

AMENDED IN SENATE AUGUST 14, 2012

CALIFORNIA LEGISLATURE—2011–12 REGULAR SESSION

ASSEMBLY BILL

No. 2665

**Introduced by ~~Committee on Public Employees, Retirement and Social Security (Furutani (Chair), Allen, Ma, and Wieckowski)~~
*Assembly Members Allen and Huffman***

February 29, 2012

~~An act relating to state employees.~~ *An act to add Section 31485.11 to the Government Code, relating to public employees' retirement.*

LEGISLATIVE COUNSEL'S DIGEST

AB 2665, as amended, ~~Committee on Public Employees, Retirement and Social Security~~ *Allen*. ~~State employees: memoranda of understanding: addenda. County employees' retirement: Marin County: safety members.~~

The County Employees Retirement Law of 1937 authorizes counties and districts to establish retirement systems pursuant to its provisions in order to provide pension benefits to employees. The County Employees Retirement Law of 1937 authorizes the Board of Supervisors of the County of San Mateo to provide any retirement benefits pursuant to that formula for some, but not all, general members or safety members of the county. Existing law further authorizes that county, by resolution, to require safety members to pay all or part of the contributions by a member or employer, or both, subject to certain limitations and conditions.

This bill would authorize the Board of Supervisors of Marin County to provide a service retirement formula known as 3% at age 55 for safety members hired on or after January 1, 2013, as specified. The bill would authorize different retirement benefits pursuant to that formula

for different bargaining units of safety members and the unrepresented groups of safety employees in similar job classifications and the supervisors and managers of those employees. The bill would also permit an ordinance or resolution adopted by the board to require safety members to pay part of the contributions by a member or employer, or both. The bill would require that the payment by a safety member become part of the accumulated contributions of the safety member. The bill would authorize the board, by means of a resolution, ordinance, contract, or contract amendment, to make the above-described provisions applicable to safety members in Marin County who are first hired on or after January 1, 2013.

~~Existing law establishes procedures governing the approval of memoranda of understanding reached between the state employer and state bargaining units that require the expenditure of funds, including the approval of related side letters, appendices, or other addenda to memoranda of understanding that require the expenditure of funds.~~

~~This bill would approve provisions of unspecified addenda to memoranda of understanding entered into between the state employer and state bargaining units that require the expenditure of funds. The bill would specify that provisions of the addenda to memoranda of understanding that require the expenditure of funds will not take effect unless funds for those provisions are specifically appropriated by the Legislature, and would require the state employer and the affected employee organization to meet and confer to renegotiate the affected provisions if funds for those provisions are not specifically appropriated by the Legislature.~~

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

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

- 1 SECTION 1. Section 31485.11 is added to the Government
- 2 Code, to read:
- 3 31485.11. (a) Notwithstanding any other law, in a county of
- 4 the 18th class, as defined in Sections 28020 and 28039, the board
- 5 of supervisors may, by resolution, ordinance, contract, or contract
- 6 amendment under this chapter, provide retirement benefits based
- 7 on the formula provided in subdivision (b) for some, but not all,
- 8 safety members who are employed by the county and who are first
- 9 hired on or after January 1, 2013.

1 (b) The combined service pensions for safety members subject
 2 to this section is a pension derived from the contributions of the
 3 employer sufficient when added to the service retirement annuity
 4 that is derived from the accumulated normal contributions of the
 5 member at the date of his or her retirement to equal the fraction
 6 of 3 percent of his or her final compensation set forth opposite his
 7 or her age at retirement taken to the preceding completed quarter
 8 year, in the following table, multiplied by the number of years of
 9 service subject to this section with which he or she is credited at
 10 retirement:

