

AMENDED IN SENATE MARCH 29, 2012

AMENDED IN SENATE MARCH 26, 2012

SENATE BILL

No. 987

Introduced by Senator Negrete McLeod

January 31, 2012

An act to amend Sections ~~20572~~, 21002, 21004, and 75502 of, and to add Sections 9351.4, 20065.5, and 75004.5 to, the Government Code, relating to public employees' retirement.

LEGISLATIVE COUNSEL'S DIGEST

SB 987, as amended, Negrete McLeod. Public employees' retirement.

(1) The Public Employees' Retirement Law (PERL) creates the Public Employees' Retirement System (PERS), which provides a defined benefit to its members based on age at retirement, service credit, and final compensation. Existing law also establishes the Judges' Retirement System and the Judges' Retirement System II which provide pension benefits to elected judges and the Legislators' Retirement System which provides pension benefits to elective officers of the state other than judges and to legislative statutory officers.

This bill would provide that all references to "spouse," "surviving spouse," or "marriage" in these provisions apply equally to a domestic partner or domestic partnership, as defined, and all rights and responsibilities granted to a spouse or surviving spouse shall be granted equally to a domestic partner, as specified.

(2) ~~PERL authorizes the Board of Administration of PERS to terminate a contract with a contracting agency that fails to pay any installment of contributions into the Public Employees' Retirement Fund, to file any information required in the administration of PERS~~

with respect to that agency’s employees, or if the board determines that the agency is no longer in existence, as specified.

This bill would clarify that authorization to terminate a contract with a contracting agency that no longer qualifies as a public agency.

(3)

(2) PERL defines “leave of absence” to include absence from state service because of illness that arose out of and in the course of employment and for which the member received temporary disability benefits during the absence and did not receive full compensation, as specified. PERL authorizes a member who returns to active service following an employer-approved uncompensated leave of absence because of his or her serious illness to purchase service credit for that period of absence, as specified.

This bill would clarify that definition to include absence from state service because of illness or injury that arose out of and in the course of employment, and would authorize the purchase of service credit following an employer-approved uncompensated leave of absence because of the member’s serious illness or injury.

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 9351.4 is added to the Government Code,
2 to read:

3 9351.4. All references to “spouse,” “surviving spouse,” or
4 “marriage” in this chapter apply equally to a domestic partner or
5 domestic partnership, as defined in Section 297 of the Family
6 Code, and all rights and responsibilities granted to a spouse or
7 surviving spouse shall be granted equally to a domestic partner to
8 the extent provided by Section 297.5 of the Family Code.

9 SEC. 2. Section 20065.5 is added to the Government Code, to
10 read:

11 20065.5. All references to “spouse,” “surviving spouse,” or
12 “marriage” in this part apply equally to a domestic partner or
13 domestic partnership, as defined in Section 297 of the Family
14 Code, and all rights and responsibilities granted to a spouse or
15 surviving spouse shall be granted equally to a domestic partner to
16 the extent provided by Section 297.5 of the Family Code.

1 ~~SEC. 3.~~ Section 20572 of the Government Code is amended
2 to read:

3 ~~20572.~~ (a) If a contracting agency fails for 30 days after
4 demand by the board to pay any installment of contributions
5 required by its contract, or fails for three months after demand by
6 the board therefor to file any information required in the
7 administration of this system with respect to that agency's
8 employees, or if the board determines that the agency is no longer
9 in existence or that it no longer qualifies as a public agency as set
10 forth in this part, the board may terminate that contract by
11 resolution adopted by a majority vote of its members effective 60
12 days after notice of its adoption has been mailed by registered mail
13 to the governing body of the contracting agency.

14 (b) ~~Notwithstanding Section 20537,~~ if a contracting agency
15 fails to remit the contributions when due, the agency may be
16 assessed interest at an annual rate of 10 percent and the costs of
17 collection, including reasonable legal fees, when necessary to
18 collect the amounts due. In the case of repeated delinquencies, the
19 contracting agency may be assessed a penalty of 10 percent of the
20 delinquent amount. That penalty may be assessed once during each
21 30-day period that the amount remains unpaid.

