

AMENDED IN ASSEMBLY JUNE 24, 1999

AMENDED IN ASSEMBLY MAY 19, 1999

AMENDED IN SENATE APRIL 22, 1999

AMENDED IN SENATE APRIL 6, 1999

SENATE BILL

No. 400

Introduced by Senator Ortiz
(Principal coauthor: Senator Burton)

February 12, 1999

An act to amend Sections 20391, 20392, 20393, 20395, 20398, 20405.1, 20405.3, 20407, 20409, 20677, 20683, 20687, 21070, 21071, 21072, 21073.5, 21077, 21130, 21337, 21353, 21353.5, 21362, 21363, 21363.5, 21363.6, 21369, 21372, 21373, 21374, 21403, 21407, 21572, 21573, and 21581 of, and to add Sections 20035.5, 21073.1, 21073.7, 21328, 21354.1, 21362.2, 21363.1, 21369.1, and 21403.1 to, and to add and repeal Section 21574.7 of, the Government Code, relating to the Public Employees' Retirement System.

LEGISLATIVE COUNSEL'S DIGEST

SB 400, as amended, Ortiz. Public Employees' Retirement System: benefits.

(1) Under the Public Employees' Retirement Law, retirement allowances for school members are calculated, in part, based on the highest average compensation earnable during a consecutive 3-year period.

This bill would instead base that calculation on the highest average compensation earnable during a consecutive 12-month period.

(2) *The Public Employees' Retirement Law establishes retirement plans, known as the Second Tier and the Modified First Tier, that are applicable to specified members of the system.*

This bill would close those plans to state employees hired on or after January 1, 2000, authorize current Second Tier members to elect to become First Tier members, and provide that current Modified First Tier members will become First Tier members unless they elect to remain in the Modified First Tier. The bill would also establish the means for Second Tier members to elect to have their former Second Tier service converted to First Tier service.

(3) *The Public Employees' Retirement Law prescribes a 2% at age 60 retirement formula for state miscellaneous, university, state industrial and school members.*

This bill would make that formula inapplicable to those members who retire on or after January 1, 2000, and would instead prescribe a 2% at age 55 retirement formula, as specified. The bill would also provide a 2 to 5%, inclusive, retirement allowance increase for retired state and school members, as specified, and make related technical changes.

(4) *The Public Employees' Retirement Law prescribes a 2% at age 50 retirement formula for members of the California Highway Patrol and specified local safety members, a 2.5% at age 55 retirement formula for state Peace Officer/Firefighter members and specified local safety members, and a 2% at age 55 retirement formula for state safety members and specified local safety members.*

This bill would make those formulas inapplicable to those state members who retire on or after January 1, 2000, and would instead prescribe a 3% at age 50 retirement formula for members of the California Highway Patrol and a 3% at age 55 for state Peace Officer/Firefighter members, as specified, provide an enhanced retirement formula for state safety members, as specified, and make related technical changes.

(5) *The Public Employees' Retirement Law provides preretirement death benefits for the surviving spouse or children, or both, as specified, of state members and specified school members not covered by the federal Social Security Act and prescribes the member contribution for those*



benefits. A surviving spouse becomes eligible for certain of these benefits when he or she attains the age of 62 years and meets other specified criteria.

This bill would, on January 1, 2000, and until January 1, 2010, increase those benefits, revise the member contribution rate, and decrease the surviving spouse's eligibility age to 60 years.

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. *Section 20035.5 is added to the*
2 *Government Code, to read:*

3 20035.5. *Notwithstanding Section 20037, "final*
4 *compensation" for the purposes of determining any*
5 *pension or benefit with respect to a school member who*
6 *retires on or after January 1, 2000, means the highest*
7 *annual compensation that was earnable by the school*
8 *member during the consecutive 12-month period of*
9 *employment immediately preceding the effective date of*
10 *his or her retirement or the date of his or her last*
11 *separation from service if earlier or during any other*
12 *period of 12 consecutive months during his or her*
13 *membership in this system that the member designates*
14 *on the application for retirement.*

15 SEC. 2. *Section 20391 of the Government Code is*
16 *amended to read:*

17 20391. "State peace officer/firefighter member"
18 means:

19 (a) All persons in the Board of Prison Terms, the
20 Department of Consumer Affairs, the Department of
21 Developmental Services, the Department of Health
22 Services, the Department of Toxic Substances Control,
23 the Horse Racing Board, the Department of Industrial
24 Relations, the Department of Insurance, the Department
25 of Mental Health, the Department of Motor Vehicles, the
26 Department of Social Services employed with the class
27 title of Special Investigator (Class Code 8553), Senior
28 Special Investigator (Class Code 8550), and Investigator
29 Assistant (Class Code 8554) who have been designated as



1 peace officers as defined in Sections 830.2 and 830.3 of the
2 Penal Code.

3 (b) All persons in the Department of Alcoholic
4 Beverage Control employed with the class title
5 Investigator Trainee, Alcoholic Beverage Control (Class
6 Code 7553), Investigator I, Alcoholic Beverage Control,
7 Range A and B (Class Code 7554), and Investigator II,
8 Alcoholic Beverage Control (Class Code 7555) who have
9 been designated as peace officers as defined in Sections
10 830.2 and 830.3 of the Penal Code.

11 (c) All persons within the Department of Justice who
12 are state employees as defined in subdivision (c) of
13 Section 3513 and who have been designated as peace
14 officers and performing investigative duties.

15 (d) All persons in the Department of Parks and
16 Recreation employed with the class title of Park Ranger
17 (Intermittent) (Class Code 0984) who have been
18 designated as peace officers as defined in Sections 830.2
19 and 830.3 of the Penal Code. Any person so designated
20 may elect, within 90 days of notification by the board, to
21 remain subject to the service retirement benefit and
22 normal rate of contribution applicable prior to July 3,
23 1984, by filing an irrevocable notice of election with the
24 board. A member who so elects shall, *on and after January*
25 *1, 2000*, be subject to the reduced benefit factors specified
26 in Section ~~21353~~ 21354.1 only for service also included in
27 the federal system.

28 (e) *All persons in the Franchise Tax Board who have*
29 *been designated as peace officers in subdivision (s) of*
30 *Section 830.3 of the Penal Code.*

31 *SEC. 3. Section 20392 of the Government Code is*
32 *amended to read:*

33 20392. "State peace officer/firefighter member" also
34 includes officers and employees with the following class
35 titles of:

37 Class	Classification
38 Code	
39 6875	Air Operations Officer I
40 1056	Air Operations Officer II



1	1053	Air Operations Officer III
2	6877	Air Operations Officer I (Maintenance)
3	6882	Air Operations Officer II (Maintenance)
4	1050	Air Operations Officer III (Maintenance)
5	8997	Arson and Bomb Investigator
6	9694	Board Coordinating Parole Agent, Youthful Offender
7		Parole Board
8	9904	Correctional Counselor I
9	9903	Correctional Counselor II
10	9662	Correctional Officer
11	9911	Case Work Specialist, Youth Authority
12	9013	Deputy State Fire Marshal III (Specialist)
13	9086	Deputy State Fire Marshal
14	9010	Deputy State Fire Marshal III (Supervisor)
15	1077	Fire Apparatus Engineer
16	1095	Fire Captain
17	1072	Fire Control Aid
18	8979	Firefighter
19	1083	Firefighter I
20	1082	Firefighter II
21	9001	Firefighter (Correctional Institution)
22	8990	Firefighter/Security Officer
23	1047	Fire Prevention Officer I
24	1049	Fire Prevention Officer II
25	9090	Fire Service Training Specialist III
26	8418	Fish and Game Patrol, Lieutenant
27	8421	Fish and Game Warden, Department of Fish and Game
28	9039	Senior Food and Drug Investigator
29	9028	Food and Drug Program Specialist
30	9007	Food Technology Specialist
31	1060	Forestry Aid
32	1046	Forestry Pilot (Helicopter)
33	9579	Group Supervisor
34	9578	Group Supervisor Trainee
35	6387	Heavy Fire Equipment Operator
36	1937	Hospital Peace Officer I
37	8416	Lieutenant Fish and Game Patrol Boat
38	0992	Lifeguard
39	8217	Medical Technical Assistant, Correctional Facility