11	12 Age at		13 Fraction
14	15 Retirement		
14	414777
15	41 ¹ / ₄4848
16	41 ¹ / ₂4918
17	41 ³ / ₄4987
18	425058
19	42 ¹ / ₄5130
20	42 ¹ / ₂5202
21	42 ³ / ₄5274
22	435347
23	43 ¹ / ₄5422
24	43 ¹ / ₂5497
25	43 ³ / ₄5572
26	445647
27	44 ¹ / ₄5725
28	44 ¹ / ₂5803
29	44 ³ / ₄5881
30	455958
31	45 ¹ / ₄6039
32	45 ¹ / ₂6120
33	45 ³ / ₄6200
34	466280
35	46 ¹ / ₄6366
36	46 ¹ / ₂6452
37	46 ³ / ₄6555
38	476625
39	47 ¹ / ₄6703
40	47 ¹ / ₂6781

1	47¾	.6858
2	48	.6936
3	48¼	.7019
4	48½	.7103
5	48¾	.7186
6	49	.7269
7	49¼	.7360
8	49½	.7452
9	49¾	.7543
10	50	.7634
11	50¼	.7733
12	50½	.7832
13	50¾	.7930
14	51	.8028
15	51¼	.8135
16	51½	.8242
17	51¾	.8349
18	52	.8457
19	52¼	.8574
20	52½	.8691
21	52¾	.8808
22	53	.8926
23	53¼	.9053
24	53½	.9182
25	53¾	.9310
26	54	.9418
27	54¼	.9579
28	54½	.9718
29	54¾	.9860
30	55 and over	1.0000

31
32 *(c) A resolution, ordinance, contract, or contract amendment*
33 *adopted pursuant to this section may establish different retirement*
34 *benefits pursuant to the formula specified in subdivision (b) for*
35 *different bargaining units of safety employees and the*
36 *unrepresented groups of safety employees in similar job*
37 *classifications and the supervisors and managers of those*
38 *employees.*

39 *(d) A resolution, ordinance, contract, or contract amendment*
40 *adopted pursuant to this section may require safety members hired*

1 on and after January 1, 2013, to pay part of the contributions by
2 a member or employer, or both. The payment by a safety member
3 shall become part of the accumulated contributions of the safety
4 member. For those safety members who are represented by a
5 bargaining unit, the contribution rates and any changes to those
6 rates shall not be effective until approved in a memorandum of
7 understanding executed by the board of supervisors and the
8 employee representatives, and any changes to those rates shall
9 not be imposed using impasse procedures. Nothing in this section
10 shall be construed to limit the authority of a county to reduce or
11 eliminate the pickup by the county of the member's contribution
12 after fulfilling its obligation to meet and confer pursuant to Section
13 3505.

14 (e) This section shall only apply to safety members who are
15 hired on or after January 1, 2013. The formula may apply to safety
16 members in collective bargaining units and to unrepresented safety
17 members.

18 (f) This section shall not become operative unless and until the
19 county board of supervisors, by resolution or ordinance adopted
20 by a majority vote, makes this section operative in the county.

21 ~~SECTION 1. The Legislature finds and declares that the~~
22 ~~purpose of this act is to approve addenda to memoranda of~~
23 ~~understanding entered into by the state employer and the state~~
24 ~~bargaining units that require the expenditure of funds.~~

25 ~~SEC. 2. The provisions of the addenda to memoranda of~~
26 ~~understanding entered into by the state employer and the state~~
27 ~~bargaining units that require the expenditure of funds are hereby~~
28 ~~approved for the purposes of Section 3517.63 of the Government~~
29 ~~Code in accordance with the following schedule:~~

30 ~~SEC. 3. The provisions of the addenda to memoranda of~~
31 ~~understanding approved by Section 2 of this act that require the~~
32 ~~expenditure of funds shall not take effect unless funds for these~~
33 ~~provisions are specifically appropriated by the Legislature or~~
34 ~~already exist within available appropriations. If funds for these~~
35 ~~provisions are not specifically appropriated by the Legislature, the~~
36 ~~state employer and the affected employee organization shall meet~~
37 ~~and confer to renegotiate the affected provisions of the addendum.~~

O