

Introduced by Senator Calderon

February 24, 2009

An act to amend Section 22714 of the Education Code, relating to state teachers' retirement.

LEGISLATIVE COUNSEL'S DIGEST

SB 280, as introduced, Calderon. State teachers' retirement.

The State Teachers' Retirement Law authorizes a school district, community college district, or county office of education to grant members of the Defined Benefit Program of the State Teachers' Retirement Plan 2 additional years of service credit if certain conditions are satisfied and the member retires for service within a designated period. Under that law, a member granted additional credit for service under these provisions forfeits that credit if he or she is reemployed within 5 years after retirement by the district from which he or she retired.

This bill would provide that a member shall not forfeit his or her additional credit for service under these provisions if he or she is, on or after January 1, 2004, reemployed within 5 years after retirement as a substitute teacher by a school district from which he or she retired.

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 of the Education Code is amended
- 2 to read:
- 3 22714. (a) Whenever the governing board of a school district
- 4 or a community college district or a county office of education,

1 by formal action, determines pursuant to Section 44929 or 87488
2 that, because of impending curtailment of, or changes in, the
3 manner of performing services, the best interests of the district or
4 county office of education would be served by encouraging
5 certificated employees or academic employees to retire for service
6 and that the retirement will result in a net savings to the district or
7 county office of education, an additional two years of service credit
8 shall be granted under this part to a member of the Defined Benefit
9 Program if all of the following conditions exist:

10 (1) The member is credited with five or more years of service
11 credit and retires for service under Chapter 27 (commencing with
12 Section 24201) during a period of not more than 120 days or less
13 than 60 days, commencing no sooner than the effective date of the
14 formal action of the employer that shall specify the period.

15 (2) The employer transfers to the retirement fund an amount
16 determined by the Teachers' Retirement Board to equal the
17 actuarial equivalent of the difference between the allowance the
18 member receives after receipt of service credit pursuant to this
19 section and the amount the member would have received without
20 the service credit and an amount determined by the Teachers'
21 Retirement Board to equal the actuarial equivalent of the difference
22 between the purchasing power protection supplemental payment
23 the member receives after receipt of service credit pursuant to this
24 section and the amount the member would have received without
25 the service credit. The payment for purchasing power shall be
26 deposited in the Supplemental Benefit Maintenance Account
27 established by Section 22400 and shall be subject to Section 24415.
28 The transfer to the retirement fund shall be made in a manner and
29 a time period, not to exceed eight years, that is acceptable to the
30 Teachers' Retirement Board. The employer shall transfer the
31 required amount for all eligible employees who retire pursuant to
32 this section.

33 (3) The employer transmits to the retirement fund the
34 administrative costs incurred by the system in implementing this
35 section, as determined by the Teachers' Retirement Board.

36 (4) The employer has considered the availability of teachers or
37 academic employees to fill the positions that would be vacated
38 pursuant to this section.

1 (b) (1) The school district shall demonstrate and certify to the
2 county superintendent that the formal action taken would result in
3 a net savings to the district.

4 (2) The county superintendent shall certify to the Teachers'
5 Retirement Board that the result specified in paragraph (1) can be
6 demonstrated. The certification shall include, but *is not* ~~be~~ limited
7 to, the information specified in subdivision (c) of Section 14502.1.

8 (3) The school district shall reimburse the county superintendent
9 for all costs to the county superintendent that result from the
10 certification.

11 (c) (1) The county office of education shall demonstrate and
12 certify to the Superintendent of Public Instruction that the formal
13 action taken would result in a net savings to the county office of
14 education.

15 (2) The Superintendent of Public Instruction shall certify to the
16 Teachers' Retirement Board that the result specified in paragraph
17 (1) can be demonstrated. The certification shall include, but *is not*
18 ~~be~~ limited to, the information specified in subdivision (c) of Section
19 14502.1.

20 (3) The Superintendent of Public Instruction may request
21 reimbursement from the county office of education for all
22 administrative costs that result from the certification.

23 (d) (1) The community college district shall demonstrate and
24 certify to the chancellor's office that the formal action taken would
25 result in a net savings to the district.

26 (2) The chancellor shall certify to the Teachers' Retirement
27 Board that the result specified in paragraph (1) can be
28 demonstrated. The certification shall include, but *is not* ~~be~~ limited
29 to, the information specified in subdivision (c) of Section 84040.5.

30 (3) The chancellor may request reimbursement from the
31 community college district for all administrative costs that result
32 from the certification.

33 (e) The opportunity to be granted service credit pursuant to this
34 section shall be available to all members employed by the school
35 district, community college district, or county office of education
36 who meet the conditions set forth in this section.

37 (f) The amount of service credit shall be two years.

38 (g) ~~Any~~ A member of the Defined Benefit Program who retires
39 under this part for service under Chapter 27 (commencing with
40 Section 24201) with service credit granted under this section and

1 who subsequently reinstates shall forfeit the service credit granted
2 under this section.

3 (h) ~~Any~~ (1) *Except as described in paragraph (2), a member*
4 *of the Defined Benefit Program who retires under this part for*
5 *service under Chapter 27 (commencing with Section 24201) with*
6 *service credit granted under this section and who takes any job*
7 *with the school district, community college district, or county*
8 *office of education that granted the member the service credit less*
9 *than five years after receiving the credit shall forfeit the ongoing*
10 *benefit he or she receives from the additional service credit granted*
11 *under this section.*

12 (2) *This subdivision shall not apply to a member described in*
13 *paragraph (1) who, on or after January 1, 2004, takes a job with*
14 *the school district as a substitute teacher.*

15 (i) This section does not apply to ~~any~~ a member otherwise
16 eligible if the member receives any unemployment insurance
17 payments arising out of employment with an employer subject to
18 this part within one year following the effective date of the formal
19 action under subdivision (a), or if the member is not otherwise
20 eligible to retire for service.