- 1 1992 Museum Security Officer I
- 2 9701 Parole Agent I, Youth Authority
- 3 9765 Parole Agent I, Adult Parole
- 4 9696 Parole Agent II, Youth Authority (Specialist)
- 5 9763 Parole Agent II, Adult Parole (Supervisor)
- 6 9762 Patrol Agent II, Adult Parole (Specialist)
- 7 8215 Senior Medical Technical Assistant
- 8 8359 Sergeant, California State Police
- 9 8980 State Fire Marshal Trainee
- 10 9723 State Forest Ranger I (Nonsupervisory)
- 11 9724 State Forest Ranger II (Nonsupervisory)
- 12 0983 State Park Ranger I
- 13 8464 State Police Officer
- 14 8358 State Security Officer
- 15 8989 Captain Firefighter/Security Officer
- 16 8410 Warden–Pilot Department of Fish and Game
- 17 9581 Youth Counselor

18

19 Any person so designated may elect, within 90 days of
 20 notification by the board, to remain subject to the service
 21 retirement benefit and the normal rate of contribution
 22 applicable prior to July 3, 1984, by filing an irrevocable
 23 notice of election with the board. A member who so elects
 24 shall, *on and after January 1, 2000*, be subject to the
 25 reduced benefit factors specified in Section ~~21353~~ 21354.1
 26 only for service also included in the federal system.

27 *SEC. 4. Section 20393 of the Government Code is*
 28 *amended to read:*

29 20393. “State peace officer/firefighter member” also
 30 means:

31 (a) All persons in the office of the Secretary of State,
 32 office of the Controller, and the Public Employees’
 33 Retirement System employed on a full-time permanent
 34 basis with the class title of Special Investigator(Class
 35 Code 8553), Senior Special Investigator (Class Code
 36 8550), and Investigator Assistant (Class Code 8554) who
 37 have been designated as peace officers as defined in
 38 Sections 830.2 and 830.3 of the Penal Code.

39 (b) All persons employed on a full-time permanent
 40 basis with the class title of Corporations Investigator



1 (Class Code 8570) or Associate Corporations Investigator
2 (Class Code 8571) who have been designated as peace
3 officers as defined in Sections 830.2 and 830.3 of the Penal
4 Code.

5 (c) All persons employed on a full-time permanent
6 basis with the class title of Sergeant, State Fair Police
7 (Class Code 1946), State Fair Police Officer (Class Code
8 1945), Lottery Agent (Class Code 8602), District
9 Representative I and II, Division of Codes and Standards
10 (Class Codes 8960 and 8958), Deputy Registrar of
11 Contractors I and II (Class Codes 8793 and 8792),
12 Polygraph Examiner, California Department of Youth
13 Authority (Class Code 8542), Community Services
14 Consultant I (Class Code 9717), or Parole Service
15 Associate (Class Code 9776) who have been designated as
16 peace officers as defined in Sections 830.2, 830.3, and 830.5
17 of the Penal Code.

18 (d) All persons employed on a full-time permanent
19 basis with the class title of Forester I (Class Code 1054)
20 and Forester II (Class Code 9721).

21 Any person so designated may elect, within 90 days of
22 notification by the board, to remain subject to the service
23 retirement benefit and the normal rate of contribution
24 applicable prior to the effective date that this section is
25 applicable to the member by filing an irrevocable notice
26 of election with the board. A member who so elects shall,
27 *on and after January 1, 2000*, be subject to the reduced
28 benefit factors specified in Section ~~21353~~ 21354.1 only for
29 service also included in the federal system.

30 *SEC. 5. Section 20395 of the Government Code is*
31 *amended to read:*

32 20395. "State peace officer/firefighter member"
33 means all members who are full-time permanent
34 employees represented in Corrections Unit No. 6,
35 Protective Services and Public Safety Unit No. 7, and
36 Firefighters Unit No. 8 and are employed in class titles
37 ~~which~~ *that* are designated as peace officer as defined in
38 Chapter 4.5 (commencing with Section 830) of Title 3 of
39 Part 2 of the Penal Code or are firefighters whose



1 principal duties consist of active firefighting/fire
2 suppression.

3 A member who is employed in a position that is
4 reclassified from state miscellaneous to state peace
5 officer/firefighter pursuant to this section, may make an
6 irrevocable election in writing to remain subject to the
7 miscellaneous service retirement benefit and the normal
8 rate of contribution by filing a notice of the election with
9 the board within 90 days of notification by the board. A
10 member who so elects shall, *on and after January 1, 2000*,
11 be subject to the reduced benefit factors specified in
12 Section ~~21353~~ 21354.1 only for service also included in the
13 federal system.

14 Notwithstanding any other provision of law, security
15 officers employed by the Department of Justice are not
16 state peace officer/firefighter members, but are, for all
17 purposes, state miscellaneous members.

18 *SEC. 6. Section 20398 of the Government Code is*
19 *amended to read:*

20 20398. "State peace officer/firefighter member" also
21 includes:

22 (a) State officers and employees designated as peace
23 officers as defined in Sections 830.1, 830.2, 830.3, 830.38,
24 830.4, and 830.5 of the Penal Code, except a patrol
25 member, or a firefighter whose principal duties consist of
26 active firefighting/fire suppression, who is either
27 excluded from the definition of state employee in
28 subdivision (c) of Section 3513 or is a nonelected officer
29 or employee of the executive branch of government who
30 is not a member of the civil service, provided, that those
31 officers and employees have responsibility for the direct
32 supervision of state peace officer/firefighter personnel
33 specified in Sections 20391, 20392, 20393, and 20395. The
34 Department of Personnel Administration shall annually
35 determine which classes meet the above conditions and
36 are not classes specified in Sections 20391, 20392, 20393,
37 and 20395, and report its findings to the Legislature and
38 to this system, to be effective July 1 of each year.

39 (b) Members who are reclassified pursuant to this
40 section may file an irrevocable election to remain subject



1 to their prior retirement formula and the corresponding
2 rate of contributions. The Director of Corrections may,
3 upon appointment to that office on or after January 1,
4 1999, file an irrevocable election to be subject to the
5 industrial formula and the corresponding rate of
6 contributions. The elections must be filed within 90 days
7 of notification by the board. Members who so elect shall,
8 *on and after January 1, 2000*, be subject to the reduced
9 benefit factor specified in Section ~~21353~~ 21354.1 only for
10 the service included in the federal system.

11 *SEC. 7. Section 20405.1 of the Government Code is*
12 *amended to read:*

13 20405.1. Notwithstanding Section 20405, this section
14 shall apply to state employees in State Bargaining Unit 16.

15 (a) On and after the effective date of this section, state
16 safety members shall also include officers and employees
17 whose classifications or positions are found to meet the
18 state safety criteria prescribed in Section 19816.20,
19 provided the Department of Personnel Administration
20 agrees to their inclusion. The effective date of safety
21 membership shall be the date on which the department
22 and the employees' exclusive representative reach
23 agreement by memorandum of understanding pursuant
24 to Section 3517.5.

25 (b) The department shall notify the board as new
26 classes or positions become eligible for state safety
27 membership, as specified in subdivision (a), and specify
28 how service prior to the effective date shall be credited.

29 (c) Notwithstanding Section 7550.5, the department
30 shall prepare and submit to the Legislature an annual
31 report that contains the classes or positions that are
32 eligible for state safety membership under this section.

33 (d) Any person designated as a state safety member
34 pursuant to this section may elect, within 90 days of
35 notification by the board, to remain subject to the
36 miscellaneous or industrial service retirement benefit
37 and contribution rate by filing an irrevocable election
38 with the board. A member who so elects shall, *on and*
39 *after January 1, 2000*, be subject to the reduced benefit



1 factors specified in Section 21076 or Section ~~21353~~ 21354.1
2 only for service also included in the federal system.

3 *SEC. 8. Section 20405.3 of the Government Code is*
4 *amended to read:*

5 20405.3. (a) Notwithstanding Section 20405, this
6 section shall apply only to state employees in State
7 Bargaining Unit 19.

