

AMENDED IN SENATE SEPTEMBER 3, 1999

AMENDED IN SENATE JUNE 24, 1999

AMENDED IN ASSEMBLY APRIL 28, 1999

AMENDED IN ASSEMBLY APRIL 15, 1999

CALIFORNIA LEGISLATURE—1999–2000 REGULAR SESSION

ASSEMBLY BILL

No. 311

Introduced by Assembly Member Honda

February 8, 1999

An act to amend Section 22200 of, and to add Section 22200.1 to, the Education Code, relating to the State Teachers' Retirement System.

LEGISLATIVE COUNSEL'S DIGEST

AB 311, as amended, Honda. State Teachers' Retirement System: board.

Under existing law, the State Teachers' Retirement System and the State Teachers' Retirement Plan are administered by the 12-member Teachers' Retirement Board. Two of the members of the board must be members or participants, who are classroom teachers in kindergarten or grades 1 through 12, and another member must be a retired member or participant. All 3 of these members are appointed by the Governor for 4-year terms from a list submitted by the Superintendent of Public Instruction. Another member of the board is required to be a community college instructor with expertise in business or economics, or both, and is appointed

by the Governor for a 4-year term from a list submitted by the Board of Governors of the California Community Colleges. One member of the board is required to be an officer of a life insurance company and one member of the board is required to be an officer of a bank. These members are appointed by the Governor for 4-year terms, subject to confirmation by the Senate.

This bill would increase the number of board members to ~~13~~ 15, require that ~~6~~ 3 members of the board be elected, at an election provided for by the board, by the members of the group to which they belong, for 4-year terms commencing on January 1, 2001, ~~and January 1, 2002~~. The bill would require ~~4~~ ~~elected members to be active members or participants not employed by a community college district, one elected one appointed member to be an active member or participant employed by a K-12 school district or county office of education, one appointed member to be a community college member or participant, and one elected member to be a retired member or participant~~ 2 appointed members to be retired members or participants. The bill would delete the requirement that 2 members must be, respectively, officers of a life insurance company and a bank and instead provide that the Governor appoint ~~2~~ 3 persons representing the public for 4-year terms, subject to Senate confirmation.

This bill would require the board to adopt regulations regarding these elections, as specified, and would exempt the regulations from the requirements of the Administrative Procedure Act.

~~This bill would permit the board to establish a full-time position to implement the regulations, and would require costs of elections, including the costs of mailing candidate's statements, to be paid by the Teachers' Retirement Fund as appropriated in the annual Budget Act.~~

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. It is the intent of the Legislature in
2 enacting this act that the elections for positions on the



1 Teachers' Retirement Board be conducted as cost
2 efficiently as possible.

3 SEC. 2. Section 22200 of the Education Code is
4 amended to read:

5 22200. (a) The system is administered by the
6 Teachers' Retirement Board. The members of the board
7 are as follows:

8 (1) The Superintendent of Public Instruction.

9 (2) The Controller.

10 (3) The Treasurer.

11 (4) The Director of Finance.

12 (5) One person who, at the time of appointment, is a
13 member of the governing board of a school district or a
14 community college district and who shall be appointed by
15 the Governor for a term of four years, commencing on
16 January 1, 2000:

17 ~~(6) Five persons who are members of the Defined
18 Benefit Program or participants of the Cash Balance
19 Benefit Program, as follows:~~

20 ~~(A) Four persons who, at the time of election, are
21 active members or participants of the system who are not
22 employed by a community college district. These
23 members shall be elected pursuant to regulations
24 adopted by the board by the active members of the
25 Defined Benefit Program or participants of the Cash
26 Balance Benefit Program for four-year terms,
27 commencing on January 1, 2001.~~

28 ~~(B) One person who, at the time of election, is an
29 active member or participant of the system employed by
30 a community college district who shall be elected by the
31 active community college members or participants of the
32 system. This member shall be elected pursuant to
33 regulations adopted by the board, for a four-year term,
34 commencing on January 1, 2002.~~

35 ~~(7) One member who is a retired member of the
36 Defined Benefit Program or a participant receiving an
37 annuity under the Cash Balance Benefit Program elected
38 by the retired members of the Defined Benefit Program
39 and the participants receiving an annuity under the Cash
40 Balance Benefit Program. This member shall be elected~~



~~1 pursuant to regulations adopted by the board, for a
2 four-year term, commencing on January 1, 2002.~~

~~3 (8) Two persons representing the public, appointed
4 by the Governor for a term of four years, subject to
5 confirmation by the Senate, commencing on January 1,
6 2000.~~

~~7 (b) The term of the office of each member described
8 in paragraphs (6) and (7) of subdivision (a) shall be
9 adjusted so as to commence on January 1, and to expire
10 on December 31 of the calendar year; provided that a
11 person serving on the board on January 1, 2000, who was
12 appointed as a member of the governing board of a school
13 district or community college board may continue to
14 serve until the expiration of his or her current term; and
15 further provided that any person appointed after the
16 expiration of the term of such a person may serve until
17 January 1, 2004.~~

