

**Introduced by Committee on Public Employment and Retirement (Senators Schiff (Chair), Burton, and Karnette)**

February 27, 1997

An act to amend Section 21750 of the Government Code, relating to public employees.

LEGISLATIVE COUNSEL'S DIGEST

SB 1021, as introduced, Senate Committee on Public Employment and Retirement. Public employees retirement.

The Public Employees' Retirement Law requires benefit adjustments as a result of specified federal limitations.

This bill would make a technical, nonsubstantive change in those provisions.

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 21750 of the Government Code  
2 is amended to read:  
3 21750. The purpose of this part is to ensure the federal  
4 tax-exempt status of the Public Employees' Retirement  
5 System, and any other retirement system hereunder  
6 administered, to preserve *and protect* the deferred  
7 treatment of federal income tax on public employer  
8 contributions to public employee pensions, and to ensure  
9 that members are provided with retirement and other  
10 related benefits that are commensurate, to the extent



1 deemed reasonable, with the actuarial value of the  
2 benefits that would have been received but for the  
3 limitations imposed by Section 415 of Title 26 of the  
4 United States Code.

5 To achieve this purpose, this part incorporates certain  
6 pension payment limitations and elects the  
7 “grandfather” option in Section 415(b)(10) of Title 26 of  
8 the United States Code. Also, this part contains certain  
9 payment provisions and replacement benefits.

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