8 (b) On and after the effective date of this section, state
9 safety members shall also include officers and employees
10 whose classifications or positions are found to meet the
11 state safety criteria prescribed in Section 19816.23,
12 provided the Department of Personnel Administration
13 agrees to their inclusion. The effective date of safety
14 membership shall be the date on which the department
15 and the employees' exclusive representative reach
16 agreement by memorandum of understanding pursuant
17 to Section 3517.5.

18 (c) The department shall notify the board as new
19 classes or positions become eligible for state safety
20 membership, as specified in subdivision (a), and specify
21 how service prior to the effective date shall be credited.

22 (d) Notwithstanding Section 7550.5, the department
23 shall prepare and submit to the Legislature an annual
24 report that contains the classes or positions that are
25 eligible for state safety membership under this section.

26 (e) Any person designated as a state safety member
27 pursuant to this section may elect, within 90 days of
28 notification by the board, to remain subject to the
29 miscellaneous or industrial service retirement benefit
30 and contribution rate by filing an irrevocable election
31 with the board. A member who so elects shall, *on and*
32 *after January 1, 2000*, be subject to the reduced benefit
33 factors specified in Section 21076 or Section ~~21353~~ 21354.1
34 only for service also included in the federal system.

35 *SEC. 9. Section 20407 of the Government Code is*
36 *amended to read:*

37 20407. "State safety member" also includes officers
38 and employees with the State Department of Mental
39 Health and the Department of Corrections in the
40 following classifications:



1	Classification	
2	Code	Classification Title
3	8254	Prelicensed Psychiatric Technician
4		(forensic facility)
5	8253	Psychiatric Technician
6		(forensic facility)
7	8252	Senior Psychiatric Technician
8		(forensic facility)
9	8212	Nurse Practitioner
10		(forensic facility)
11	8160	Health Services Specialist
12		(forensic facility)
13	7601	Program Director-Medical
14		(forensic facility)

15

16 “State safety member” also includes an officer or
 17 employee of the State Department of Mental Health at
 18 Patton State Hospital or Atascadero State Hospital, the
 19 State Department of Mental Health Psychiatric Program
 20 of California Medical Facility at Vacaville, or any other
 21 state hospital—~~which~~ *that* is deemed a forensic facility,
 22 who either is excluded from the definition of state
 23 employee in subdivision (c) of Section 3513 or is a
 24 nonelected officer or employee of the executive branch
 25 of government who is not a member of the civil service.
 26 An officer or employee may be a state safety member
 27 under this paragraph only if the person has responsibility
 28 for the direct supervision of state safety personnel
 29 specified in the classifications listed in this section and if
 30 the State Personnel Board determines that these officers
 31 and employees meet the state safety membership criteria
 32 established pursuant to Section 18717. The Department
 33 of Personnel Administration shall determine which
 34 classes meet the above conditions and report its findings
 35 to the Public Employees’ Retirement System, whereupon
 36 the change in membership categories shall take effect.

37 Any person so designated pursuant to this section may
 38 elect, within 90 days of notification by the board, to
 39 remain subject to the miscellaneous service retirement
 40 benefit and contribution rate by filing an irrevocable



1 notice of election with the board. A member who so elects
 2 shall, *on and after January 1, 2000*, be subject to the
 3 reduced benefit factors specified in Section ~~21353~~ 21354.1
 4 only for service also included in the federal system.

5 *SEC. 10. Section 20409 of the Government Code is*
 6 *amended to read:*

7 20409. “State safety member” shall also include
 8 officers and employees of the following departments with
 9 the following class titles:

11	Class		
12	Code	Classification	Department
13	8330	Aircraft Pilot, Depart-	Justice
14		ment of Justice	
15	8997	Arson and Bomb	Fire Marshal
16		Investigator	
17	9027	Assistant Chief, Food	Health Services
18		and Drug Section	
19	8609	Chief, Bureau of	Insurance
20		Fraudulent Claims,	
21		Department of	
22		Insurance	
23	8610	Chief, Division of	Consumer Affairs
24		Investigations,	
25		Department of	
26		Consumer Affairs	
27	8988	Chief	Veterans Affairs
28		Firefighter/Security	
29		Guard	
30	9030	Chief, Food and Drug	Health Services
31		Section	
32	8613	Chief, Investigation	Health Services
33		Bureau, Department	
34		of Health Services	
35	1986	Chief Museum	Museum of Science and Industry
36		Security Officer	
37	8673	Deputy Division	Alcoholic Beverage Control
38		Chief, Alcoholic	
39		Beverage Control	



1	8677	District Administrator,	Alcoholic Beverage Control
2		Alcoholic Beverage	
3		Control	
4	8990	Firefighter/Security	Veterans Affairs
5		Guard	
6	8966	Division Chief,	Fire Marshal
7		California State	
8		Fire Marshal	
9	9090	Fire Service Training	Fire Marshal
10		Specialist III	
11	9091	Fire Service Training	Fire Marshal
12		Supervisor	
13	9028	Food and Drug	Health Services
14		Program Coordinator	
15	9029	Food and Drug	Health Services
16		Regional	
17		Administrator	
18	9042	Food and Drug	Health Services
19		Specialist II	
20	9039	Food and Drug	Health Services
21		Specialist III	
22	9036	Food and Drug	Health Services
23		Specialist IV	
24	9043	Food and Drug	Health Services
25		Trainee	
26	9007	Food Technology	Health Services
27		Specialist	
28	1937	Hospital Peace	Developmental Services, Mental
29		Officer I	Health, Consumer Affairs
30	1936	Hospital Peace	Developmental Services, Mental
31		Officer II	Health, Consumer Affairs
32	1935	Hospital Peace	Developmental Services, Mental
33		Officer III	Health
34	1992	Museum Security	Museum of Science and Industry
35		Officer	
36	0891	Park Safety and	Parks and Recreation
37		Enforcement	
38		Supervisor	



1	0890	Park Safety and	Parks and Recreation
2		Enforcement	
3		Specialist	
4	8358	State Security Officer	General Services
5	8999	Chief	Fire Marshal
6		Arson and Bomb	
7		Investigator	
8	8989	Supervising	Veterans Affairs
9		Firefighter/Security	
10		Guard	
11	1988	Supervising Museum	Museum of Science and Industry
12		Security Officer	
13	8678	Supervising Special	Alcoholic Beverage Control
14		Investigator, Alcoholic	
15		Beverage Control	

16
 17 (b) Any person employed in the classifications
 18 described in subdivision (a) in the department indicated
 19 may elect, within 90 days of September 27, 1982, to remain
 20 subject to the miscellaneous service retirement benefit
 21 by filing an irrevocable notice of election with the board.
 22 A member who so elects shall, *on and after January 1,*
 23 *2000,* be subject to the reduced benefit factors specified
 24 in Section ~~21353~~ 21354.1 only for service also included in
 25 the federal system.

26 (c) This section shall not become applicable to any
 27 member included in a classification until a ruling or
 28 regulation authorizing the inclusion of persons employed
 29 in that classification within the definition of “policeman”
 30 or “fireman,” or both, is issued by the federal agency for
 31 purposes of Section 418(d)(5)(A) of Title 42 of the United
 32 States Code.

33 *SEC. 11. Section 20677 of the Government Code is*
 34 *amended to read:*

35 20677. (a) (1) The normal rate of contribution for a
 36 state miscellaneous member whose service is not
 37 included in the federal system shall be 6 percent of the
 38 compensation in excess of three hundred seventeen
 39 dollars (\$317) per month paid that member for service
 40 rendered on and after July 1, 1976. The normal rate of



1 contribution for a school member, or a local
2 miscellaneous member shall be 7 percent of the
3 compensation paid that member for service rendered on
4 and after June 21, 1971.

5 (2) The normal rate of contribution for a state
6 miscellaneous or industrial member, who has elected to
7 be subject to Section 21353.5 and whose service is not
8 included in the federal system, shall be 6 percent of the
9 member's compensation.

