

AMENDED IN SENATE APRIL 15, 2010

SENATE BILL

No. 1209

Introduced by Senator Romero

February 18, 2010

An act to amend Section 21623 of the Government Code, relating to public employees' retirement, and making an appropriation therefor.

LEGISLATIVE COUNSEL'S DIGEST

SB 1209, as amended, Romero. Public employees' retirement: postretirement death benefits.

The Public Employees' Retirement Law requires that, upon the death of any state or school member after retirement and while receiving a retirement allowance, the sum of \$2,000 be paid to the member's designated beneficiary, as specified. Existing law provides that the additional employer contributions required to fund this benefit be computed as a level percentage of member compensation, and these are deposited in the Public Employees' Retirement Fund, a continuously appropriated fund.

This bill would, *commencing January 1, 2011*, increase the amount of that payment to ~~\$6,163~~ with respect to those *benefits payable to designated beneficiaries of retired school members, to \$4,000 for deaths of retired school members occurring on or after January 1, 2011, and before January 1, 2012; to \$4,500 for deaths of retired school members occurring on or after January 1, 2012, and before January 1, 2013; to \$5,000 for deaths of retired school members occurring on or after January 1, 2013, and before March 31, 2014. The benefit amount payable to designated beneficiaries of retired school members who die on or after April 1, 2014, would be in the amount of \$5,000, as annually adjusted pursuant to a specified formula.* By providing for funds in the

Public Employees’ Retirement Fund to be spent for a new purpose, and by increasing contributions to that fund, this bill would make an appropriation.

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

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

1 SECTION 1. Section 21623 of the Government Code is
 2 amended to read:

3 21623. (a) In lieu of benefits provided by Section 21620 or
 4 21622, upon the death of any retired state *or school* member, after
 5 retirement and while receiving a retirement allowance from this
 6 system, there shall be paid to the beneficiary whom he or she shall
 7 nominate by written designation duly executed and filed with the
 8 board, the sum of two thousand dollars (\$2,000), to be provided
 9 from contributions by the employer.

10 (b) ~~In~~ *Commencing January 1, 2011, in lieu of benefits provided*
 11 *by Section 21620 or 21622, upon the death of a retired school*
 12 *member, after retirement and while receiving a retirement*
 13 *allowance from this system, there shall be paid to the beneficiary*
 14 *whom he or she shall nominate by written designation duly*
 15 *executed and filed with the board, the sum of six thousand one*
 16 ~~hundred sixty-three dollars (\$6,163)~~ *following amounts, to be*
 17 *provided from contributions by the employer.*

18 (1) *For deaths occurring on or after January 1, 2011, and before*
 19 *January 1, 2012, the sum of four thousand dollars (\$4,000).*

20 (2) *For deaths occurring on or after January 1, 2012, and before*
 21 *January 1, 2013, the sum of four thousand five hundred dollars*
 22 *(\$4,500).*

23 (3) *For deaths occurring on or after January 1, 2013, and before*
 24 *April 1, 2014, the sum of five thousand dollars (\$5,000).*

25 (4) *For deaths occurring on or after April 1, 2014, the sum of*
 26 *five thousand dollars (5,000) shall be adjusted annually in the*
 27 *same manner as monthly allowances subject to Sections 21313*
 28 *and 21329.*

29 (c) For the purposes of this section, all contributions, liabilities,
 30 actuarial interest rates, and other valuation factors shall be
 31 determined on the basis of actuarial assumptions and methods that,

1 in the aggregate, are reasonable and that, in combination, offer the
2 actuary's best estimate of anticipated experience under this system.

3 (d) The additional employer contributions required under this
4 section shall be computed as a level percentage of member
5 compensation.

6 (e) This section shall ~~apply to a school employer and a retired~~
7 ~~school member whose death after retirement occurs on or after~~
8 ~~January 1, 2001. This section shall~~ not apply to any contracting
9 agency or local member, except those contracting agencies that
10 are school employers and those school districts or community
11 college districts as defined in subdivision (i) of Section 20057.