



Date: April 18, 2018
To: Board of Retirement
From: James Wilbanks, Ph.D., Retirement Administrator
Subject: Administrator Report

Retirement Administrator Evaluation:

It is time for the Board to begin the annual process of evaluating the Retirement Administrator. The evaluation forms will be distributed to Trustees next month.

July 2018 Board Meeting:

This is a reminder that the Board adopted meeting calendar for 2018 included provision for the July meeting to take place at an alternate location. We are planning to hold that meeting at a facility on the Coast and will provide further details as soon as we have the logistics finalized.

SACRS Legislative Report:

Attached is a copy of the SACRS Legislative Report for review.

SACRS

Sponsored Legislation 4/9/2018

AB 2085 (Cooley D) Retirement systems: surviving spouse.

Introduced: 2/7/2018

Last Amended: 3/20/2018

Fiscal: N

Urgency: N

Status: 3/21/2018 - Re-referred to Com. on P.E., R., & S.S.

Location: 2/16/2018 - A . P.E.,R. & S.S.

Summary: The County Employees Retirement Law of 1937 (CERL) requires, after a member's death, any retirement allowance earned but not yet paid to the member to be paid to the member's designated beneficiary. Current law authorizes the surviving spouse of a member who did not designate a beneficiary prior to death to file with the board, as specified, to be deemed the beneficiary. This bill would define surviving spouse, for purposes of CERL, as a person legally married to the member, who is neither divorced nor legally separated at the time of the member's death, and who meets other relevant requirements, as specified.

Total Measures: 1

Total Tracking Forms: 1

Public Pension Legislation

Full Report 4/9/2018

AB 20 (Kalra D) Public employee retirement systems: divestment: Dakota Access Pipeline.

Introduced: 12/5/2016

Last Amended: 7/12/2017

Fiscal: Y

Urgency: N

Status: 10/8/2017 - Approved by the Governor. Chaptered by Secretary of State - Chapter 575, Statutes of 2017.

Location: 10/8/2017 - A . CHAPTERED

Summary: Would require the boards of administration of the Public Employees' Retirement System and the State Teachers' Retirement System to make a specified report, on or before April 1, 2018, to the Legislature and the Governor regarding investments in the Dakota Access Pipeline, as defined. The bill would declare the intent of the Legislature that the boards, on or before April 1, 2018, review and consider factors related to tribal sovereignty and indigenous tribal rights as part of the boards' investment policies related to environmental, social, and governance issues.

AB 52 (Cooper D) Public employees: orientation and informational programs: exclusive representatives.

Introduced: 12/5/2016

Fiscal: Y

Urgency: N

Status: 1/13/2018 - Failed Deadline pursuant to Rule 61(b)(1). (Last location was P.E.,R. & S.S. on 1/19/2017)

Location: 1/13/2018 - A . DEAD

Summary: Current law, including the Meyers-Milias-Brown Act, the Ralph C. Dills Act, the Trial Court Employment Protection and Governance Act, the Trial Court Interpreter Employment and Labor Relations Act, and the Los Angeles County Metropolitan Transportation Authority Transit Employer-Employee Relations Act, as well as provisions commonly referred to as the Educational Employment Relations Act and the Higher Education Employer-Employee Relations Act, regulates the labor relations of the state, the courts, and specified local public agencies and their employees. This bill would require the public employers regulated by the acts described above to provide all employees an orientation. The bill would also require these public employers to permit the exclusive representative, if applicable, to participate.

AB 283 (Cooper D) County employees' retirement: permanent incapacity.

Introduced: 2/2/2017

Last Amended: 3/23/2017

Fiscal: N

Urgency: N

Status: 7/21/2017 - Failed Deadline pursuant to Rule 61(a)(11). (Last location was P.E. & R. on 5/24/2017)(May be acted upon Jan 2018)

Location: 7/21/2017 - S . 2 YEAR

Summary: The County Employees Retirement Law of 1937 provides that a member who is permanently incapacitated shall be retired for disability despite age if, among other conditions, the member's incapacity is a result of injury or disease arising out of and in the course of the member's employment, and that employment contributes substantially to that incapacity or the member has completed 5 years of service and not waived retirement in respect to the particular incapacity or aggravation thereof, as specified. This bill would require, for purposes of determining permanent incapacity of certain members employed as peace officers, that those members be evaluated by the retirement system to determine if they can perform all of the usual and customary duties of a peace officer, as specified.

AB 512 (Rodriguez D) Public employees' retirement: safety members: industrial disability retirement.

Introduced: 2/13/2017

Last Amended: 9/8/2017

Fiscal: Y

Urgency: N

Status: 10/15/2017 - Approved by the Governor. Chaptered by Secretary of State - Chapter 841, Statutes of 2017.

Location: 10/15/2017 - A . CHAPTERED

Summary: The Public Employees' Retirement Law, until January 1, 2018, provides a state safety member of the Public Employees' Retirement System who retires for industrial disability a retirement benefit equal to the greatest amount resulting from 3 possible calculations. In this regard, the benefit amount is based on an actuarially reduced service retirement, a service retirement allowance, if the member is qualified, or 50% of his or her final compensation, plus an annuity purchased with his or her accumulated contributions, if any. Current law establishes the Public Employees' Retirement Fund, which is appropriated continuously for various purposes, including the payment of benefits. This bill would extend the operation of these provisions until January 1, 2023.

AB 526 (Cooper D) County employees' retirement: districts: retirement system governance.

Introduced: 2/13/2017

Last Amended: 5/18/2017

Fiscal: N

Urgency: N

Status: 7/21/2017 - Failed Deadline pursuant to Rule 61(a)(11). (Last location was P.E. & R. on 5/18/2017)(May be acted upon Jan 2018)

Location: 7/21/2017 - S . 2 YEAR

Summary: Would define the Sacramento County retirement system as a district under CERL. The bill would authorize the board to adopt, by resolution, specified administrative provisions that would classify various personnel of the retirement system as employees of the retirement system and not employees of the county. The bill would require the retirement system to notify, and to meet and discuss with, participating employers in the retirement system, the employees of the system, and specified employee organizations, regarding the retirement system's intent to exercise this authority at least 60 days before considering a resolution to make these provisions applicable.

AB 530 (Cooper D) Public employment: collective bargaining: peace officers.

Introduced: 2/13/2017

Last Amended: 7/3/2017

Fiscal: Y

Urgency: N

Status: 1/12/2018 - Stricken from file.