10 (3) The normal rate of contribution as established
11 under this subdivision for a member whose service is
12 included in the federal system, and whose service
13 retirement allowance is reduced under Section 21353,
14 21353.5, ~~or Section 21354, or 21354.1~~ because of that
15 inclusion, shall be reduced by one-third as applied to
16 compensation not exceeding four hundred dollars (\$400)
17 per month for service after the date of execution of the
18 agreement including service in the federal system and
19 prior to termination of the agreement with respect to the
20 coverage group to which he or she belongs.

21 (b) (1) The normal rate of contribution for a state
22 miscellaneous member whose service has been included
23 in the federal system shall be 5 percent of compensation
24 in excess of five hundred thirteen dollars (\$513) per
25 month paid that member for service rendered on and
26 after July 1, 1976.

27 (2) The normal rate of contribution for a state
28 miscellaneous or industrial member, who has elected to
29 be subject to Section 21353.5 and whose service has been
30 included in the federal system, shall be 5 percent of
31 compensation, subject to the reduction specified in
32 paragraph (3) of subdivision (a).

33 (c) The normal rate of contribution for a state
34 miscellaneous or industrial member who ~~elects to~~
35 ~~become~~ *is* subject to Section 21076 or Section 21077 shall
36 be 0 percent, ~~unless the member subsequently elects to~~
37 ~~become subject to Section 21353, as authorized by~~
38 ~~subdivision (c) of Section 21070 or Section 21353.5. A~~

39 (d) *A member who elected to become subject to*
40 *Section 21353 solely for service rendered on or after the*



1 *effective date of the election, as authorized by subdivision*
2 *(c) of Section 21070 during the period between*
3 *November 1, 1988, and October 31, 1989, is not required*
4 *to make the contributions specified in Section 21073.*

5 (e) A member who elects to become subject to Section
6 ~~21353~~ 21354.1 shall contribute at the rate specified in
7 paragraph (1) of subdivision (a) or paragraph (1) of
8 subdivision (b), as determined by the member's status
9 with the federal system, and the rate shall be applied from
10 the first of the month following the date of the election.
11 A member who makes the election shall also contribute
12 for service prior to the date the contribution rate was
13 applied, in the manner specified in Section 21073.—~~A~~
14 ~~member who elected to become subject to Section 21353~~
15 ~~solely for service rendered on or after the effective date~~
16 ~~of the election, as authorized by subdivision (c) of Section~~
17 ~~21070 during the period between November 1, 1988, and~~
18 ~~October 31, 1989, is not required to make the~~
19 ~~contributions specified in Section 21073.~~

20 *SEC. 12. Section 20683 of the Government Code is*
21 *amended to read:*

22 20683. (a) For each state member subject to Section
23 21369 or 21369.1, the normal rate of contribution shall be
24 6 percent of compensation in excess of three hundred
25 seventeen dollars (\$317) per month paid to a member
26 whose service is not included in the federal system or in
27 excess of five hundred thirteen dollars (\$513) for one
28 whose service is included in the federal system.

29 (b) For each local safety member subject to Section
30 21369, the normal rate of contribution shall be 7 percent
31 of compensation.

32 (c) The normal rate of contribution as established
33 under this section for a local member whose service is
34 included in the federal system and whose retirement
35 allowance is reduced because of ~~such~~ *that* inclusion shall
36 be reduced by one-third as applied to compensation not
37 exceeding four hundred dollars (\$400) per month for
38 service rendered after the date of execution of the
39 modification of the federal-state agreement including
40 ~~such~~ *those* services in the federal system and prior to



1 termination of his *or her* coverage under the federal
2 system.

3 (d) The operative date of this section with respect to
4 a local safety member shall be the date upon which he *or*
5 *she* becomes subject to Section 21369.

6 *SEC. 13. Section 20687 of the Government Code is*
7 *amended to read:*

8 20687. (a) The normal rate of contribution for state
9 peace officer/firefighter members and for local safety
10 members subject to Section 21363 *or 21363.1* shall be 8
11 percent of the compensation in excess of two hundred
12 thirty-eight dollars (\$238) per month paid those
13 members.

14 (b) Notwithstanding subdivision (a), the normal rate
15 of contribution for local safety members of the City of
16 Sacramento subject to Section 21363 shall be 9 percent of
17 compensation paid those members.

18 (c) If the provisions of this section are in conflict with
19 the provisions of a memorandum of understanding
20 reached pursuant to Section 3517.5, the memorandum of
21 understanding shall be controlling without further
22 legislative action, except that if those provisions of a
23 memorandum of understanding require the expenditure
24 of funds, those provisions shall not become effective
25 unless approved by the Legislature in the annual Budget
26 Act.

27 *SEC. 14. Section 21070 of the Government Code is*
28 *amended to read:*

29 21070. (a) Effective January 1, 1985, there shall be an
30 alternative level of benefits available to the following
31 state miscellaneous members: (1) members who are
32 excluded from the definition of state employee in
33 subdivision (c) of Section 3513; (2) members employed
34 by the executive branch of government who are not
35 members of the civil service; and (3) members in state
36 bargaining units for which a memorandum of
37 understanding has been agreed to by the state employer
38 and the recognized employee organization to become
39 subject to this section. Effective September 1, 1986, this
40 section shall apply to members employed by the state as



1 provided for in Article VI of the California Constitution.
2 The board shall provide the affected members a
3 one-month election period commencing on August 1,
4 1986. This section does not apply to state miscellaneous
5 members employed by the California State University or
6 the University of California. This section shall not apply
7 to any employee described by Section 20324 unless and
8 until the employer, as defined in Section 20902, adopts a
9 resolution approving that application.

10 (b) Effective September 1, 1986, there shall be an
11 alternate level of benefits available to the following state
12 industrial members: (1) members in state bargaining
13 units for which a memorandum of understanding has
14 been agreed to by the state employer and the recognized
15 employee organization to become subject to this section;
16 (2) members who are excluded from the definition of
17 state employees in subdivision (c) of Section 3513; and (3)
18 members employed by the executive branch of
19 government who are not members of the civil service.
20 The board shall provide the affected members a
21 one-month election period commencing on August 1,
22 1986.

23 (c) Members eligible to participate in the alternative
24 level of benefits, referred to in this part as the Second
25 Tier, may make an irrevocable election during the period
26 from November 1, 1988, through October 31, 1989, to: (1)
27 become subject to the Second Tier benefits provided for
28 in Section 21076 for all past state miscellaneous and state
29 industrial service and all future state miscellaneous and
30 state industrial service not excluded by this section; (2)
31 become subject to the Second Tier benefits provided for
32 in Section 21077 for state miscellaneous and state
33 industrial service not excluded by this section rendered
34 on and after the effective date of the election to be subject
35 to the Second Tier. Any election by a member to be
36 subject to Section 21076 or 21077 shall also be signed by
37 the spouse of the member and both signatures shall be
38 notarized; (3) become subject to the First Tier
39 retirement formula prescribed by Section ~~21353~~ 21354.1
40 for state miscellaneous and state industrial service



1 rendered on or after the effective date of the election,
2 provided that the member had previously elected
3 coverage pursuant to Section 21076 or 21077 and makes
4 the contributions specified in Section 20677; or (4)
5 become subject to the First Tier retirement formula
6 prescribed by Section ~~21353~~ 21354.1 for all past and future
7 state miscellaneous and state industrial service, provided
8 that the member had previously elected coverage
9 pursuant to Section 21076 or 21077 and the member
10 makes the contributions specified in Sections 20677 and
11 21073. The right of eligible members to elect coverage
12 under the retirement formula of their choice shall apply
13 solely during the above-prescribed one-year period,
14 subject to conditions to be established and communicated
15 by the board.

16 Thereafter, *and until January 1, 2000*, the board shall
17 provide a 30-day period every five years for eligible
18 members to make an irrevocable election to be subject to
19 the Second Tier benefits provided for in Section 21076 or
20 21077. Eligible members who previously elected Section
21 21077 may make an irrevocable election to become
22 subject to Section 21076 for all past state miscellaneous
23 and state industrial service during this election period.
24 The first election period shall be held five years from the
25 ending date of the one-year election period specified in
26 this subdivision.

