

ASSEMBLY BILL

No. 2763

**Introduced by Committee on Public Employees, Retirement
and Social Security (Honda (Chair), Migden, Scott, Shelley,
and Wildman)**

February 26, 1998

An act to amend Sections 31461 and 31625.3 of, and to add Section 31835.02 to, the Government Code, relating to county employee retirement systems.

LEGISLATIVE COUNSEL'S DIGEST

AB 2763, as introduced, Committee on Public Employees, Retirement and Social Security. County employee retirement systems: benefits.

(1) The County Employees Retirement Law of 1937, defines "compensation earnable," as the average compensation as determined by the board of retirement, for the period under consideration, upon the basis of the average number of days ordinarily worked by persons in the same grade or class of positions during the period, and at the same rate of pay. Under existing law, deferred compensation, as defined, is deemed "compensation earnable" when earned, rather than when paid.

This bill would authorize the board of retirement to determine, for any designated group or class, that the compensation earnable earned by a member for hours worked above 80 hours per biweekly pay period or its equivalent does not constitute compensation earnable.

(2) Existing law provides that in Alameda and Orange Counties members having credit for 30 years of service shall not have member contributions deducted from their salaries.

This bill would include Los Angeles County in that provision.

(3) Existing law provides that the average compensation during service as a member of the Public Employees' Retirement System can be utilized to determine county retirement system benefits if the period intervening between active membership in both systems does not exceed 90 days.

This bill would authorize the board of supervisors to also apply that provision to members where the period intervening between the periods of credited active service does not exceed 90 days.

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

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

1 SECTION 1. Section 31461 of the Government Code
2 is amended to read:

3 31461. "Compensation earnable" by a member means
4 the average compensation as determined by the board,
5 for the period under consideration upon the basis of the
6 average number of days ordinarily worked by persons in
7 the same grade or class of positions during the period, and
8 at the same rate of pay. The computation for any absence
9 shall be based on the compensation of the position held
10 by the member at the beginning of the absence.
11 Compensation, as defined in Section 31460, that has been
12 deferred shall be deemed "compensation earnable"
13 when earned, rather than when paid. *However, the*
14 *board may determine for any designated group or class*
15 *that the compensation earnable earned by a member for*
16 *hours worked above 80 hours per biweekly pay period or*
17 *its equivalent does not constitute compensation earnable.*

18 SEC. 2. Section 31625.3 of the Government Code is
19 amended to read:

20 31625.3. Notwithstanding any other provision of this
21 chapter, contributions shall not be deducted from the



1 salary of any member who was a member before or after
2 March 7, 1973, of the retirement association, another
3 county retirement system established under this chapter,
4 or the Public Employees' Retirement System, and has
5 total reciprocal service credit of not less than 30 years in
6 the retirement association, or in the retirement
7 association and another county retirement system
8 established under this chapter, or the Public Employees'
9 Retirement System, or a combination thereof.

10 This section shall apply only in counties of the *first*,
11 second, and fourth class, as established by Sections 28020,
12 28022, 28023, and 28025, as amended by Chapter 1204 of
13 the Statutes of 1971, but shall not apply in these counties
14 unless and until it is adopted by a majority vote of the
15 board of supervisors.

16 SEC. 3. Section 31835.02 is added to the Government
17 Code, to read:

18 31835.02. Notwithstanding any other provision of this
19 part, Section 31835 shall also apply to any member who
20 was a member of a retirement system established under
21 this chapter and who subsequently becomes a member of
22 the Public Employees' Retirement System, providing the
23 period intervening between the periods for which active
24 service was credited does not exceed 90 days, and the
25 member retires concurrently under both systems and is
26 credited with the periods of service at the time of
27 retirement.

28 This section shall not be operative in any county until
29 it is adopted by a majority vote of the board of supervisors.