Location: 10/14/2017 - A . VETOED

Summary: Current law requires the Public Employment Relations Board (PERB) to enforce and apply rules adopted by a public agency concerning unit determinations, representation, recognition, and elections. Current law also requires specified complaints to be processed as an unfair practice charge by PERB. Current law does not apply the above provisions to persons who are peace officers, as defined. This bill would expand the jurisdiction of PERB to include resolving disputes and statutory duties and rights of persons who are employed by public agencies, as defined, and are peace officers, as defined.

AB 561 (Voepel R) Sales and use taxes: exclusion: public safety first responder vehicle and equipment: local public employee retirement: employer contributions.

Introduced: 2/14/2017

Last Amended: 4/17/2017

Fiscal: Y

Urgency: N

Status: 1/20/2018 - Failed Deadline pursuant to Rule 61(b)(2). (Last location was APPR. SUSPENSE FILE on 5/3/2017)

Location: 1/20/2018 - A . DEAD

Summary: Current sales and use tax laws impose a tax on retailers measured by the gross receipts from the sale of tangible personal property sold at retail in this state, or on the storage, use, or other consumption in this state of tangible personal property purchased from a retailer for storage, use, or other consumption in

this state, measured by sales price. The Sales and Use Tax Law defines the terms “gross receipts” and “sales price.” This bill, for any public safety first responder vehicle and any equipment required on a public safety first responder vehicle that is purchased by a local public agency, would exclude from the terms “gross receipts” and “sales price,” amounts of the gross receipts or sales price in excess of \$800,000 of an individual item.

AB 590 (Medina D) Public employees’ retirement: membership election.

Introduced: 2/14/2017

Fiscal: Y

Urgency: N

Status: 7/24/2017 - Approved by the Governor. Chaptered by Secretary of State - Chapter 108, Statutes of 2017.

Location: 7/24/2017 - A . CHAPTERED

Summary: The Public Employees’ Retirement Law permits a member of the Public Employees’ Retirement System (PERS) who is employed by a school employer, the Board of Governors of the California Community Colleges, or the State Department of Education to elect to have specified service excluded from coverage by the Defined Benefit Program of the State Teachers’ Retirement Plan and instead be subject to coverage by PERS, as specified. This bill would limit the application of that option to a member of PERS who was employed by a school employer, the Board of Governors of the California Community Colleges, or the State Department of Education within 120 days before the member’s date of hire to perform service that requires membership in the Defined Benefit Program of the State Teachers’ Retirement Plan.

AB 592 (Dahle R) Public employees’ retirement: contracting agencies.

Introduced: 2/14/2017

Fiscal: Y

Urgency: N

Status: 1/13/2018 - Failed Deadline pursuant to Rule 61(b)(1). (Last location was P.E.,R. & S.S. on 2/27/2017)

Location: 1/13/2018 - A . DEAD

Summary: Current law authorizes public agencies to contract with the Board of Administration of the Public Employees’ Retirement System to have their employees become members of the Public Employees’ Retirement System (PERS) and makes an contracting agency that terminates a contract liable to PERS for any deficit in funding for earned benefits, interest, and reasonable and necessary costs of collection. This bill

would authorize a contracting agency to request a calculation of the total costs necessary to terminate its contract with PERS.

AB 679 (Cooley D) Public employees' retirement: investments: security loans.

Introduced: 2/15/2017

Last Amended: 6/8/2017

Fiscal: Y

Urgency: N

Status: 9/1/2017 - Approved by the Governor. Chaptered by Secretary of State - Chapter 198, Statutes of 2017.

Location: 9/1/2017 - A . CHAPTERED

Summary: PERL grants the Board of Administration of PERS exclusive control of and fiduciary responsibility for the investment of the Public Employees' Retirement Fund, and authorizes the board to enter into specific types of security loan agreements, whereby a legal owner (the lender) agrees to lend specific marketable corporate or government securities for no more than one year, and the lender retains the right to collect from the borrower all dividends, interest, premiums, rights, and other distributions. Current law grants the board the authority to enter into these agreements pursuant to specific provisions covering security loan agreements by state agencies. This bill would delete the above reference to the security loan provisions for state agencies, thereby providing the board with separate authority to enter into security loan agreements.

AB 799 (Choi R) Alternate retirement program.

Introduced: 2/15/2017

Fiscal: N

Urgency: N

Status: 1/20/2018 - Failed Deadline pursuant to Rule 61(b)(2). (Last location was PRINT on 2/15/2017)

Location: 1/20/2018 - A . DEAD

Summary: Current law requires the Department of Human Resources to administer an alternate retirement program for state employees who became state miscellaneous members or state industrial members of the Public Employees' Retirement System between August 11, 2004, and June 30, 2013, inclusive, and who did not make contributions into the system during the 24 months of employment following the date they qualified for membership in the system, as specified. This bill would make a nonsubstantive change to that provision.

AB 825 (Choi R) State employees' retirement.

Introduced: 2/16/2017

Fiscal: N

Urgency: N

Status: 1/20/2018 - Failed Deadline pursuant to Rule 61(b)(2). (Last location was PRINT on 2/16/2017)

Location: 1/20/2018 - A . DEAD

Summary: Current law, for the purposes of complying with the federal Omnibus Budget Reconciliation Act of 1990, requires the Department of Human Resources to develop and administer a retirement program in which state employees, as defined, who are not covered by social security or by the Public Employees' Retirement System can defer compensation at 7.5% of wages, as specified. This bill would make nonsubstantive changes to that provision.

AB 833 (Allen, Travis R) Public employees' retirement.

Introduced: 2/16/2017

Fiscal: N

Urgency: N

Status: 1/20/2018 - Failed Deadline pursuant to Rule 61(b)(2). (Last location was PRINT on 2/16/2017)

Location: 1/20/2018 - A . DEAD

Summary: Current law, the California Public Employees' Pension Reform Act of 2013, establishes various limits on retirement benefits generally applicable to a public employee retirement system, except as specified, and among other things, prescribes limits on service after retirement without reinstatement into the applicable retirement system. This bill would make a nonsubstantive change to that provision.

AB 883 (Dahle R) Emergency services: Governor: powers.