27 The effective date of any election filed with the board
28 shall be the first of the month following the date the
29 election is received in the system, provided the election
30 meets the conditions set by the board. Any election filed
31 with the board under this subdivision shall also be signed
32 by the spouse of the member and both signatures shall be
33 notarized.

34 (d) Persons who become state miscellaneous or state
35 industrial members described in this section or who
36 become such members under Article 3 (commencing
37 with Section 20320) of Chapter 3 of this part on or after
38 the Second Tier effective date applicable to the member,
39 shall be subject to Section 21077 unless an election is filed
40 with the board to be subject to Section ~~21353~~ 21354.1 and



1 the member makes the contributions specified in Section
2 20677. The appointing authority shall provide the
3 member with the election form and the member shall
4 exercise the election within one year of becoming a
5 member. The effective date of the election shall be the
6 date on which the member became a state miscellaneous
7 or state industrial member.

8 (e) A state miscellaneous or state industrial member
9 who, on or after the effective date of an election to be
10 subject to Section 21076 or 21077, ceases to be a member
11 pursuant to Section 20340 or 21075 shall, upon again
12 becoming a state miscellaneous or state industrial
13 member, be subject to Section 21076 or 21077 in
14 accordance with his or her previous irrevocable election.
15 This subdivision does not apply to persons who return to
16 membership as employees of the California State
17 University.

18 Except as otherwise provided in this part, a state
19 miscellaneous or state industrial member subject to
20 Section 21076 or 21077 is subject to all other provisions
21 applicable to state miscellaneous members except those
22 provisions that provide for the payment of an annuity
23 based on contributions. Notwithstanding any other
24 provision of this part, member contributions are not
25 required for any service credit that is subject to Section
26 21076.

27 ~~(f) The board shall report to the Governor, the~~
28 ~~Legislature, and the Department of Personnel~~
29 ~~Administration on the savings that are the result of the~~
30 ~~implementation of the Second Tier retirement plan for~~
31 ~~state miscellaneous and state industrial members. The~~
32 ~~report shall first be submitted in April 1986, and annually~~
33 ~~in April of every year thereafter until April 1994~~
34 *Notwithstanding any other provision in subdivisions (a)*
35 *to (e), inclusive, this section does not apply to a state*
36 *miscellaneous or state industrial member who, on or after*
37 *January 1, 2000, (1) was employed, (2) returned to*
38 *employment from a break in service of more than 90 days,*
39 *or (3) returned to employment after ceasing to be a*
40 *member pursuant to Section 20340 or 21075.*



1 SEC. 15. Section 21071 of the Government Code is
2 amended to read:

3 21071. (a) Notwithstanding any other provision of
4 this article, except as provided in subdivisions (b) and
5 (c), persons who first become state miscellaneous or state
6 industrial members of the system on or after July 1, 1991,
7 and prior to January 1, 2000, and who are:— (1) excluded
8 from the definition of state employee in subdivision (c)
9 of Section 3513; (2) employed by the executive branch
10 of government—~~who~~ and are not members of the civil
11 service; or (3) included in the definition of state
12 employee in subdivision (c) of Section 3513 shall become
13 subject to Section 21076.

14 (b) Any person who was a member on or before June
15 30, 1991, eligible to elect membership on or before June
16 30, 1991, or who was employed in any position on or before
17 June 30, 1991, that would lead to membership as a state
18 member, as defined in Section 20370, and who thereafter
19 enters employment subject to Section 21076 shall, *until*
20 *January 1, 2000*, be granted the rights provided in
21 subdivision (c) of Section 21070, unless the person had
22 earlier made an irrevocable election to be subject to
23 Section 21076 or 21077. The one-year period in which to
24 make the election provided in subdivision (c) of Section
25 21070 for any member who became a state member prior
26 to January 1, 1994, shall commence with the mailing of a
27 notice by the system to the member, of his or her election
28 right. The effective date of the election shall be the date
29 on which the member became a state miscellaneous or
30 state industrial member. The member shall be obligated
31 to make the contributions specified in Section 20677.

32 (c) Effective on or after April 1, 1998, *and until*
33 *January 1, 2000*, state miscellaneous or industrial
34 members may elect to be subject to the service
35 retirement formula prescribed in Section 21353.5, as an
36 alternative to Second Tier membership under Section
37 21076. The election shall be provided to eligible members
38 by the appointing authority, and, to be effective, an
39 election must be filed with the board. Eligible members
40 who must be in the employment of the state are defined



1 as members in state bargaining units for which a
2 memorandum of understanding has been agreed to by
3 the state employer and the recognized employee
4 organization to become subject to Section 21353.5. The
5 effective date of a member's election shall be the first day
6 of the month following the date the election is filed with
7 the system.

8 (d) This section shall not apply to state miscellaneous
9 members employed by the California State University or
10 employees described in Section 20324.

11 *SEC. 16. Section 21072 of the Government Code is*
12 *amended to read:*

13 21072. (a) A member who elects to be subject to
14 Section 21076 shall be credited at no cost with all
15 creditable previous state miscellaneous or state industrial
16 service after the member is credited with one year of
17 service under Section 21076. A member who was subject
18 to Section 21076, who terminates membership, and who
19 subsequently returns to state service *prior to January 1,*
20 *2000*, shall be granted, at no cost, all of the service credit
21 earned as a result of the election, after the member is
22 credited with one year of service following return to state
23 service. The one-year requirement shall be waived for a
24 member who meets the service credit requirements for
25 disability retirement specified in Section 21150 with the
26 past creditable service.

27 (b) A member who elects to be subject to Section
28 21077, who terminates membership and who
29 subsequently returns to service shall be credited, at no
30 cost, with the service earned as a result of the election,
31 after the member is credited with one year of service
32 following return to state service. The one- year
33 requirement shall be waived for a member who meets the
34 service credit requirements for disability retirement
35 specified in Section 21150 with the past creditable service.

36 (c) A member who is entitled to service credit under
37 this section shall apply for and identify time periods for
38 that service to the board.

39 *SEC. 17. Section 21073.1 is added to the Government*
40 *Code, to read:*



1 21073.1. (a) A member who elects to receive service
2 credit under Section 21354.1, as authorized by Section
3 21073.7, for time during which the member received
4 service credit subject to Section 21076 or 21077, shall
5 deposit an amount equal to any accumulated
6 contributions the member withdrew pursuant to Section
7 20737, plus the interest that would have been credited to
8 his or her account had the contributions not been
9 withdrawn, and any contributions the member would
10 have made, plus an amount equal to the interest that
11 would have been credited to those contributions, had he
12 or she not been subject to Section 21076 or 21077. This
13 deposit shall be made in a lump sum or by installments,
14 with interest through the completion of payments, over
15 that period and subject to minimum payment amounts as
16 may be prescribed by regulations of the board.

17 (b) The board, in addition to its general rulemaking
18 authority under Section 20121, may adopt regulations
19 that implement this section. Those regulations shall be
20 exempt from review by the Office of Administrative Law
21 prior to filing with the Secretary of State and publication
22 in the California Code of Regulations.

23 SEC. 18. Section 21073.5 of the Government Code is
24 amended to read:

25 21073.5. A state Second Tier member, who meets the
26 eligibility definition prescribed in subdivision (c) of
27 Section 21071 may elect, prior to January 1, 2000, to be
28 subject to Section 21353.5 ~~at any time~~ while he or she is
29 in the employment of the state. Upon becoming subject
30 to Section 21353.5, the active member may elect, prior to
31 January 1, 2000, to have his or her past Second Tier service
32 credited under Section 21353.5. A member who elects to
33 receive credit for past service shall pay all reasonable
34 administrative costs and the amount that will be
35 equivalent to the difference between the actuarial
36 present value of the Second Tier service that had accrued
37 to the member's credit and the actuarial present value for
38 the same service had it been credited under Section
39 21353.5, including interest if deemed necessary, in
40 accordance with the method to be established by the



1 board. The amount shall be contributed in a lump sum or
2 by installments over a period and subject to minimum
3 payments as may be prescribed by regulations of the
4 board. Payments for administrative costs shall be credited
5 to the current appropriation for support of the board and
6 available for expenditures by the board to fund positions
7 deemed necessary by the board to implement this
8 section.

