

AMENDED IN ASSEMBLY APRIL 24, 2002

AMENDED IN ASSEMBLY APRIL 11, 2002

CALIFORNIA LEGISLATURE—2001–02 REGULAR SESSION

ASSEMBLY BILL

No. 2767

Introduced by Assembly Member Pavley

February 25, 2002

~~An act to add Section 22714.5 to the Education Code, relating to state~~
An act relating to state teachers' retirement.

LEGISLATIVE COUNSEL'S DIGEST

AB 2767, as amended, Pavley. ~~State teachers' retirement: service credit~~ *federal benefits.*

Under existing law, members of the Defined Benefit Program of the State Teachers' Retirement Plan receive retirement benefits that are based upon, among other things, credited service, as defined. *Existing federal law, commonly known as the government pension offset and the windfall elimination provision reduces the social security benefits paid to certain individuals covered by a government pension.*

~~This bill would authorize the governing board of a school district or county office of education to grant up to 10 years of service credit to a classroom teacher who teaches for at least 5 years in teacher shortage disciplines and either first performs creditable service on or after January 1, 2003, or has been an inactive member on a continuous basis since January 1, 1993, subject to specified conditions~~ *require the Legislative Analyst to conduct a study, as prescribed, of the impact of those federal laws on public employees and retirees in California, with a specific analysis on the impact on active and retired teachers in the*

state. The bill would require the study to include recommendations to mitigate and reduce the impact of those laws.

The bill would require the Legislative Analyst to complete the study and report its findings and recommendations to the Legislature and the Governor on or before July 1, 2004.

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 22714.5 is added to the Education Code;~~
2 SECTION 1. (a) *The Legislative Analyst shall conduct a*
3 *study of the impact of the federal windfall elimination provision*
4 *and the government pension offset on public employees and*
5 *retirees in California. In performing the study, the Legislative*
6 *Analyst shall consult with the Public Employees' Retirement*
7 *System and the State Teachers' Retirement System. The Public*
8 *Employees' Retirement System and the State Teachers' Retirement*
9 *System shall provide the Legislative Analyst the information*
10 *necessary for the Legislative Analyst to conduct the study. The*
11 *study shall evaluate and recommend federal actions that the state*
12 *may implement to mitigate and reduce the impact of the windfall*
13 *elimination provision and the government pension offset on public*
14 *employees and retirees in California. The study shall specifically*
15 *analyze the impact of the federal windfall elimination provision*
16 *and the government pension offset on teachers and retired teachers*
17 *in California. The study shall also recommend specific actions that*
18 *the state may implement to mitigate and reduce the impact of the*
19 *windfall elimination provision and the government pension offset*
20 *on teachers and retired teachers in California. The study shall also*
21 *determine and report on both of the following:*
22 (1) *The number of current retirees and future retirees that will*
23 *receive reduced social security benefits as a result of the windfall*
24 *elimination provision and the government pension offset.*
25 (2) *Whether the federal windfall elimination provision and the*
26 *government pension offset deter private sector workers from*
27 *entering the teaching or public safety professions.*
28 (b) *The Legislative Analyst shall complete this study and report*
29 *its findings and recommendations to the Legislature and the*
30 *Governor on or before July 1, 2004.*



1 to read:

2 ~~22714.5.—(a) If the governing board of a school district or a~~
3 ~~county office of education, by formal action, determines that the~~
4 ~~best interests of the district or county office of education would be~~
5 ~~served by hiring certificated employees who are qualified to teach~~
6 ~~in teacher shortage disciplines, including, but not limited to,~~
7 ~~mathematics and science, up to 10 years of service credit shall be~~
8 ~~granted under this part to a member of the Defined Benefit~~
9 ~~Program if all of the following conditions are satisfied:~~

10 ~~(1) The member performs five years of credited service with~~
11 ~~the employer as a classroom teacher in a teacher-shortage~~
12 ~~discipline and either first performs creditable service on or after~~
13 ~~January 1, 2003, or has been an inactive member on a continuous~~
14 ~~basis since January 1, 1993.~~

15 ~~(2) Upon completion of five years of credited service by the~~
16 ~~member, the employer transfers to the retirement fund an amount~~
17 ~~determined by the board to equal the actuarial equivalent of the~~
18 ~~service credit granted pursuant to this section. The transfer to the~~
19 ~~retirement fund shall be made in a manner and time period that is~~
20 ~~acceptable to the board.~~

21 ~~(3) The employer transmits to the retirement fund the~~
22 ~~administrative costs incurred by the system in implementing this~~
23 ~~section, as determined by the board.~~

24 ~~(b) As used in this section, “classroom teacher” means all~~
25 ~~teachers and substitute teachers in positions requiring certification~~
26 ~~qualifications who spend 60 percent or more of their contract time~~
27 ~~each year providing direct instruction. As used in this section,~~
28 ~~“classroom teacher” does not include any of the following:~~

29 ~~(1) Certificated employees whose job descriptions require an~~
30 ~~administrative credential.~~

31 ~~(2) Certificated employees whose job descriptions include~~
32 ~~responsibility for supervision of certificated staff.~~

33 ~~(3) Certificated employees who serve as advisers,~~
34 ~~coordinators, consultants, developers, or planners of curricula,~~
35 ~~instructional materials, or programs, who spend less than 60~~
36 ~~percent of their contract time in direct instruction.~~

37 ~~(4) Certificated employees whose job descriptions require~~
38 ~~provision of direct instruction or services, but who are functioning~~
39 ~~in nonteaching assignments.~~

40 ~~(5) Classified employees.~~



1 ~~(c) The opportunity to be granted service credit pursuant to this~~
2 ~~section shall be available to all members employed by the school~~
3 ~~district or county office of education who meet the conditions set~~
4 ~~forth in this section.~~
5 ~~(f) The amount of service credit available under this section~~
6 ~~shall be at least one year and not more than 10 years, as determined~~
7 ~~by the school district or county office of education, and shall be the~~
8 ~~same for all members qualified to teach in any particular teacher~~
9 ~~shortage discipline. For purposes of determining eligibility for~~
10 ~~benefits payable pursuant to Sections 22134.5, 24203.5, and~~
11 ~~24203.6, "credited service" does not include the amount credited~~
12 ~~pursuant to this section.~~
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