

Assembly Bill No. 448

Passed the Assembly August 31, 2000

Chief Clerk of the Assembly

Passed the Senate August 31, 2000

Secretary of the Senate

This bill was received by the Governor this _____ day
of _____, 2000, at _____ o'clock ____M.

Private Secretary of the Governor



CHAPTER _____

An act to amend Section 21703 of, and to add Sections 20479.5 and 31676.16 to, the Government Code, relating to retirement.

LEGISLATIVE COUNSEL'S DIGEST

AB 448, Floyd. Retirement.

Existing law, the Public Employees' Retirement Law, with respect to contract members of the Public Employees' Retirement System, prohibits contracts or contract amendments from providing retirement benefits to some, but not all, members in specified local membership classifications, and from providing different retirement benefits for any subgroup, including, but not limited to, bargaining units or unrepresented groups, within those membership classifications.

This bill would provide that where a memorandum of understanding entered prior to August 11, 1988, provided a different retirement benefit formula for a subgroup of employees in a member classification, the contracting agency may, pursuant to a memorandum of understanding, amend its contract to provide the same retirement formula applicable to that subgroup to all or part of the contracting agency's other employees in the same member classification.

Existing law authorizes the Board of Administration of the Public Employees' Retirement System to establish a plan for classified school employees who are excluded from membership in the Public Employees' Retirement System because the employees serve on less than a full-time basis. All development and administration costs of that plan are required to be paid by employees and plan participants.

This bill would revise this latter provision to require that all development and administration costs of the plan shall be paid by school employers and members, as determined by the board.



Existing law, the County Employees Retirement Law of 1937, authorizes adoption of various formulae for calculation of retirement allowances and provides that a member's allowance shall be calculated under any one formula only for the period of time that the formula was in effect in the county.

This bill would authorize counties or districts, subject to approval by the county board of supervisors, to provide service retirement allowances for general members based on an alternative 2% at age 55 formula, as specified.

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

SECTION 1. Section 20479.5 is added to the Government Code, to read:

20479.5. Notwithstanding Section 20479, where a memorandum of understanding entered prior to August 11, 1988, provided a different retirement benefit formula for a subgroup of employees in a member classification, that contracting agency may, pursuant to a memorandum of understanding, amend its contract to provide the same retirement formula applicable to that subgroup to all or part of the contracting agency's other employees in the same member classification.

SEC. 2. Section 21703 of the Government Code is amended to read:

21703. All development and administration costs of the alternative retirement plan authorized by this chapter shall be paid by school employers and members, as determined by the board.

SEC. 3. Section 31676.16 is added to the Government Code, to read:

31676.16. This section may be made applicable in any county on the first day of the month after the board of supervisors of the county adopts, by majority vote, a resolution providing that this section shall become applicable in the county. Notwithstanding any other provisions of this chapter, the current service pension or the current service pension combined with the prior service pension is an additional pension for members



purchased by the contributions of the county or district sufficient, when added to the service retirement annuity, to equal the fraction of one-fiftieth of the member's final compensation set forth opposite the member's age at retirement, taken to the preceding completed quarter year, in the following table multiplied by the number of years of current service or years of current and prior service with which the member is entitled to be credited at retirement, but in no event shall the total retirement allowance exceed the member's final compensation.

Age at Retirement	Fraction
50	0.713
50 1/4	0.725
50 1/2	0.737
50 3/4	0.749
51	0.761
51 1/4	0.775
51 1/2	0.788
51 3/4	0.801
52	0.814
52 1/4	0.828
52 1/2	0.843
52 3/4	0.857
53	0.871
53 1/4	0.886
53 1/2	0.902
53 3/4	0.917
54	0.933
54 1/4	0.950
54 1/2	0.966
54 3/4	0.983
55	1.000
55 1/4	1.007
55 1/2	1.013
55 3/4	1.020
56	1.026
56 1/4	1.033
56 1/2	1.039



56 ³ / ₄	1.046
57	1.052
57 ¹ / ₄	1.059
57 ¹ / ₂	1.065
57 ³ / ₄	1.072
58	1.078
58 ¹ / ₄	1.085
58 ¹ / ₂	1.091
58 ³ / ₄	1.098
59	1.105
59 ¹ / ₄	1.111
59 ¹ / ₂	1.118
59 ³ / ₄	1.124
60	1.131
60 ¹ / ₄	1.137
60 ¹ / ₂	1.144
60 ³ / ₄	1.150
61	1.157
61 ¹ / ₄	1.163
61 ¹ / ₂	1.170
61 ³ / ₄	1.176
62	1.183
62 ¹ / ₄	1.189
62 ¹ / ₂	1.196
62 ³ / ₄	1.202
63 and over	1.209

The fractions herein set forth shall be used until adjusted by each board for its retirement system in accordance with the interest and mortality tables adopted by each board with respect to its retirement system.

In any county operating under this section any limitation in any provisions of this chapter upon the amount of compensation used for computing rates of contributions shall be disregarded.

Wherever in this chapter reference is made to survivorship benefits and rights under Section 31676.1, the same shall apply to this section.



Approved _____, 2000

Governor