9 *SEC. 19. Section 21073.7 is added to the Government*
10 *Code, to read:*

11 *21073.7. (a) Effective January 1, 2000, members*
12 *subject to the Second Tier benefits provided in Section*
13 *21076 or 21077 may make an irrevocable election, to be*
14 *filed with the board, to be subject to the First Tier*
15 *benefits provided in Section 21354.1 and to make the*
16 *contributions specified in Section 20677. The election*
17 *shall be effective the first of the month following receipt*
18 *of the election by the system and shall be applicable to*
19 *state service rendered on and after that date. The*
20 *election may be made at any time prior to retirement and*
21 *shall be signed by the spouse of the member and both*
22 *signatures shall be notarized.*

23 *(b) A member subject to Section 21354.1 who has past*
24 *service credited under the Second Tier may elect, at any*
25 *time prior to retirement, to have his or her past Second*
26 *Tier service credited under Section 21354.1 by making*
27 *contributions specified in Section 21073.1. This*
28 *subdivision shall not apply to a Second Tier member*
29 *eligible to make the election provided in subdivision (a)*
30 *until after the effective date of that election.*

31 *(c) A member who has past service credit under the*
32 *modified First Tier pursuant to Section 21353.5 shall*
33 *become subject to Section 21354.1 and make*
34 *contributions as specified in Section 20677. The member's*
35 *past service and contributions in the modified First Tier*
36 *under Section 21353.5 shall be converted to First Tier*
37 *service and contributions and shall be subject to Section*
38 *21354.1 unless the member files a written request with the*
39 *board to remain subject to Section 21353.5. Contributions*
40 *previously credited as modified First Tier may be*



1 redeposited under the conditions specified in Section
2 20750, with the service credit and contributions subject to
3 Section 21354.1.

4 (d) "Member," as used in this section, includes a
5 person who, at the time an election is made under
6 subdivision (a), (b), or (c), is not receiving credit for
7 state service but has not ceased to be a member pursuant
8 to Section 20340 or 21075.

9 SEC. 20. Section 21077 of the Government Code is
10 amended to read:

11 21077. The service retirement allowance for a state
12 miscellaneous or state industrial member who elects to be
13 subject to this section shall be: the sum of the allowance
14 for service rendered under the Second Tier retirement
15 formula, computed pursuant to Section 21076, added to
16 the allowance for service rendered as a state
17 miscellaneous or state industrial member covered under
18 the First Tier formula, computed pursuant to Section
19 ~~21353~~ 21354.1.

20 SEC. 21. Section 21130 of the Government Code is
21 amended to read:

22 21130. Every patrol member subject to Section ~~21362~~
23 21362.2 shall be retired on the first day of the calendar
24 month succeeding that in which he or she attains ~~age 60~~
25 the age of 60 years.

26 SEC. 22. Section 21328 is added to the Government
27 Code, to read:

28 21328. In addition to the increase in allowance
29 authorized and granted pursuant to Section 21313, and
30 notwithstanding the limitation on that increase imposed
31 by this article and subdivision (b) of Section 21337,
32 effective January 1, 2000, the monthly allowance paid
33 with respect to a state or school member who retired or
34 died prior to January 1, 2000, shall be increased by the
35 percentage set forth opposite the year of retirement or
36 death in the following schedule:
37



1	<i>Period during which retirement</i>	
2	<i>or death occurred:</i>	<i>Percentage:</i>
3	<i>48 months ending Dec. 31, 1999</i>	<i>2.0%</i>
4	<i>12 months ending Dec. 31, 1995</i>	<i>3.0%</i>
5	<i>12 months ending Dec. 31, 1994</i>	<i>4.0%</i>
6	<i>12 months ending Dec. 31, 1993</i>	<i>4.5%</i>
7	<i>12 months ending Dec. 31, 1992</i>	
8	<i>or earlier</i>	<i>5.0%</i>

9
10 *The percentage shall be applied to the allowance*
11 *payable on January 1, 2000, and the allowance as so*
12 *increased shall be paid for time on and after the date and*
13 *until the first day of April immediately following the date*
14 *of application. The base allowance shall be the allowance*
15 *as increased under this section. Notwithstanding Section*
16 *21337 to the contrary, this increase shall not be included*
17 *in determining the initial monthly allowance upon which*
18 *a supplemental benefit is payable pursuant to Section*
19 *21337.*

20 *SEC. 23. Section 21337 of the Government Code is*
21 *amended to read:*

22 *21337. (a) On an annual basis, the board shall transfer*
23 *to a supplemental account, to fund the purchasing power*
24 *protection allowance, the lesser of either of the following:*

25 *(1) The amount necessary to increase all monthly*
26 *allowances paid by this system to 75 percent of the*
27 *purchasing power of the initial monthly allowances.*

28 *(2) Up to 1.1 percent of the net earnings on member*
29 *contributions, as determined by Section 20178, ~~to a~~*
30 *~~supplemental account to fund the purchasing power~~*
31 *~~protection allowance.~~*

32 *(b) The funds ~~so~~ transferred to the supplemental*
33 *account shall be utilized to increase all monthly*
34 *allowances paid by this system up to a maximum of 75*
35 *percent of the purchasing power, as determined by the*
36 *board, of the initial monthly allowances, notwithstanding*
37 *the benefit provided by Section 21328, that were received*
38 *by every retired person or survivor or beneficiary of a*
39 *state, school, or local member or retired person who was*
40 *eligible to receive any allowance at the end of each fiscal*



1 year. Funds remaining in the account after the payment
2 of benefits under this section shall be transferred to the
3 employer accounts.

4 *SEC. 24. Section 21353 of the Government Code is*
5 *amended to read:*

6 21353. The combined current and prior service
7 pensions for a local miscellaneous member, a school
8 member, ~~and for~~ a state miscellaneous member, a
9 *university member, and a state industrial member* is a
10 pension derived from the contributions of the employer
11 sufficient, when added to the service retirement annuity
12 that is derived from the accumulated normal
13 contributions of the member at the date of retirement, to
14 equal the fraction of one-fiftieth of the member's final
15 compensation set forth opposite the member's age at
16 retirement, taken to the preceding completed quarter
17 year, in the following table, multiplied by the number of
18 years of current and prior service except service in a
19 category of membership other than that of state
20 miscellaneous member ~~or~~, local miscellaneous member
21 ~~or~~, school member, *a university member, and a state*
22 *industrial member* or service covered under the First
23 Tier retirement formula, with which the member is
24 entitled to be credited at retirement:

26 Age of		
27 Retirement		Fraction
28 50	.....	.546
29 50 ¹ / ₄	.....	.554
30 50 ¹ / ₂	.....	.562
31 50 ³ / ₄	.....	.570
32 51	.....	.578
33 51 ¹ / ₄	.....	.586
34 51 ¹ / ₂	.....	.595
35 51 ³ / ₄	.....	.603
36 52	.....	.612
37 52 ¹ / ₄	.....	.621
38 52 ¹ / ₂	.....	.630
39 52 ³ / ₄	.....	.639
40 53	.....	.648



1	53 ¹ / ₄ .....	.658
2	53 ¹ / ₂ .....	.668
3	53 ³ / ₄ .....	.678
4	54 .....	.688
5	54 ¹ / ₄ .....	.698
6	54 ¹ / ₂ .....	.709
7	54 ³ / ₄ .....	.719
8	55 .....	.730
9	55 ¹ / ₄ .....	.741
10	55 ¹ / ₂ .....	.753
11	55 ³ / ₄ .....	.764
12	56 .....	.776
13	56 ¹ / ₄ .....	.788
14	56 ¹ / ₂ .....	.800
15	56 ³ / ₄ .....	.813
16	57 .....	.825
17	57 ¹ / ₄ .....	.839
18	57 ¹ / ₂ .....	.852
19	57 ³ / ₄ .....	.865
20	58 .....	.879
21	58 ¹ / ₄ .....	.893
22	58 ¹ / ₂ .....	.908
23	58 ³ / ₄ .....	.923
24	59 .....	.937
25	59 ¹ / ₄ .....	.953
26	59 ¹ / ₂ .....	.969
27	59 ³ / ₄ .....	.985
28	60	1.000
29	60 ¹ / ₄	1.017
30	60 ¹ / ₂	1.034
31	60 ³ / ₄	1.050
32	61	1.067
33	61 ¹ / ₄	1.084
34	61 ¹ / ₂	1.101
35	61 ³ / ₄	1.119
36	62	1.136
37	62 ¹ / ₄	1.154
38	62 ¹ / ₂	1.173