22 ~~SEC. 4.~~

23 ~~SEC. 3.~~ Section 21002 of the Government Code is amended
24 to read:

25 21002. A member who returns to active service following an
26 employer-approved uncompensated leave of absence because of
27 his or her serious illness or injury may purchase service credit for
28 that period of absence upon the payment of contributions as
29 specified in Sections 21050 and 21052. The purchase of additional
30 service credit pursuant to this paragraph shall not reduce the
31 amount of service credit that the member is eligible to purchase
32 pursuant to this chapter. A member may purchase service credit
33 pursuant to this section for a leave of absence that occurred either
34 before or after the effective date of these provisions.

35 ~~SEC. 5.~~

36 ~~SEC. 4.~~ Section 21004 of the Government Code is amended
37 to read:

38 21004. "Leave of absence" also means absence from state
39 service because of illness or injury that arose out of and in the
40 course of employment and for which the member received

1 temporary disability benefits under the Labor Code during the
2 absence and did not receive full compensation as distinguished
3 from the disability benefits for the period of absence.

4 ~~SEC. 6.~~

5 *SEC. 5.* Section 75004.5 is added to the Government Code, to
6 read:

7 75004.5. All references to “spouse,” “surviving spouse,” or
8 “marriage” in this chapter apply equally to a domestic partner or
9 domestic partnership, as defined in Section 297 of the Family
10 Code, and all rights and responsibilities granted to a spouse or
11 surviving spouse shall be granted equally to a domestic partner to
12 the extent provided by Section 297.5 of the Family Code.

13 ~~SEC. 7.~~

14 *SEC. 6.* Section 75502 of the Government Code is amended
15 to read:

16 75502. (a) “Judge” means a justice of the Supreme Court or
17 of a court of appeal, or a judge of a superior court, municipal court,
18 or justice court who is first elected or appointed to judicial office
19 on or after November 9, 1994, and is not a member of the Judges’
20 Retirement System pursuant to Chapter 11 (commencing with
21 Section 75000). A retired judge does not acquire status as a judge
22 for the purposes of this chapter by reason of designation as a
23 temporary judge of, or assignment by the Chairperson of the
24 Judicial Council to, any of these courts.

25 A former member of the Judges’ Retirement System under
26 Section 75002 who withdrew his or her contributions upon leaving
27 office, and who takes judicial office on or after November 9, 1994,
28 becomes a member of the system existing under Chapter 11
29 (commencing with Section 75000) and does not become a member
30 of the Judges’ Retirement System II. No person shall be a member
31 of the Judges’ Retirement System II who is or ever has been a
32 member of the Judges’ Retirement System pursuant to Chapter 11
33 (commencing with Section 75000).

34 (b) “System” means the Judges’ Retirement System II
35 established by this chapter.

36 (c) “Service” means the period of time a judge received a salary
37 and made contributions to the system by reason of holding office
38 as a judge of any one or more of the courts of this state specified
39 in subdivision (a), computed in years and fractions of years.

1 (d) “Final compensation” means the average monthly salary of
2 a judge during the 12 months immediately preceding his or her
3 retirement from or otherwise leaving judicial office and as limited
4 by Section 75572.

5 (e) “Benefit factor” means the percentage used in calculating a
6 judge’s monthly retirement allowance under Section 75522.

7 (f) “Contributions” means the accumulated deductions from the
8 judge’s salary under Sections 75601 and 75602. References to
9 payment to a judge of his or her contributions or to the
10 determination of a judge’s and spouse’s shares in the contributions
11 include both the contributions and interest thereon at the rates
12 determined by the Board of Administration of the Public
13 Employees’ Retirement System.

14 (g) “Salary” means the compensation received by a judge as
15 the emolument of the office of judge, but does not include any
16 additional compensation received by reason of designation as a
17 temporary judge or assignment by the Chairperson of the Judicial
18 Council or the additional compensation pursuant to Section
19 68203.1.

20 (h) “Board” means the Board of Administration of the Public
21 Employees’ Retirement System.

22 (i) “Fund” or “retirement fund” means the Judges’ Retirement
23 System II Fund established pursuant to Section 75600.

24 (j) All references to “spouse,” “surviving spouse,” or “marriage”
25 in this chapter apply equally to a domestic partner or domestic
26 partnership, as defined in Section 297 of the Family Code, and all
27 rights and responsibilities granted to a spouse or surviving spouse
28 shall be granted equally to a domestic partner to the extent provided
29 by Section 297.5 of the Family Code.

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