Introduced: 2/16/2017

Last Amended: 3/23/2017

Fiscal: Y

Urgency: N

Status: 1/13/2018 - Failed Deadline pursuant to Rule 61(b)(1). (Last location was G.O. on 3/23/2017)

Location: 1/13/2018 - A . DEAD

Summary: The California Emergency Services Act requires the Governor to coordinate the State Emergency Plan and any programs necessary for the mitigation of the effects of an emergency in this state,

as specified, and authorizes the Governor to take certain actions, including providing for use of public airports, in accordance with the State Emergency Plan and programs for the mitigation of the effects of an emergency in this state. This bill would additionally authorize the Governor to provide for the use of aviation coordination in accordance with the State Emergency Plan and programs for the mitigation of the effects of an emergency in this state.

AB 946 (Ting D) State public retirement systems: divestiture: border wall construction companies.

Introduced: 2/16/2017

Last Amended: 3/28/2017

Fiscal: Y

Urgency: N

Status: 1/13/2018 - Failed Deadline pursuant to Rule 61(b)(1). (Last location was P.E.,R. & S.S. on 4/19/2017)

Location: 1/13/2018 - A . DEAD

Summary: Would prohibit the boards of the Public Employees' Retirement System and the State Teachers' Retirement System from making new investments or renewing existing investments of public employee retirement funds in a border wall construction company, as defined. The bill would require the boards to liquidate investments in a border wall construction company within 12 months of the company contracting or subcontracting to provide work or material for a border wall, as defined.

AB 995 (Limón D) County employee retirement: retirement board appointees: leave balances.

Introduced: 2/16/2017

Last Amended: 4/17/2017

Fiscal: N

Urgency: N

Status: 7/10/2017 - Approved by the Governor. Chaptered by Secretary of State - Chapter 48, Statutes of 2017.

Location: 7/10/2017 - A . CHAPTERED

Summary: The County Employees Retirement Law of 1937 authorizes the board of retirement in Ventura County to appoint specified personnel who, subsequent to their appointments, become employees of the retirement system subject to the terms of employment determined by the board of retirement. This bill would require any leave balance accrued by a county employee prior to his or her appointment as a Ventura County retirement system employee, as described above, to be transferred from the county to the retirement

system and would require the county to pay to the retirement system an amount equal to the value of the accrued leave, as specified.

AB 1243 (Arambula D) Public Employees' Retirement System: replacement benefits plan.

Introduced: 2/17/2017

Last Amended: 6/5/2017

Fiscal: Y

Urgency: N

Status: 9/25/2017 - Approved by the Governor. Chaptered by Secretary of State - Chapter 277, Statutes of 2017.

Location: 9/25/2017 - A . CHAPTERED

Summary: Current law establishes in the treasury of each county the county school service fund, for use by the county superintendent of schools to pay all the charges against the fund and to provide for additional apportionments to school districts or community districts under his or her jurisdiction for various expenses. This bill would authorize a county superintendent of schools, on an annual basis or as otherwise directed by the board, for the purpose of paying necessary contributions to the replacement benefit plan, to draw requisitions against the county school service fund and the funds of the respective school districts or other local educational agencies in amounts equal to the total of the contributions required to be paid pursuant to replacement benefit plan provisions.

AB 1325 (Committee on Public Employees, Retirement, and Social Security) State teachers' retirement.

Introduced: 2/17/2017

Last Amended: 8/30/2017

Fiscal: Y

Urgency: N

Status: 9/26/2017 - Approved by the Governor. Chaptered by Secretary of State - Chapter 298, Statutes of 2017.

Location: 9/26/2017 - A . CHAPTERED

Summary: Current law requires the Teacher's Retirement Board to offer a midcareer retirement information program for the benefit of all members. Current law authorizes the board, at a public meeting, to assess a fee for participating in the program and prescribes specified requirements related to a notice that the board must provide to members regarding the program, including a possible requirement for a state basic skills assessment, as specified. This bill would eliminate the authority to charge a fee and the notice requirements, as described above.

AB 1487 (Rodriguez D) Public Employees' Retirement System: limited term appointments.

Introduced: 2/17/2017

Last Amended: 6/5/2017

Fiscal: Y

Urgency: N

Status: 9/11/2017 - Approved by the Governor. Chaptered by Secretary of State - Chapter 229, Statutes of 2017.

Location: 9/11/2017 - A . CHAPTERED

Summary: The Public Employees' Retirement Law authorizes a public agency and a school employer to contract to make their employees members of PERS. PERL establishes the compensation earnable by members of the system, defined as the member's payrate and special compensation, which includes out-of-class pay for state members. This bill would prohibit an out-of-class appointment by a contracting agency or school employer from exceeding 960 hours each fiscal year. The bill would define "out-of-class appointment" to mean an appointment to an upgraded position or higher classification by an employer or governing board or body in a vacant position for a limited duration.

AB 1597 (Nazarian D) Public employee retirement systems: prohibited investments: Turkey.

Introduced: 2/17/2017

Last Amended: 6/22/2017

Fiscal: Y

Urgency: N

Status: 7/14/2017 - Failed Deadline pursuant to Rule 61(a)(10). (Last location was P.E. & R. on 6/14/2017)(May be acted upon Jan 2018)

Location: 7/14/2017 - S . 2 YEAR

Summary: Would prohibit the boards of administration of the Public Employees' Retirement System and State Teachers' Retirement System from making additional or new investments, or renewing existing investments, of public employee retirement funds in an investment vehicle in Turkey that is issued by the government of Turkey or that is owned, controlled, or managed by the government of Turkey. The bill would require the boards to liquidate existing investments in Turkey in these types of investment vehicles within 6 months of the passage of a federal law imposing sanctions on Turkey.

AB 1603 (Ridley-Thomas D) Meyers-Milias-Brown Act: local public agencies.

Introduced: 2/17/2017

Last Amended: 8/24/2017

Fiscal: Y

Urgency: N

Status: 9/16/2017 - Ordered to inactive file at the request of Senator McGuire.

Location: 9/16/2017 - S . INACTIVE FILE

Summary: Under the Meyers-Milias-Brown Act (MMBA), employees of local public agencies have the right to form, join, and participate in the activities of employee organizations of their own choosing for the purpose of representation on all matters of employer-employee relations. The MMBA authorizes a local public agency to adopt reasonable rules and regulations after consultation in good faith with representatives of a recognized employee organization or organizations for the administration of employer-employee relations under the act. This bill would revise the definition of “public employee” for the purpose of the Meyers-Milias-Brown Act to also include persons jointly employed by a public agency and any other employer at specified clinics and hospitals.

