

**Assembly Bill No. 2140**

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Passed the Assembly May 29, 2012

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*Chief Clerk of the Assembly*

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Passed the Senate August 21, 2012

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*Secretary of the Senate*

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This bill was received by the Governor this \_\_\_\_\_ day  
of \_\_\_\_\_, 2012, at \_\_\_\_\_ o'clock \_\_\_\_M.

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*Private Secretary of the Governor*

## CHAPTER \_\_\_\_\_

An act to amend and repeal Section 20677.7 of the Government Code, relating to public employees' retirement.

## LEGISLATIVE COUNSEL'S DIGEST

AB 2140, Lara. Public employees' retirement: State Bargaining Unit 5: contribution rates.

The Public Employees' Retirement Law (PERL) provides a comprehensive set of rights and benefits based upon age, service credit, and final compensation for members of the Public Employees' Retirement System. PERL provides that the contribution rate for state miscellaneous members and specified state industrial members who are represented by State Bargaining Unit 5 (Highway Patrol) is 11% of compensation in excess of \$317 per month paid to a member whose service is not included in the federal system and 10% of compensation in excess of \$513 per month paid to that member whose service has been included in the federal system.

This bill would reduce the contribution rates of state miscellaneous and state industrial members, who are represented by State Bargaining Unit 5, by 3%.

The bill would also make technical changes, including deleting an identical provision.

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

SECTION 1. Section 20677.7 of the Government Code, as added by Section 13 of Chapter 162 of the Statutes of 2010, is amended to read:

20677.7. (a) Notwithstanding Section 20677.4, effective with the beginning of the September 2010 pay period, the normal rate of contribution for state miscellaneous or state industrial members who are represented by State Bargaining Unit 8, shall be:

(1) Eleven percent of the compensation in excess of three hundred seventeen dollars (\$317) per month paid to a member whose service is not included in the federal system.

(2) Ten percent of compensation in excess of five hundred thirteen dollars (\$513) per month paid to that member whose service has been included in the federal system.

(b) Notwithstanding Section 20677.4, effective with the beginning of the September 2010 pay period, the normal rate of contribution for state miscellaneous or state industrial members who are represented by State Bargaining Unit 5 shall be:

(1) Eight percent of the compensation in excess of three hundred seventeen dollars (\$317) per month paid to a member whose service is not included in the federal system.

(2) Seven percent of compensation in excess of five hundred thirteen dollars (\$513) per month paid to that member whose service has been included in the federal system.

(c) If the provisions of this section are in conflict with the provisions of a memorandum of understanding reached pursuant to Section 3517.5, the memorandum of understanding shall be controlling without further legislative action, except that if the provisions of a memorandum of understanding require the expenditure of funds, the provisions shall not become effective unless and until approved by the Legislature in the annual Budget Act.

(d) Consistent with the normal rate of contribution for all members identified in this subdivision, the Director of the Department of Personnel Administration may exercise his or her discretion to establish the normal rate of contribution for a related state employee who is excepted from the definition of “state employee” in subdivision (c) of Section 3513, and an officer or employee of the executive branch of state government who is not a member of the civil service.

SEC. 2. Section 20677.7 of the Government Code, as added by Section 13 of Chapter 163 of the Statutes of 2010, is repealed.

Approved \_\_\_\_\_, 2012

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*Governor*