~~18 (6) Two persons who are either members of the
19 Defined Benefit Program or participants in the Cash
20 Balance Benefit Program, as follows:~~

~~21 (A) One person who, at the time of appointment, is
22 employed by a K-12 school district or the county office of
23 education, appointed by the Governor for a term of four
24 years.~~

~~25 (B) One person who, at the time of appointment, is
26 employed by a community college district appointed by
27 the Governor for a term of four years.~~

~~28 (7) Two persons who are either retired members
29 under this part or retired participants under part 14
30 (commencing with Section 26000), appointed by the
31 Governor for a term of four years, commencing January
32 1, 2000.~~

~~33 (8) Three persons representing the public, appointed
34 by the Governor for a term of four years, subject to
35 confirmation by the Senate.~~

~~36 (9) Three persons who, at the time of election, are
37 active members or participants of the system. These
38 members shall be elected pursuant to regulations
39 adopted by the board by the active members of the
40 Defined Benefit Program or participants of the Cash~~



1 *Balance Benefit Program for four-year terms,*
2 *commencing on January 1, 2001.*

3 (b) *Teacher members of the board serving on January*
4 *1, 2000, may complete their terms of office provided they*
5 *remain members of the State Teachers' Retirement*
6 *System, whether active or retired. However, the*
7 *Governor may immediately replace the member*
8 *described in paragraph (5) of subdivision (a) if he or she*
9 *is no longer serving on a governing board, and the*
10 *Governor may fill any vacancy in the member, school*
11 *board, or public seats due to resignation or death.*

12 (c) The members of the board shall annually elect a
13 chairperson and vice chairperson.

14 (d) After any elected member of the board has served
15 two consecutive terms, or six consecutive years, on the
16 board, that member may not be elected for an additional
17 term until at least one year after the expiration of the
18 member's last term.

19 ~~(e) Notwithstanding any provision of this section, any~~
20 ~~person who is serving on the board on January 1, 2000,~~
21 ~~shall continue to serve until the expiration of his or her~~
22 ~~then current term. Any~~

23 (e) Any person appointed to fill a vacancy on the
24 board after January 1, 2000, but before the first
25 commencement date for the term of that position on the
26 board specified in this section, shall continue to serve only
27 for the remainder of the term of the vacated office as
28 specified in this section.

29 SEC. 3. Section 22200.1 is added to the Education
30 Code, to read:

31 22200.1. (a) The board shall provide for the election
32 of members described in ~~paragraphs (6) and (7)~~
33 *paragraph (9)* of subdivision (a) of Section 22200
34 pursuant to regulations adopted by the board. The
35 Secretary of State shall certify the results of the election.
36 The board shall reimburse the Secretary of State for all
37 services performed in the election.

38 (b) Except as provided in subdivision (e) of Section
39 22200, special elections shall be held to fill vacancies that
40 occur during the term of the elected members of the



1 board. If, at the time a vacancy occurs, the unexpired
2 term is less than two years, the new member elected to
3 fill the vacancy shall hold office for a period equal to the
4 remainder of the term of the vacated office plus four
5 years.

6 (c) ~~If~~ *Subject to subdivision (b) of Section 22200, if an*
7 appointed member of the board ceases to hold the
8 position that qualified the member to be appointed to the
9 board, the office shall be immediately deemed vacated
10 and the Governor shall appoint a qualified person to fill
11 that vacancy.

12 (d) The regulations adopted by the board pursuant to
13 this section and Section 22200 shall not be subject to
14 Article 3.5 (commencing with Section 11340) of Part 1 of
15 Division 3 of Title 2 of the Government Code.

16 (e) The regulations adopted by the board shall provide
17 that the elections be conducted in the most cost-effective
18 manner deemed feasible. The board, where practicable,
19 shall consolidate election mailings with other mailings
20 and shall address any other feasible cost-saving measures.

21 (f) *The board shall contract with a private firm to*
22 *conduct the elections if the board determines that the*
23 *contract would result in a cost-savings to the board.*

24 (g) The regulations adopted by the board shall
25 authorize candidates for positions on the board to submit
26 candidate's statements expressing their opinions and
27 ideas, and the regulations shall not restrict the reasonable
28 content of those statements. Notwithstanding subdivision
29 (e), copies of the candidates' statements submitted to the
30 board in a timely manner shall be mailed by the board to
31 all members at no cost to the candidates.

32 ~~(g) The board may establish a full-time position, as~~
33 ~~required, to implement this section.~~

34 ~~(h) All costs of elections shall be paid by allocations~~
35 ~~from the Teachers' Retirement Fund as appropriated for~~
36 ~~that purpose in the annual Budget Act.~~

