

AMENDED IN SENATE MAY 28, 2009

SENATE BILL

No. 752

Introduced by Senator Wiggins

February 27, 2009

An act to amend Section 20815 of the Government Code, relating to public employees' retirement.

LEGISLATIVE COUNSEL'S DIGEST

SB 752, as amended, Wiggins. Public employees' retirement: Solano County.

The Public Employees' Retirement Law requires that, after the implementation of the Trial Court Employment Protection and Governance Act, for counties contracting with the Board of Administration of the Public Employees' Retirement System, a trial court and a county in which the trial court is located jointly participate in the retirement system by joint contract. Existing law also requires the assets and liabilities of a county and a trial court jointly contracting with the board to be combined for purposes of setting the employer contribution rate for both the county and the trial court.

~~This bill would create an exception to that requirement for Solano county, and would require that the assets and liabilities of the trial court and the county be separated based on a computation as determined by the actuary retroactive to June 30, 2002. The bill would also provide that following the separation of the assets and liabilities, the trial court shall participate in a risk pool, as specified, regardless of the number of active members in a member classification establish certain requirements that must be satisfied before a county that jointly contracts with the board, as described above, may issue a pension obligation bond. The bill would require the county and superior court to jointly~~

approve and submit in writing to the board specified information on employees and certain lump-sum payments for purposes of preparing a computation of assets and liabilities. The bill would require the board to forward its computation of assets and liabilities to the county and the superior court. Following receipt of the computation, the bill would require the superior court and county to enter into a written agreement that would include, among other things, the amount and date of payment which the superior court would remit funds to the county subsequent to the issuance of the pension obligation bond.

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 20815 of the Government Code is
2 amended to read:

3 20815. (a) Notwithstanding any other provision of this part,
4 including, but not limited to, Sections 20225 and 20790, the board
5 shall not combine the assets and liabilities of public agency
6 employers into a single account for the purpose of setting a uniform
7 rate of employer contributions for all public agency employers.
8 The rate at which a public employer's contribution to this system
9 shall be fixed shall be based upon its own experience. Provisions
10 of law that provide authority for this system to combine the assets
11 and liabilities of public employers into a single account for
12 purposes of establishing a uniform rate are superseded to the extent
13 that they provide that authority. For purposes of this section only,
14 references to public employers shall not be construed to include
15 school employers.

16 (b) Notwithstanding subdivision (a), ~~and except as described in~~
17 ~~subdivision (c)~~, the assets and liabilities of a county and a trial
18 court jointly contracting with the board under Section 20460.1
19 shall be combined for purposes of setting the employer contribution
20 rate for both the county and the trial court.

21 ~~(c) The assets and liabilities of the Solano County trial court~~
22 ~~and those of Solano County shall be separated based on a~~
23 ~~computation as determined by the actuary retroactive to June 30,~~
24 ~~2002. Following the separation of the assets and liabilities, the~~
25 ~~Solano County trial court shall participate in a risk pool created~~

1 ~~in accordance with Section 20840 regardless of the number of~~
2 ~~active members in a member classification.~~

3 (c) *Before a county that, with a superior court, jointly contracts*
4 *with the board under Section 20460.1 may issue a pension*
5 *obligation bond, the following shall occur:*

6 (1) *The county and superior court shall jointly approve and*
7 *submit in writing to the board the following information for*
8 *purposes of preparing a computation of assets and liabilities:*

9 (A) *A list of those active, inactive, and retired members who*
10 *are considered county employees and those active, inactive, and*
11 *retired members who are considered superior court employees.*

12 (B) *A list of lump-sum payments previously made by either the*
13 *county or the superior court to the system for the period from*
14 *January 1, 2001, to the proposed date of issuance of the pension*
15 *obligation bond, inclusive.*

16 (2) *For purposes of this subdivision and the computation of*
17 *assets and liabilities, the following shall apply:*

18 (A) *A person shall be deemed a superior court employee for*
19 *service that satisfies either of the following:*

20 (i) *If the person was employed by the superior court on January*
21 *1, 2001, all continuous service for the county immediately*
22 *preceding January 1, 2001, regardless of whether that service was*
23 *as a county employee or a county employee assigned to a trial*
24 *court in the county.*

25 (ii) *Any service on or after January 1, 2001, who the person is*
26 *employed by the superior court.*

27 (B) *A person shall be deemed a county employee for service*
28 *that satisfies any of the following:*

29 (i) *Any period of service for the county prior to January 1, 2001,*
30 *that is not described in clause (i) of subparagraph (A).*

31 (ii) *Any service on or after January 1, 2001, who the person is*
32 *employed by the county.*

33 (3) *The board shall forward its computation of assets and*
34 *liabilities to the county and the superior court. The computation*
35 *shall be based upon the most recent annual actuarial valuation at*
36 *the time the data described in paragraph (1) is received by the*
37 *board.*

38 (4) *Following receipt of the computation described in paragraph*
39 *(3), the superior court and county shall enter into a written*
40 *agreement that contains the following:*

- 1 (A) *The information provided to the board as described in*
- 2 *paragraph (1) and the board's computation of assets and liabilities*
- 3 *as described in paragraph (3).*
- 4 (B) *The terms, including, but not limited to, the dates of payment*
- 5 *and amount, under which the superior court shall remit funds to*
- 6 *the county subsequent to the issuance of the pension obligation*
- 7 *bond.*
- 8 (C) *Nothing in the written agreement described in this*
- 9 *paragraph shall be construed to effect the combined calculation*
- 10 *of assets and liabilities for purposes of setting the employer*
- 11 *contribution rate for both a county and a superior court as*
- 12 *described in subdivision (b).*