AB 1912 (Rodriguez D) Public employees’ retirement: joint powers agreements: liability.

Introduced: 1/23/2018

Last Amended: 3/19/2018

Fiscal: Y

Urgency: N

Status: 3/20/2018 - Re-referred to Com. on P.E., R., & S.S.

Location: 3/15/2018 - A . P.E.,R. & S.S.

Summary: Under the Joint Exercise of Powers Act, if the agency is not one or more of the parties to the agreement but is a public entity, commission, or board constituted pursuant to the agreement, the debts, liabilities, and obligations of the agency are the debts, liabilities, and obligations of the parties to the agreement, unless the agreement specifies otherwise. Current law also permits a party to an agreement to separately contract for, or assume responsibilities for, specific debts, liabilities, or obligations of the agency. Current law, with respect to electrical loads, permits entities authorized to be community choice aggregators to participate as a group through a joint powers agency and to also specify in their joint powers agreement that the debts, liabilities, and obligations of the agency shall not be those of the members of the agency. This bill would eliminate the above provisions within the Joint Exercise of Powers Act and those related provisions for community choice aggregators that permit an agreement between one or more parties to specify otherwise as to their debts, liabilities, and obligations and that permit a party to separately contract for those debts, liabilities, or obligations.

AB 2004 (Obernolte R) Big Bear Fire Agencies Pension Consolidation Act of 2018.

Introduced: 2/1/2018

Fiscal: N

Urgency: Y

Status: 3/22/2018 - Read third time. Urgency clause adopted. Passed. Ordered to the Senate. In Senate. Read first time. To Com. on RLS. for assignment.

Location: 3/22/2018 - S . DESK

Summary: Would enact the Big Bear Fire Agencies Pension Consolidation Act of 2018, which, on and after the effective date of a resolution of the Board of Retirement of the San Bernardino County Employees' Retirement Association consenting to membership by employees of the Big Bear Fire Authority as specified, would provide that all safety employees currently employed by the Big Bear Lake Fire Protection District as of that date would be deemed to be employees of the authority and that all duties and obligations of the fire protection district in the employment relationship would be assumed by the authority. The bill would specify that the authority is a "district" for purposes of the County Employees Retirement Law of 1937.

AB 2052 (Bonta D) State Teachers' Retirement System: contributions due to system: form.

Introduced: 2/6/2018

Fiscal: Y

Urgency: N

Status: 4/5/2018 - Read second time. Ordered to Consent Calendar.

Location: 4/5/2018 - A . CONSENT CALENDAR

Summary: Would, upon authorization by the Teachers' Retirement Board, require contributions due to the system by an employer under the Defined Benefit Program and the Cash Balance Benefit Program to be paid by an electronic funds transfer method through an automated clearinghouse, as defined, as prescribed by the board. The bill would permit an employer that is unable, for good cause, to comply with this requirement to apply to the board for a waiver that would allow the employer to pay in an alternate manner.

AB 2076 (Rodriguez D) County employees' retirement: disability: date of retirement.

Introduced: 2/7/2018

Last Amended: 2/27/2018

Fiscal: N

Urgency: N

Status: 3/22/2018 - Read third time. Passed. Ordered to the Senate. In Senate. Read first time. To Com. on RLS. for assignment.

Location: 3/22/2018 - S . DESK

Summary: Would authorize a county retirement system in Los Angeles County to correct a prior board decision determining the effective date of retirement for a member permanently incapacitated for disability that was made between January 1, 2013, and December 31, 2015, and was based upon an error of law existing at the time of the decision, as specified. The bill would authorize a member seeking correction under these provisions to file an application with the board no later than one year from the date these provision, become operative.

AB 2085 (Cooley D) Retirement systems: surviving spouse.

Introduced: 2/7/2018

Last Amended: 3/20/2018

Fiscal: N

Urgency: N

Status: 3/21/2018 - Re-referred to Com. on P.E., R., & S.S.

Location: 2/16/2018 - A . P.E.,R. & S.S.

Summary: The County Employees Retirement Law of 1937 (CERL) requires, after a member's death, any retirement allowance earned but not yet paid to the member to be paid to the member's designated beneficiary. Current law authorizes the surviving spouse of a member who did not designate a beneficiary prior to death to file with the board, as specified, to be deemed the beneficiary. This bill would define surviving spouse, for purposes of CERL, as a person legally married to the member, who is neither divorced nor legally separated at the time of the member's death, and who meets other relevant requirements, as specified.

AB 2196 (Cooper D) Public employees' retirement: service credit: payments.

Introduced: 2/12/2018

Fiscal: Y

Urgency: N

Status: 2/26/2018 - Referred to Com. on P.E., R., & S.S.

Location: 2/26/2018 - A . P.E.,R. & S.S.

Summary: Under the Public Employees' Retirement Law, members may make certain elections, including elections to purchase service credit for various types of public service, upon payment of additional contributions. Current law permits a member who retires before paying off the entire amount for service

credit to pay the balance due or total amount if no payroll deductions had been made prior to retirement by deductions from his or her retirement allowance equal to those authorized as payroll deductions, as specified. The bill would permit the member, survivor, or beneficiary, as an alternative, to elect to receive an allowance that is reduced by the actuarial equivalent of any balance remaining unpaid by the member.

AB 2310 (Aguilar-Curry D) Public Employees' Retirement System: contracting members.

Introduced: 2/13/2018

Last Amended: 3/20/2018

Fiscal: Y

Urgency: N

Status: 3/21/2018 - Re-referred to Com. on P.E., R., & S.S.

Location: 3/19/2018 - A . P.E.,R. & S.S.

Summary: Under PERL, a contracting agency and its employees may agree in writing to share the costs of the employer contribution in accordance with specified procedures. Current law requires, in these circumstances, the collective bargaining agreement for a contracting agency and its employees to specify the exact percentage of member compensation that is to be paid toward the current service costs of the benefits by members. This bill would revise that provision to also refer to a memorandum of understanding ratified by the employee bargaining unit and the governing body of the contracting agency.

AB 2415 (Calderon D) Public Employees' Retirement System: officers and directors: appointment and compensation.

Introduced: 2/14/2018

Fiscal: Y

Urgency: N

Status: 4/4/2018 - From committee: Do pass and re-refer to Com. on APPR. (Ayes 4. Noes 0.) (April 4). Re-referred to Com. on APPR.

