This could also explain why the Georgia Chamber of Commerce is pushing SB 80.

Published by the
Georgia State Retirees Association
P. O. Box 108
Bethlehem, Georgia 30620

Visit our website at
www.GeorgiaRetirees.org
or contact us at
info@GeorgiaRetirees.org