

Introduced by Senator Soto

February 8, 2001

An act to amend Section 22825.5 of the Government Code, relating to public employee postretirement health benefits.

LEGISLATIVE COUNSEL'S DIGEST

SB 202, as introduced, Soto. Public employee postretirement health benefits: employer contributions.

The Public Employees' Medical and Hospital Care Act authorizes contracting agencies, as defined, to amend their contracts to provide for the payment of employer contributions for postretirement health benefits for employees who retire for service and who are first employed after the date of the contract amendment, subject to specified conditions. In those circumstances, for employees with 20 or more years of credited service, the contracting agency is required to pay 100% of the required health premium.

Under this bill, those contracting agencies that amend their contracts would also be required to pay 100% of the required health premium for annuitants who retired for disability and annuitants who retired with 20 or more years of service credit with the contracting agency and who meet specified criteria. The bill would also make technical changes to that provision.

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 22825.5 of the Government Code is
2 amended to read:

1 22825.5. (a) A contracting agency may amend its contract to
2 provide that subdivision (c) of Section 22825.3 is applicable to
3 employees who retire for service and who are first employed after
4 the operative date of the amendment if the contract is amended to
5 contain the following provisions:

6 (1) The employer's contribution for each officer, employee, or
7 annuitant shall be *not less than a contribution that is* based upon
8 the principles prescribed for state officers, employees, or
9 annuitants in Section 22825.1 *and not more than 100 percent of the*
10 *required premium.*

11 (2) The employer has, in the case of employees represented by
12 a bargaining unit, reached an agreement with that bargaining ~~limit~~
13 *unit* to be subject to this section for the period specified in that
14 memorandum of understanding.

15 (3) The employer certifies to the board, in the case of
16 employees not represented by a bargaining unit, that there is no
17 applicable memorandum of understanding.

18 (4) The credited service for purposes of determining the
19 percentage of employer contributions applicable under this section
20 shall mean *state* service as defined in Section 20069, except that
21 not less than five years of that service shall be performed entirely
22 with that employer.

23 (5) The employer agrees to provide the board any information
24 requested necessary to implement this section.

25 (b) This section shall apply to the Calaveras County Water
26 District, the Alameda County Water District, the City of Fontana,
27 and the City of Lincoln.

28 (c) On and after January 1, 1999, this section shall also be
29 applicable to all other contracting agencies which have not
30 amended their contracts to be subject to this section.

31 (d) *If a contracting agency has amended its contract pursuant*
32 *to subdivision (a), the employer contribution payable for*
33 *annuitants with 20 or more years of service credit shall also be*
34 *payable for (1) annuitants who retired for disability and (2)*
35 *annuitants who retired with 20 or more years of service credit with*
36 *the contracting agency who retired for service within 120 days of*
37 *separation from employment with the state or any other*
38 *contracting agency.*