Location: 4/4/2018 - A . APPR.

Summary: The Public Employees' Retirement Law requires the Board of Administration to appoint and fix the compensation of an executive officer, a general counsel, a chief actuary, a chief investment officer, a chief financial officer and other investment officers and portfolio managers, as specified. PERL requires that specified principles guide the board when fixing compensation, consistent with its fiduciary responsibility to recruit and retain highly qualified and effective employees for these positions. This bill would additionally require the board to appoint and fix the compensation of a chief operating officer and a chief health director.

AB 2571 (Gonzalez Fletcher D) Public employee retirement systems: investments: race and gender pay equity.

Introduced: 2/15/2018

Fiscal: Y

Urgency: N

Status: 3/19/2018 - Referred to Com. on P.E., R., & S.S.

Location: 3/19/2018 - A . P.E.,R. & S.S.

Summary: Would require an investment manager, beginning September 1, 2019, to submit at least once annually to the public investment fund a certified report regarding compliance. Because a certified report would be required to be verified under penalty of perjury, this bill would expand the crime of perjury, thereby imposing a state-mandated local program. The bill would require each contractually enforceable instrument for additional or new investments or renewal of existing investments with an investment manager to require that the investment manager take prescribed actions consistent with the bill as a material term of the instrument.

AB 3068 (Daly D) County government: officers: auditor.

Introduced: 2/16/2018

Fiscal: Y

Urgency: N

Status: 3/12/2018 - Referred to Com. on L. GOV.

Location: 3/12/2018 - A . L. GOV.

Summary: Would require the county auditor or auditor-controller to also be the chief auditor of the county. This bill would grant the county auditor or auditor-controller, as part of its supervisory powers, the authority to audit, rather than review, departmental and countywide internal controls.

AB 3084 (Levine D) Public employees: retirement systems: annual report.

Introduced: 2/16/2018

Fiscal: Y

Urgency: N

Status: 3/12/2018 - Referred to Com. on P.E., R., & S.S.

Location: 3/12/2018 - A . P.E.,R. & S.S.

Summary: Would require each state and local public retirement system to, in its annual audited financial statements submitted to the Controller, in a form prescribed by the Controller, show that the retirement system has met or if it has not met, detail why it has not met and what the retirement system is doing to meet, specified parameters related to the provision of other postemployment benefits.

AB 3150 (Brough R) Public employees' retirement: annual audits.

Introduced: 2/16/2018

Fiscal: Y

Urgency: N

Status: 3/12/2018 - Referred to Com. on P.E., R., & S.S.

Location: 3/12/2018 - A . P.E.,R. & S.S.

Summary: Current law requires each state and local public pension or retirement system, on and after the 90th day following the completion of the annual audit of the system, to provide a concise annual report on the investments and earnings of the system, as specified, to any member who makes a request and pays a fee, if required, for the costs incurred in preparation and dissemination of that report. This bill would also require each state and local pension or retirement system to post a concise annual audit of the information described above on that system's Internet Web site no later than the 90th day following the audit's completion.

AB 3235 (Grayson D) Public employees' retirement.

Introduced: 2/16/2018

Fiscal: N

Urgency: N

Status: 2/17/2018 - From printer. May be heard in committee March 19.

Location: 2/16/2018 - A . PRINT

Summary: Current law requires any city with a population of 1,000,000 or more, and any agency thereof, which has established any pension and retirement plan that requires officers and employees of one sex to pay greater contributions than those of another sex who are the same age to revise the plan so that the contributions are the same, as specified. This bill would make a nonsubstantive change to that provision.

AB 3245 (Committee on Public Employees, Retirement, and Social Security) Public employees' retirement: omnibus bill.

Introduced: 2/22/2018

Fiscal: Y

Urgency: N

Status: 3/22/2018 - Referred to Com. on P.E., R., & S.S.

Location: 3/22/2018 - A . P.E.,R. & S.S.

Summary: Under PERL, the highest annual average compensation during any consecutive 12- or 36-month period of employment as a member of a retirement system maintained by the University of California or by a county retirement system is considered compensation earnable for purposes of computing the member's final compensation. PERL also prescribes that the compensation earnable during any period of service as a member of the Judges' Retirement System, the Judges' Retirement System II, the Legislators' Retirement System, or the Defined Benefit Program of the State Teachers' Retirement Plan is considered compensation earnable for purposes of computing final compensation for the member, if he or she retires concurrently under both retirement systems. This bill would revise the above provisions of PERL relating to retirement under concurrent systems to specify that the compensation earnable or pensionable compensation as a member of PERS is subject to the restrictions on compensation earnable under PERS and the restrictions on pensionable compensation under PEPRA.

SB 32 (Moorlach R) California Public Employees' Pension Reform Act of 2018.

Introduced: 12/5/2016

Last Amended: 3/2/2017

Fiscal: Y

Urgency: N

Status: 1/13/2018 - Failed Deadline pursuant to Rule 61(b)(1). (Last location was P.E. & R. on 3/8/2017)

Location: 1/13/2018 - S . DEAD

Summary: Would create the Citizens' Pension Oversight Committee to serve in an advisory role to the Teachers' Retirement Board and the Board of Administration of PERS. The bill would require the committee, on or before January 1, 2019, and annually thereafter, to review the actual pension costs and obligations of PERS and STRS and report on these costs and obligations to the public.

SB 200 (Morrell R) Public employees' retirement benefits: final compensation.

Introduced: 1/31/2017

Fiscal: N

Urgency: N

Status: 2/1/2018 - Returned to Secretary of Senate pursuant to Joint Rule 56.



Location: 2/1/2018 - S . DEAD

Summary: The California Public Employees' Pension Reform Act of 2013 provides, for purposes of determining a retirement benefit paid to a person who first becomes a member of a public retirement system on or after January 1, 2013, that final compensation means the highest average annual pensionable compensation earned, as defined, during a period of at least 36 consecutive months, or at least 3 consecutive school years. This bill would make a nonsubstantive change to that provision.

SB 371 (Moorlach R) Local public employee organizations.