1	62 ³ / ₄	1.191
2	63 and over	1.209

3
4 The fractions specified in the above table shall be
5 reduced by one-third as applied to that part of final
6 compensation—~~which~~ *that* does not exceed four hundred
7 dollars (\$400) per month for all service of a member any
8 of whose service has been included in the federal system.
9 This reduction shall not apply to a member employed by
10 a contracting agency—~~which~~ *that* enters into a contract
11 after July 1, 1971, and elects not to be subject to this
12 paragraph or with respect to service rendered after the
13 termination of coverage under the federal system with
14 respect to the coverage group to which the member
15 belongs.

16 The improved retirement allowance provided by this
17 section is granted subject to future reduction prior to a
18 member's retirement, by offset of federal system benefits
19 or otherwise, as the Legislature may from time to time
20 deem appropriate because of changes in—~~such~~ *the* federal
21 system benefits.

22 *Effective January 1, 2000, this section shall only apply*
23 *to local miscellaneous members.*

24 *SEC. 25. Section 21353.5 of the Government Code is*
25 *amended to read:*

26 21353.5. The combined current and prior service
27 pensions for a state miscellaneous or industrial member
28 who has elected to be subject to the service retirement
29 formula prescribed in this section, as provided by Sections
30 21071 and 21073.5, is a pension derived from the
31 contributions of the employer sufficient, when added to
32 the service retirement annuity that is derived from the
33 accumulated normal contributions of the member at the
34 date of retirement, to equal the fraction of one-fiftieth of
35 the member's final compensation set forth opposite the
36 member's age at retirement, taken to the preceding
37 completed quarter year, in the following table, multiplied
38 by the number of years of current and prior service,
39 except service in a category of membership other than



1 that credited under this section, with which the member
2 is entitled to be credited at retirement:

3	4	5	6
	Age of		Fraction
	Retirement		
6	50	.....	.546
7	50 ¹ / ₄	.....	.554
8	50 ¹ / ₂	.....	.562
9	50 ³ / ₄	.....	.570
10	51	.....	.578
11	51 ¹ / ₄	.....	.586
12	51 ¹ / ₂	.....	.595
13	51 ³ / ₄	.....	.603
14	52	.....	.612
15	52 ¹ / ₄	.....	.621
16	52 ¹ / ₂	.....	.630
17	52 ³ / ₄	.....	.639
18	53	.....	.648
19	53 ¹ / ₄	.....	.658
20	53 ¹ / ₂	.....	.668
21	53 ³ / ₄	.....	.678
22	54	.....	.688
23	54 ¹ / ₄	.....	.698
24	54 ¹ / ₂	.....	.709
25	54 ³ / ₄	.....	.719
26	55	.....	.730
27	55 ¹ / ₄	.....	.741
28	55 ¹ / ₂	.....	.753
29	55 ³ / ₄	.....	.764
30	56	.....	.776
31	56 ¹ / ₄	.....	.788
32	56 ¹ / ₂	.....	.800
33	56 ³ / ₄	.....	.813
34	57	.....	.825
35	57 ¹ / ₄	.....	.839
36	57 ¹ / ₂	.....	.852
37	57 ³ / ₄	.....	.865
38	58	.....	.879
39	58 ¹ / ₄	.....	.893
40	58 ¹ / ₂	.....	.908



1	58 ³ / ₄ .....	.923
2	59 .....	.937
3	59 ¹ / ₄ .....	.953
4	59 ¹ / ₂ .....	.969
5	59 ³ / ₄ .....	.985
6	60 and over	1.000

7

8 The fractions specified in the above table shall be
9 reduced by one-third as applied to that part of final
10 compensation ~~which~~ *that* does not exceed four hundred
11 dollars (\$400) per month for all service of a member any
12 of whose service has been included in the federal system.

13 The retirement allowance provided by this section,
14 which shall be effective for members who retire on and
15 after April 1, 1998, is granted subject to future reduction
16 prior to a member's retirement, by offset of federal
17 system benefits or otherwise, as the Legislature may from
18 time to time deem appropriate because of changes in
19 ~~such~~ *the* federal system benefits.

20 *Other than for members who elect under subdivision*
21 *(c) of Section 21073.7 to remain subject to the modified*
22 *First Tier, this section shall not apply to state*
23 *miscellaneous members and state industrial members*
24 *who retire on or after January 1, 2000.*

25 SEC. 26. Section 21354.1 is added to the Government
26 Code, to read:

27 21354.1. *The combined current and prior service*
28 *pensions for school, state miscellaneous, university, and*
29 *state industrial members who are subject to the*
30 *provisions of this section is a pension derived from the*
31 *contributions of the employer sufficient, when added to*
32 *the service retirement annuity that is derived from the*
33 *accumulated normal contributions of the member at the*
34 *date of retirement, to equal the fraction of one-fiftieth of*
35 *the member's final compensation set forth opposite the*
36 *member's age at retirement, taken to the preceding*
37 *completed quarter year, in the following table, multiplied*
38 *by the number of years of current and prior service,*
39 *except service in a category of membership other than*
40 *that of a school, state miscellaneous, university, or state*



1 industrial member with which the member is entitled to
 2 be credited at retirement:

3	4	5	6	7
8	9	10	11	12
13	14	15	16	17
18	19	20	21	22
23	24	25	26	27
28	29	30	31	32
33	34	35	36	37
38	39	40	41	42
	Age at		Frac-	
	retirement		tion	
	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		1.0088	
	55 1/2		1.0175	
	55 3/4		1.0263	
	56		1.035	
	56 1/4		1.0438	
	56 1/2		1.0525	
	56 3/4		1.0613	
	57		1.070	
	57 1/4		1.0788	
	57 1/2		1.0875	
	57 3/4		1.0963	
	58		1.105	



1	58 ¹ / ₄	1.1138
2	58 ¹ / ₂	1.1225
3	58 ³ / ₄	1.1313
4	59	1.140
5	59 ¹ / ₄	1.1488
6	59 ¹ / ₂	1.1575
7	59 ³ / ₄	1.1663
8	60	1.175
9	60 ¹ / ₄	1.1838
10	60 ¹ / ₂	1.1925
11	60 ³ / ₄	1.2013
12	61	1.210
13	61 ¹ / ₄	1.2188
14	61 ¹ / ₂	1.2275
15	61 ³ / ₄	1.2363
16	62	1.245
17	62 ¹ / ₄	1.2538
18	62 ¹ / ₂	1.2625
19	62 ³ / ₄	1.2713
20	63	1.280
21	63 ¹ / ₄	1.2888
22	63 ¹ / ₂	1.2975
23	63 ³ / ₄	1.3063
24	64	1.315
25	64 ¹ / ₄	1.3238
26	64 ¹ / ₂	1.3325
27	64 ³ / ₄	1.3413
28	65	1.350

29
30 *The fraction specified in the above table shall be*
31 *reduced by one-third as applied to that part of final*
32 *compensation that does not exceed four hundred dollars*
33 *(\$400) per month for all service of a member any of whose*
34 *service has been included in the federal system.*

35 *This section shall supersede Section 21353 with respect*
36 *to all school, state miscellaneous, university, and state*
37 *industrial members who retire on or after January 1, 2000.*

38 *SEC. 27. Section 21362 of the Government Code is*
39 *amended to read:*



1 21362. The current service pension for patrol
 2 members and the combined current and prior service
 3 pensions for local safety members with respect to local
 4 safety service rendered to a contracting agency that is
 5 subject to this section is a pension derived from the
 6 contributions of the employer sufficient when added to
 7 the service retirement annuity that is derived from the
 8 accumulated normal contributions of the patrol member
 9 at the date of his or her retirement to equal the fraction
 10 of one-fiftieth of his or her final compensation set forth
 11 opposite his or her age at retirement taken to the
 12 preceding completed quarter year, in the following table,
 13 multiplied by the number of years of patrol service and
 14 local safety service subject to this section with which he
 15 or she is credited at retirement.

