

**Assembly Bill No. 2763**

CHAPTER 116

An act to amend Sections 31625.3 and 31657 of, and to add Section 31835.02 to, the Government Code, relating to county employee retirement systems.

[Approved by Governor July 3, 1998. Filed with  
Secretary of State July 6, 1998.]

LEGISLATIVE COUNSEL'S DIGEST

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

(1) 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.

(2) The County Employees Retirement Law of 1937 provides for service credit in a county retirement system for service in the Public Employees' Retirement System upon cessation of city or state firefighting or law enforcement employment by virtue of the assumption of those functions by a county, fire authority, or district and employment thereby. This provision is applicable in Los Angeles and Orange Counties.

This bill would make these provisions also applicable to Kern County.

(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 in any county of the 4th class to also apply that provision to members where the period intervening between the periods of credited active service does not exceed 90 days.

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

SECTION 1. Section 31625.3 of the Government Code is amended to read:

31625.3. Notwithstanding any other provision of this chapter, contributions shall not be deducted from the salary of any member who was a member before or after March 7, 1973, of the retirement association, another county retirement system established under this chapter, or the Public Employees' Retirement System, and has total



reciprocal service credit of not less than 30 years in the retirement association, or in the retirement association and another county retirement system established under this chapter, or the Public Employees' Retirement System, or a combination thereof.

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

SEC. 2. Section 31657 of the Government Code is amended to read:

31657. Subject to Section 20588, whenever, as a result of the assumption by a county, fire authority, or district of firefighting or law enforcement functions performed by a city or the state subject to the Public Employees' Retirement Law, any person ceases to be employed by a city or the state and is employed by a county, fire authority, or district in which this chapter has become operative, that person shall become a member of the retirement association of a county immediately upon entrance to the county service. That member of the county retirement system shall be entitled to service credit in the county retirement system for the service for which he or she was entitled to credit in the Public Employees' Retirement System at the time of cessation of employment by the city or the state, without necessity of payment of any additional contributions in respect to that service, when and if all of the following occur:

(a) The board of retirement receives certification from the Board of Administration of the Public Employees' Retirement System of the service with which the person was entitled to be credited by the Public Employees' Retirement System at the time of cessation of his or her city or state employment.

(b) There is paid into the county retirement fund of the county, an amount equal to the normal contributions of the person to the Public Employees' Retirement System, together with the interest credited thereto, which amount shall be credited to the individual account of the member in the county retirement system, and shall thereafter for all purposes be deemed to be the member's contribution to the county retirement system with respect to the service so certified.

(c) There is paid to the retirement system of the county an amount equal to the contributions of the city or state made to the Public Employees' Retirement System on account of service rendered by the person together with interest credited to the city or the state thereto.

(d) The board of retirement elects to apply this section as a prudent means of mitigating against potential adverse financial impact upon the county retirement system from the cost of disability retirements that may be applied for in the future by persons injured



while being employed by the county, fire authority, or district after ceasing to be employed by a city or the state as a result of the assumption by a county, fire authority, or district of firefighting or law enforcement functions.

This section shall apply in a county of the first, the second, or the fourteenth class, as defined by Section 28020, as amended by Chapter 1204 of the Statutes of 1971, and Section 28022, as amended by Chapter 43 of the Statutes of 1961, and Section 28023, as amended by Chapter 1204 of the Statutes of 1971.

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

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

This section shall only be operative in any county of the fourth class as described in Sections 28020 and 28025 if it is adopted by a majority vote of the board of supervisors.