Introduced: 2/14/2017

Last Amended: 4/17/2017

Fiscal: N

Urgency: N

Status: 1/20/2018 - Failed Deadline pursuant to Rule 61(b)(2). (Last location was P.E. & R. on 2/23/2017)

Location: 1/20/2018 - S . DEAD

Summary: The Meyers-Milias-Brown Act requires the governing body of a local public agency to meet and confer in good faith regarding wages, hours, and other terms and conditions of employment with representatives of a recognized employee organization. This bill would prohibit an individual who will be affected, directly or indirectly, by a memorandum of understanding between a local public agency and a recognized public employee organization from representing the public agency in negotiations with the recognized employee organization. The bill would define the phrases "indirectly affected" and "represent the public agency" for those purposes.

SB 454 (Moorlach R) Public employees' health benefits.

Introduced: 2/16/2017

Last Amended: 4/6/2017

Fiscal: Y

Urgency: N

Status: 1/13/2018 - Failed Deadline pursuant to Rule 61(b)(1). (Last location was P.E. & R. on 3/2/2017)

Location: 1/13/2018 - S . DEAD

Summary: Would, for state employees who are first employed and become members of the retirement system on or after January 1, 2018, limit the employer contribution for annuitants to 80% of the weighted average of the health benefit plan premiums for an active employee enrolled for self alone, during the

benefit year to which the formula is applied, for the 4 health benefit plans with the largest state civil service enrollment, as specified.

SB 525 (Pan D) Public employees' retirement.

Introduced: 2/16/2017

Fiscal: Y

Urgency: N

Status: 9/11/2017 - Approved by the Governor. Chaptered by Secretary of State. Chapter 241, Statutes of 2017.

Location: 9/11/2017 - S . CHAPTERED

Summary: PERL requires a member who is incapacitated, as specified, to be retired for disability in accordance with certain provisions if that member meets specified requirements concerning service. Under PERL, the terms “disability” and “incapacity for performance of duty” are defined, as a basis of retirement, to mean disability of permanent or extended and uncertain duration, as determined by the board, except with respect to certain local safety members. This bill would redefine those terms to specify that the duration of the disability or incapacity must be expected to last at least 12 consecutive months or result in death.

SB 529 (Nguyen R) Inspection of public records.

Introduced: 2/16/2017

Fiscal: Y

Urgency: N

Status: 2/1/2018 - Returned to Secretary of Senate pursuant to Joint Rule 56.

Location: 2/1/2018 - S . DEAD

Summary: Current law requires filing officers to hold nomination documents and signatures in lieu of filing fee petitions for a specified time. Current law limits public access to these documents and allows only for the public to view them. This bill would require that nomination documents and signatures in lieu of filing fee petitions be furnished promptly upon request, and it would clarify that a member of the public need not request these records pursuant to the California Public Records Act.

SB 560 (Allen D) Public retirement systems: investments: financial climate risk.

Introduced: 2/17/2017

Last Amended: 4/17/2017

Fiscal: Y

Urgency: N

Status: 1/20/2018 - Failed Deadline pursuant to Rule 61(b)(2). (Last location was APPR. SUSPENSE FILE on 5/25/2017)

Location: 1/20/2018 - S . DEAD

Summary: Current statutory law establishes various public employee retirement systems and provides for the administration of the State Teachers' Retirement System by the Teachers' Retirement Board and for the administration of the Public Employees' Retirement System, among other public employee retirement systems, by the Board of Administration of the Public Employees' Retirement System. This bill would require those boards to consider financial climate risk, as defined, in their management of any funds they administer.

SB 599 (Portantino D) Public Employees' Medical and Hospital Care Act: Peace Officers Research Association of California Insurance and Benefits Trust.

Introduced: 2/17/2017

Last Amended: 8/24/2017

Fiscal: Y

Urgency: N

Status: 3/3/2018 - Last day to consider Governor's veto pursuant to Joint Rule 58.5.

Location: 10/15/2017 - S . VETOED

Summary: The Public Employees' Medical and Hospital Care Act, which is administered by the Board of Administration of the Public Employees' Retirement System, governs the funding and provision of postemployment health care benefits for eligible retired public employees and their beneficiaries. This bill would require the board to approve an employee association health benefit plan offered by the California Association of Highway Patrolmen Health Benefits Trust, the Peace Officers Research Association of California Health Benefits Trust, or the California Correctional Peace Officer Association Health Benefits Trust if the plan meets minimum standards prescribed by the board.

SB 656 (Moorlach R) Judges' Retirement System II: deferred retirement.

Introduced: 2/17/2017

Last Amended: 1/23/2018

Fiscal: Y

Urgency: N



Status: 1/30/2018 - In Assembly. Read first time. Held at Desk.

Location: 1/29/2018 - A . DESK

Summary: Would authorize a judge who has attained 60 years of age with a minimum of 5 years of service, or who has accrued 20 or more years of service, to retire and to elect to receive a monthly pension that would be deferred until the judge reaches retirement age, as specified. The bill would prohibit a judge who elects to retire in this manner from receiving benefits until he or she reaches the applicable retirement age and would prescribe procedures to apply if the judge fails to elect within 30 days of separation.

SB 671 (Moorlach R) County employees' retirement: retirement funds: transfers.

Introduced: 2/17/2017

Last Amended: 5/4/2017

Fiscal: N

Urgency: N

Status: 7/17/2017 - Approved by the Governor. Chaptered by Secretary of State. Chapter 76, Statutes of 2017.

Location: 7/17/2017 - S . CHAPTERED

Summary: The CERL authorizes the board of supervisors to authorize the county auditor to make an advance payment of all or part of the county's estimated annual contribution if the payment is made within 30 days after the county's fiscal year begins. Current law also authorizes a district that is a member of the retirement system in the County of San Bernardino to make advance payments, as described above. This bill would specify that the authority to make advance payments, described above, does not prevent the board of supervisors or governing body of a district from making advance payments for the estimated annual county or district contributions for an additional year or or partial year if certain requirements are satisfied.

SB 681 (Moorlach R) Public employees' retirement: contracting agencies: termination.

Introduced: 2/17/2017

Last Amended: 4/17/2017

Fiscal: Y

Urgency: N

Status: 2/1/2018 - Returned to Secretary of Senate pursuant to Joint Rule 56.

Location: 1/13/2018 - S . DEAD

Summary: Would require the Board of Administration of PERS to allow a contracting agency to terminate its contract with the system in a manner that does not result in excessive costs or penalties to the

contracting agency, allows the contracting agency to withdraw its net assets paid into the system less payments made to its members and their beneficiaries, and ensures that the contracting agency remains responsible for its unfunded liabilities so that those liabilities are not shifted onto other PERS members or employers.

