

AMENDED IN ASSEMBLY SEPTEMBER 5, 2001

AMENDED IN ASSEMBLY JULY 11, 2001

AMENDED IN ASSEMBLY MAY 7, 2001

CALIFORNIA LEGISLATURE—2001–02 REGULAR SESSION

ASSEMBLY BILL

No. 895

Introduced by Assembly Member Wiggins

February 23, 2001

An act to amend Section 20687 of, to add Section 21363.3 to, and to repeal Section 20687.1 of, the Government Code, relating to retirement.

LEGISLATIVE COUNSEL'S DIGEST

AB 895, as amended, Wiggins. Public Employees' Retirement System: state peace officer/firefighter members.

The Public Employees' Retirement Law prescribes various retirement formulas based on a member's position and years of service, including a 2% at age 50 retirement formula for certain state and local safety members and a 3% at age 50 retirement formula for state peace officer/firefighter members and specified local members, subject to maximum limits based on the specified percentages of final compensation and other limitations.

This bill would prescribe a 3% at age 50 retirement formula for specified members of the California State University police department, and would modify the maximum pension limitations for those members to 90% of final compensation, if authorized by and in accordance with a memorandum of understanding between the Trustees of the California State University and the recognized employee

organization or if authorized by the approval by the trustees of an application by members in management positions, subject to specified conditions and limitations.

Under the Public Employees’ Retirement Law, the normal contribution rate for state peace officer/firefighter members and specified local safety members is 8% of the member’s compensation in excess of \$238 per month, as specified.

The bill would provide that the normal rate of contribution for specified members of the California State University police department is also 8% of compensation, subject to specified limitations.

Vote: majority. Appropriation: no. Fiscal committee: yes. State-mandated local program: no.

The people of the State of California do enact as follows:

1 ~~SECTION 1. Section 20687 of the Government Code is~~
2 ~~amended to read:~~

3 ~~20687. (a) The normal rate of contribution for state peace~~
4 ~~officer/firefighter members and for local safety members subject~~
5 ~~to Section 21363, 21363.1, or 21363.3 shall be 8 percent of the~~
6 ~~compensation in excess of two hundred thirty-eight dollars (\$238)~~
7 ~~per month paid those members.~~

8 ~~(b) Notwithstanding subdivision (a), the normal rate of~~
9 ~~contribution for local safety members of the City of Sacramento~~
10 ~~subject to Section 21363 shall be 9 percent of compensation paid~~
11 ~~those members.~~

12 ~~(c) If the provisions of this section are in conflict with the~~
13 ~~provisions of a memorandum of understanding reached pursuant~~
14 ~~to Section 3517.5 or pursuant to Chapter 12 (commencing with~~
15 ~~Section 3560) of Division 4 of Title 1, the memorandum of~~
16 ~~understanding shall be controlling without further legislative~~
17 ~~action, except that if those provisions of a memorandum of~~
18 ~~understanding require the expenditure of funds, those provisions~~
19 ~~shall not become effective unless approved by the Legislature in~~
20 ~~the annual Budget Act.~~

21 *SECTION 1. Section 20687 of the Government Code is*
22 *amended to read:*

23 20687. (a) The normal rate of contribution for state peace
24 officer/firefighter members subject to Section 21363-~~or~~, 21363.1,
25 *or 21363.3 shall be 8 percent of the compensation in excess of two*



1 hundred thirty-eight dollars (\$238) per month paid to those
2 members.

3 (b) If the provisions of this section are in conflict with the
4 provisions of a memorandum of understanding reached pursuant
5 to Section 3517.5 *or pursuant to Chapter 12 (commencing with*
6 *Section 3560) of Division 4 of Title 1*, the memorandum of
7 understanding shall be controlling without further legislative
8 action, except that if those provisions of a memorandum of
9 understanding require the expenditure of funds, those provisions
10 shall not become effective unless approved by the Legislature in
11 the annual Budget Act.

12 SEC. 2. Section 20687.1 of the Government Code is repealed.

13 SEC. 3. Section 21363.3 is added to the Government Code, to
14 read:

15 21363.3. (a) The combined current and prior service
16 pensions for state peace officer/firefighter members described in
17 Section 20394 is a pension derived from the contributions of the
18 employer sufficient when added to the service retirement annuity
19 that is derived from the accumulated normal contributions of the
20 member at the date of his or her retirement to equal 3 percent of
21 his or her final compensation at the age of 50 years, multiplied by
22 the number of years of state peace officer/firefighter service
23 subject to this section with which he or she is credited at
24 retirement.

25 (b) In no event shall the current service pension and the
26 combined current and prior service pensions under this section for
27 all service to all employers exceed an amount that, when added to
28 the service retirement annuity related to that service, equals 90
29 percent of final compensation. If the pension relates to service to
30 more than one employer and would otherwise exceed that
31 maximum, the pension payable with respect to each employer
32 shall be reduced in the same proportion as the allowance based on
33 service to that employer bears to the total allowance computed as
34 though there were no limit, so that the total of the pensions shall
35 equal the maximum. Where a state peace officer/firefighter
36 member has service under this section, or other safety retirement
37 formulas pursuant to this part with state or local agency employers,
38 the higher maximum shall apply and the additional benefit shall be
39 funded by increasing the member's pension payable with respect
40 to the state employer.



1 (c) This section shall apply to state peace officer/firefighter
2 members described in Section 20394 if authorized by, and in
3 accordance with, a memorandum of understanding reached
4 between the Trustees of the California State University and the
5 recognized employee organization pursuant to Chapter 12
6 (commencing with Section 3560) of Division 4 of Title 1. This
7 section may also apply to sworn peace officer/firefighter members
8 described in Section 20394 in related management positions, if the
9 Trustees of the California State University have approved the
10 application in writing to the Board of Administration of the Public
11 Employees' Retirement System.

12 (d) This section shall supersede Section 21363.1 with respect
13 to peace officer/firefighter service for members employed by the
14 California State University police department on or after the date
15 a memorandum of understanding, or action by the Trustees of the
16 California State University *regarding related management*
17 *positions*, makes this section applicable to these members.

18 (e) This section may not prevent a subsequent memorandum of
19 understanding, or subsequent action by the Trustees of the
20 California State University *regarding related management*
21 *positions*, from making this section inapplicable to peace
22 officer/firefighter members first employed by the California State
23 University police department on or after a date specified in a
24 subsequent memorandum of understanding, or subsequent action
25 by the Trustees of the California State University *regarding related*
26 *management positions*.

