Georgia Defined Contribution Plan Information Sheet

The Georgia Defined Contribution Plan was created by the 1992 Georgia Law, Act 996 effective July, 1992. The purpose of the law is to provide a retirement system for temporary, seasonal, and part-time employees of the State of Georgia who are not eligible for membership in the Employees’ Retirement System or the Teachers’ Retirement System. Note: Members of GDCP are only covered for Medicare. There is no Social Security coverage.

Individuals employed by a state agency, department, bureau, institution, board, or commission, the State Board of Education, and the Board of Regents of the University System of Georgia are covered by this retirement plan. Excluded from this plan are the following:

- Persons working for an institution in which that person is regularly enrolled and attending classes
- Persons qualified as bona fide independent contractors
- Active members of ERS or TRS
- Retirees of ERS or TRS

Administration
The administration and responsibility for the Georgia Defined Contribution Plan is under the administration of the Board of Trustees of the Employees’ Retirement System (ERS).

Contribution Rate
Members contribute seven and one-half percent (7½%) of cross salary to the plan through payroll deductions. The amount deducted is credited to the individual account of the member.

Interest and Investment
The rate of interest is determined by the Board of Trustees based upon the return on investments minus administrative expenses. There will be times when no interest is credited due to low return on investments. When applicable, interest will be credited quarterly.

Retirement
Benefits are based solely on the amount contributed to each participant’s account plus interest accumulated. Members who have accumulated at least $3,500 in their account are eligible to retire at the age of 65 with the option of receiving a periodic payment based on mortality tables and interest accumulation as adopted by the Board of Trustees.

Refunds
A contribution member who terminated employment may apply for a refund of contributions. Applications are available in the employee’s Human Resources Office or from ERS. A lump sum amount is refunded equal to the total amount credited to that employee’s account. Applications must be certified by the employer.

Death
If a member dies, a lump sum payment of contributions and interest will be made to the designated primary beneficiary. If the designated primary beneficiary is deceased, payment will be made to the secondary beneficiary. If the secondary beneficiary is deceased, payment will be made to the member’s estate.

If you have questions or need assistance, please call or write:
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