SB 964 (Allen D) Public Employees' Retirement Fund and Teachers' Retirement Fund: investments: climate-related financial risk.

Introduced: 1/31/2018

Last Amended: 3/14/2018

Fiscal: Y

Urgency: N

Status: 3/23/2018 - Set for hearing April 9.

Location: 3/21/2018 - S . P.E. & R.

Summary: Would, until January 1, 2035, require climate-related financial risk, as defined, to be analyzed to the extent the boards identify the risk as a material risk to the Public Employees' Retirement Fund or the Teachers' Retirement Fund. The bill, by January 1, 2020, and every 3 years thereafter, would require each board to publicly report on the climate-related financial risk of its public market portfolio, including alignment of the Public Employees' Retirement Fund and the Teachers' Retirement Fund with a specified climate agreement and California climate policy goals and the exposure of the fund to long-term risks, as specified.

SB 993 (Hertzberg D) Sales tax: services.

Introduced: 2/5/2018

Fiscal: Y

Urgency: Y

Status: 2/14/2018 - Referred to Com. on GOV. & F.

Location: 2/14/2018 - S . GOV. & F.

Summary: Would, on and after January 1, 2019, expand the Sales and Use Tax Law to impose a tax on the purchase of services by businesses in California at a specified percentage of the sales price of the service. The bill would require the tax to be collected and remitted by the seller of the purchased services. The bill would exempt certain types of services, including health care services, from the tax and would exempt from the tax a business with gross receipts of less than \$100,000 in the previous 4 quarters.

SB 1022 (Pan D) Public Employees' Retirement System: administration.

Introduced: 2/7/2018

Last Amended: 3/14/2018

Fiscal: Y

Urgency: N

Status: 4/4/2018 - Set for hearing April 23.

Location: 2/14/2018 - S . P.E. & R.

Summary: The Public Employees' Retirement Law (PERL) vests the Board of Administration of the Public Employees' Retirement System with the responsibility of administering the Public Employees' Retirement System. PERL provides that data filed by a member or beneficiary with the board is confidential, subject to certain exceptions, and is to be used only for carrying PERL into effect. This bill would specify that the confidentiality provisions, described above, apply to the Public Employees Medical and Hospital Care Act, which the board also administers, and would make conforming changes to account for this and to account for school district and university employer categories currently in effect.

SB 1031 (Moorlach R) Public employees' retirement: cost-of-living adjustments: prohibitions.

Introduced: 2/8/2018

Last Amended: 4/5/2018

Fiscal: Y

Urgency: N

Status: 4/5/2018 - From committee with author's amendments. Read second time and amended. Re-referred to Com. on P.E. & R.

Location: 2/22/2018 - S . P.E. & R.

Summary: Would prohibit a public retirement system, as defined, from making a cost-of-living adjustment to any allowance payable to, or on behalf of, a person retired under the system who becomes a new member on or after January 1, 2019, or to any survivor or beneficiary of that member or person retired under the system, for any year in which the unfunded actuarial liability of that system is greater than 20%. The bill would require that the determination of unfunded actuarial liability be based on a specified financial report and would apply the prohibition on cost-of-living adjustments, if any, to the calendar year following the fiscal year upon which the report is based.

SB 1032 (Moorlach R) California Public Employees' Retirement System: contract members: termination.

Introduced: 2/8/2018

Fiscal: Y

Urgency: N

Status: 3/15/2018 - Set for hearing April 23.

Location: 2/22/2018 - S . P.E. & R.

Summary: Would authorize a contracting agency to terminate its contract with the Board of Administration of the Public Employees' Retirement System at the agency's will and would not require the contracting agency to fully fund the board's pension liability upon termination of the contract. The bill would authorize the board to reduce the member's benefits in the terminated agency pool by the percentage of liability unfunded. The bill would also authorize a contracting agency who terminates its contract with the board to transfer the assets accumulated in the system to a pension provider designated by the contracting agency.

SB 1033 (Moorlach R) Public employees' retirement: reciprocal benefits: actuarial liability.

Introduced: 2/8/2018

Last Amended: 4/5/2018

Fiscal: Y

Urgency: N

Status: 4/5/2018 - From committee with author's amendments. Read second time and amended. Re-referred to Com. on P.E. & R.

Location: 2/22/2018 - S . P.E. & R.

Summary: Would require that an agency participating in PERS that increases the compensation of a member who was previously employed by a different agency to bear all actuarial liability for the action, if it results in an increased actuarial liability beyond what would have been reasonably expected for the member. The bill would require, in this context, that the increased actuarial liability be in addition to reasonable compensation growth that is anticipated for a member who works for an employer or multiple employers over an extended time. The bill would require, if multiple employers cause increased liability, that the liability be apportioned equitably among them.

SB 1060 (Mendoza D) Public Employees' Retirement Law: employer contributions: notification.

Introduced: 2/12/2018

Fiscal: Y

Urgency: N

Status: 2/13/2018 - From printer. May be acted upon on or after March 15.

Location: 2/12/2018 - S . RLS.

Summary: The Public Employees' Retirement Law (PERL) establishes the Public Employees' Retirement System (PERS), which provides pension and other benefits to members of PERS. PERL requires certain public employers to contribute moneys to PERS. Current law prohibits the state, school employers, and contracting agencies, as defined, from refusing to pay the employers' contribution as required by PERL. This bill would require a contracting agency that fails to make a required contribution to PERS to notify members of the delinquency within 30 days, as specified.

SB 1061 (Mendoza D) State Teachers' Retirement Plan: employer contributions: notification.

Introduced: 2/12/2018

Fiscal: Y

Urgency: N

Status: 2/13/2018 - From printer. May be acted upon on or after March 15.

Location: 2/12/2018 - S . RLS.

Summary: The State Teachers' Retirement Law establishes the Defined Benefit Program of the State Teachers' Retirement Plan. The law requires certain employers, as defined, to contribute moneys to the State Teachers' Retirement System (STRS). This bill would require an employer that fails to make a required contribution to STRS to notify members of the delinquency within 30 days, as specified.

SB 1062 (Mendoza D) Retirement systems: employer contributions: notification.

Introduced: 2/12/2018

Fiscal: Y

Urgency: N

Status: 2/13/2018 - From printer. May be acted upon on or after March 15.

