

AMENDED IN ASSEMBLY JUNE 2, 2009

AMENDED IN ASSEMBLY APRIL 30, 2009

AMENDED IN ASSEMBLY APRIL 13, 2009

CALIFORNIA LEGISLATURE—2009—10 REGULAR SESSION

ASSEMBLY BILL

No. 609

Introduced by Assembly Member Conway

February 25, 2009

An act to amend Sections 31580.2 and 31580.3 of the Government Code, relating to county employees' retirement.

LEGISLATIVE COUNSEL'S DIGEST

AB 609, as amended, Conway. County employees retirement: administrative costs.

The County Employees Retirement Law of 1937 requires a board of retirement, or a board of retirement and the board of investment, with appointed members to annually adopt a budget covering the entire expense of administration of the retirement system and prohibits the expense incurred in any year from exceeding a specified percentage ¹⁸/₁₀₀ of 1% of the total assets of the retirement system.

~~This bill would state the intent of the Legislature to examine the advisability of linking, in statute, the administrative budget of a board of retirement, or a board of retirement and a board of investment, operating under the County Employees Retirement Law of 1937, to the value of the assets of the retirement system~~ *increase that percentage to ¹⁹/₁₀₀ of 1%. The bill would also make a conforming change regarding maximum expense in any year the expenditures include certain computer expenses.*

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

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

1 SECTION 1. Section 31580.2 of the Government Code is
2 amended to read:

3 31580.2. In counties in which the board of retirement, or the
4 board of retirement and the board of investment, have appointed
5 personnel pursuant to Section 31522.1 or 31522.5, or both, the
6 respective board or boards shall annually adopt a budget covering
7 the entire expense of administration of the retirement system which
8 expense shall be charged against the earnings of the retirement
9 fund. Except as described in Section 31580.3, the expense incurred
10 in any year may not exceed ~~eighteen~~ *nineteen* hundredths of 1
11 percent of the total assets of the retirement system.

12 SEC. 2. Section 31580.3 of the Government Code is amended
13 to read:

14 31580.3. (a) If during any year the expense of administration
15 of the retirement system includes expenditures for software,
16 hardware, and computer technology consulting services in support
17 of that software or hardware, the expense incurred may not exceed
18 the greater of the following:

19 (1) The sum of ~~eighteen~~ *nineteen* hundredths of 1 percent of the
20 total assets of the retirement system plus one million dollars
21 (\$1,000,000).

22 (2) ~~Twenty-three~~ *Twenty-four* hundredths of 1 percent of the
23 total assets of the retirement system.

24 (b) This section shall remain in effect only until January 1, 2013,
25 and as of that date is repealed, unless a later enacted statute, that
26 is enacted before January 1, 2013, deletes or extends that date.

27 SECTION 1. ~~It is the intent of the Legislature to examine the~~
28 ~~advisability of linking, in statute, the administrative budget of a~~
29 ~~board of retirement, or a board of retirement and a board of~~
30 ~~investment, operating under the County Employees Retirement~~
31 ~~Law of 1937, to the value of the assets of the retirement system.~~