Location: 2/12/2018 - S . RLS.

Summary: Current law creates the State Teachers' Retirement System (STRS) and the Public Employees' Retirement System (PERS), which provide pension and other benefits to their respective members. Both STRS and PERS are funded by employer and employee contributions and investment returns. This bill would require certain employers that fail to make a required employer contribution to STRS or PERS to notify members of the delinquency within 30 days, as specified.

SB 1124 (Leyva D) Public Employees' Retirement System: collective bargaining agreements: disallowed compensation.

Introduced: 2/13/2018

Last Amended: 3/22/2018

Fiscal: Y

Urgency: N

Status: 4/4/2018 - Re-referred to Com. on P.E. & R.

Location: 4/4/2018 - S . P.E. & R.

Summary: The California Public Employees' Pension Reform Act of 2013 (PEPRA) generally requires a public retirement system, as defined to modify its plan or plans to comply with the act. PEPRA, among other things, establishes new defined benefit formulas and caps on pensionable compensation. This bill would establish new procedures under PERL for cases in which a member's benefits are erroneously calculated by the state or a contracting agency.

SB 1149 (Glazer D) Public employees' retirement: defined contribution program.

Introduced: 2/14/2018

Fiscal: Y

Urgency: N

Status: 4/4/2018 - Set for hearing April 23.

Location: 2/22/2018 - S . P.E. & R.

Summary: Would create a new optional defined contribution plan for new state employees who are eligible to become members of PERS and who choose not to make contributions into the defined benefit program under PERL. The bill would require state employees who opt to participate in this alternate system to contribute the same percent of compensation as similarly situated employees who contribute to the defined pension program, subject to applicable limits of federal law.

SB 1165 (Pan D) State teachers' retirement.

Introduced: 2/14/2018

Fiscal: Y

Urgency: N

Status: 3/15/2018 - Set for hearing April 9.

Location: 2/22/2018 - S . P.E. & R.

Summary: Current law, applicable to both the Defined Benefit Program and the Cash Balance Benefit Program, defines "school year" as the fiscal year or the academic year. Current law defines "school term"

with reference to a minimum period of time that creditable service is required to be performed by a member employed on a full-time basis, subject to certain exclusions. Under existing law, the “school term” is the same for members employed less than full-time who perform the same duties as members employed on a full-time basis. This bill would redefine “school year” as the period of time beginning on July 1 of one calendar year and ending on June 30 of the following calendar year.

SB 1166 (Pan D) Public Employees’ Retirement System: contracting agency: contributions.

Introduced: 2/14/2018

Last Amended: 3/22/2018

Fiscal: Y

Urgency: N

Status: 4/4/2018 - Re-referred to Com. on P.E. & R.

Location: 4/4/2018 - S . P.E. & R.

Summary: PERL authorizes a public agency to contract to make its employees members of PERS and prescribes a process for this. PERL prohibits participating employers from failing or refusing to pay their contributions on time. PERL authorizes the board to charge interest on agency contributions due and unpaid. This bill would require a contracting agency that fails to make its required employer contributions on time to notify members and retired members of the delinquency by mail within 30 days of the payment having become delinquent.

SB 1270 (Vidak R) County employees’ retirement: system personnel.

Introduced: 2/16/2018

Fiscal: N

Urgency: N

Status: 3/15/2018 - Set for hearing April 9.

Location: 3/1/2018 - S . P.E. & R.

Summary: CERL authorizes the retirement boards of 5 specified counties to appoint assistant administrators and chief investment officers who, following appointment, are outside county charter, civil service, and merit system rules, except as specified. CERL provides that these administrators and officers are employees of the county, as specified, while serving at the pleasure of the appointing boards, and that they may be dismissed without cause. This bill would apply these provisions to any county if the board of supervisors for that county, by resolution adopted by majority vote, makes those provisions applicable in the county.

SB 1413 (Nielsen R) Public employees' retirement.

Introduced: 2/16/2018

Fiscal: N

Urgency: N

Status: 3/8/2018 - Referred to Com. on RLS.

Location: 2/16/2018 - S . RLS.

Summary: The California Public Employees' Pension Reform Act of 2013 (PEPRA) generally requires a public retirement system, as defined, to modify its plan or plans to comply with the act. PEPRA explicitly requires public employers and public retirement systems to offer specified defined benefit plans to new members, as defined. This bill would make nonsubstantive changes to these provisions.

SB 1433 (Moorlach R) County employees' retirement: Deferred Retirement Option Program.

Introduced: 2/16/2018

Last Amended: 4/2/2018

Fiscal: N

Urgency: N

Status: 4/4/2018 - Re-referred to Com. on P.E. & R.

Location: 4/4/2018 - S . P.E. & R.

Summary: Would, on and after January 1, 2019, prohibit a county or district from allowing a member to participate in a Deferred Retirement Option Program who was not participating in the program on or before December 31, 2018. The bill would also prohibit a county or district from establishing a new or additional Deferred Retirement Option Program.

SCA 1 (Moorlach R) Retirement savings plans: funding prohibition: General Fund.

Introduced: 12/5/2016

Fiscal: Y

Urgency:

Status: 6/27/2017 - June 26 set for first hearing. Failed passage in committee. (Ayes 2. Noes 3.)

Location: 1/12/2017 - S . P.E. & R.

Summary: Would prohibit the state from incurring any liability for payment of the retirement savings benefit earned by program participants in the California Secure Choice Retirement Savings Program. The measure would also prohibit the appropriation, transfer, or encumbrance of moneys in the General Fund

for the purposes of the program, including any unfunded liability that the program may incur, unless the appropriation, transfer, or encumbrance is for funding the startup and first-year administrative costs for the program.

SCA 8 (Moorlach R) Public employee retirement benefits.

Introduced: 2/15/2017

Fiscal: Y

Urgency:

Status: 6/20/2017 - June 26 set for first hearing canceled at the request of author.

Location: 2/23/2017 - S . P.E. & R.

Summary: Would permit a government employer to reduce retirement benefits that are based on work not yet performed by an employee regardless of the date that the employee was first hired, notwithstanding other provisions of the California Constitution or any other law. The measure would prohibit it from being interpreted to permit the reduction of retirement benefits that a public employee has earned based on work that has been performed, as specified. The measure would define government employer and retirement benefits for the purposes of its provisions.

Total Measures: 64

Total Tracking Forms: 64