16	17 Age at	18 retirement	19 Fraction
19	50	.....	1.0000
20	50 ¹ / ₄	.....	1.0175
21	50 ¹ / ₂	.....	1.0350
22	50 ³ / ₄	.....	1.0525
23	51	.....	1.0700
24	51 ¹ / ₄	.....	1.0875
25	51 ¹ / ₂	.....	1.1050
26	51 ³ / ₄	.....	1.1225
27	52	.....	1.1400
28	52 ¹ / ₄	.....	1.1575
29	52 ¹ / ₂	.....	1.1750
30	52 ³ / ₄	.....	1.1925
31	53	.....	1.2100
32	53 ¹ / ₄	.....	1.2275
33	53 ¹ / ₂	.....	1.2450
34	53 ³ / ₄	.....	1.2625
35	54	.....	1.2800
36	54 ¹ / ₄	.....	1.2975
37	54 ¹ / ₂	.....	1.3150
38	54 ³ / ₄	.....	1.3325
39	55 and over	.....	1.3500



1 In no event shall the current service pension and the
2 combined current and prior service pensions under this
3 section for all service to all employers exceed an amount
4 that, when added to the service retirement annuity
5 related to that service, equals 75 percent of final
6 compensation. For state members who retire on or after
7 January 1, 1995, and with respect to service for all state
8 employers under this section, the benefit shall not exceed
9 80 percent of final compensation. If the pension relates to
10 service to more than one employer and would otherwise
11 exceed that maximum, the pension payable with respect
12 to each employer shall be reduced in the same proportion
13 as the allowance based on service to that employer bears
14 to the total allowance computed as though there were no
15 limit, so that the total of the pensions shall equal the
16 maximum. Where a state member retiring on or after
17 January 1, 1995, has service under this section with both
18 state and local agency employers, the 80-percent limit
19 shall apply and the additional benefit shall be funded by
20 increasing the member's pension payable with respect to
21 the state employer.

22 This section shall not apply to any contracting agency,
23 unless and until the agency elects to be subject to the
24 provisions of this section by amendment to its contract
25 made in the manner prescribed for approval of contracts
26 or, in the case of contracts made after the date this section
27 is operative, by express provision in the contract making
28 the contracting agency subject to the provisions of this
29 section.

30 This section shall supersede Section 21362.1, 21363,
31 21366, 21368, 21369, or 21370, whichever is then
32 applicable, with respect to patrol and local safety
33 members who retire after the date this section becomes
34 applicable to their respective employers.

35 This section shall not apply to state safety or state peace
36 officer/firefighter members.

37 *This section shall not apply to patrol members who*
38 *retire on or after January 1, 2000.*

39 The Legislature reserves, with respect to any member
40 subject to this section, the right to provide for the



1 adjustment of industrial disability retirement allowances
2 because of earnings of a retired person and modification
3 of the conditions and qualifications required for
4 retirement for disability as it may find appropriate
5 because of the earlier ages of service retirement made
6 possible by the benefits under this section.

7 *SEC. 28. Section 21362.2 is added to the Government*
8 *Code, to read:*

9 *21362.2. The current service pension for patrol*
10 *members who are subject to the provisions of this section*
11 *is a pension derived from the contributions of the*
12 *employer sufficient when added to the service*
13 *retirement annuity that is derived from the accumulated*
14 *normal contributions of the patrol member at the date of*
15 *his or her retirement to 3 percent of his or her final*
16 *compensation at the age of 50 years, multiplied by the*
17 *number of years of patrol service subject to this section*
18 *with which he or she is credited at retirement.*

19 *In no event shall the current service pension exceed an*
20 *amount that, when added to the service retirement*
21 *annuity related to that service, equals 85 percent of final*
22 *compensation. If the pension relates to service to more*
23 *than one employer and would otherwise exceed that*
24 *maximum, the pension payable with respect to each*
25 *employer shall be reduced in the same proportion as the*
26 *allowance based on service to that employer bears to the*
27 *total allowance computed as though there were no limit,*
28 *so that the total of the pensions shall equal the maximum.*

29 *This section shall supersede Sections 21362 and 21362.1*
30 *with respect to patrol members who retire on or after*
31 *January 1, 2000.*

32 *This section shall not apply to state safety or state peace*
33 *officer/firefighter members.*

34 *The Legislature reserves, with respect to any member*
35 *subject to this section, the right to provide for the*
36 *adjustment of industrial disability retirement allowances*
37 *because of earnings of a retired person and modification*
38 *of the conditions and qualifications required for*
39 *retirement for disability as it may find appropriate*



1 *because of the earlier ages of service retirement made*
2 *possible by the benefits under this section.*

3 *SEC. 29. Section 21363 of the Government Code is*
4 *amended to read:*

5 21363. (a) The combined current and prior service
6 pensions for state peace officer/firefighter members
7 subject to this section with respect to state peace
8 officer/firefighter service and the combined current and
9 prior service pensions for local safety members with
10 respect to local safety service rendered to a contracting
11 agency that is subject to this section is a pension derived
12 from the contributions of the employer sufficient when
13 added to the service retirement annuity that is derived
14 from the accumulated normal contributions of the state
15 peace officer/firefighter member at the date of his or her
16 retirement to equal the fraction of one-fiftieth of his or
17 her final compensation set forth opposite his or her age
18 at retirement taken to the preceding completed
19 quarter-year, in the following table, multiplied by the
20 number of years of state peace officer/firefighter service
21 subject to this section with which he or she is credited at
22 retirement.

24	Age at		Fraction
25	Retirement		
26	50	.....	1.0000
27	50 1/4	.....	1.0125
28	50 1/2	.....	1.0250
29	50 3/4	.....	1.0375
30	51	.....	1.0500
31	51 1/4	.....	1.0625
32	51 1/2	.....	1.0750
33	51 3/4	.....	1.0875
34	52	.....	1.1000
35	52 1/4	.....	1.1125
36	52 1/2	.....	1.1250
37	52 3/4	.....	1.1375
38	53	.....	1.1500
39	53 1/4	.....	1.1625
40	53 1/2	.....	1.1750



1	53 ³ / ₄	1.1875
2	54	1.2000
3	54 ¹ / ₄	1.2125
4	54 ¹ / ₂	1.2250
5	54 ³ / ₄	1.2375
6	55 and over	1.2500

7
8 (b) In no event shall the current service pension and
9 the combined current and prior service pensions under
10 this section for all service to all employers exceed an
11 amount that, when added to the service retirement
12 annuity related to that service, equals 75 percent of final
13 compensation. For state members who retire on or after
14 January 1, 1995, and with respect to service for all state
15 employers under this section, the benefit shall not exceed
16 80 percent of final compensation. If the pension relates to
17 service to more than one employer, or this section and
18 Section 21369, and would otherwise exceed that
19 maximum, the pension payable with respect to each
20 section or employer shall be reduced in the same
21 proportion as the allowance bears to the total allowance
22 computed as though there were no limit, so that the total
23 of the pensions shall equal the maximum. Where a state
24 member retiring on or after January 1, 1995, has service
25 under this section with both state and local agency
26 employers, the 80-percent limit shall apply and the
27 additional benefit shall be funded by increasing the
28 member's pension payable with respect to the state
29 employer.

30 (c) The Legislature reserves, with respect to any
31 member subject to this section, the right to provide for
32 the adjustment of industrial disability retirement
33 allowances because of earnings of a retired person and
34 modification of the conditions and qualifications required
35 for retirement for disability as it may find appropriate
36 because of the earlier age of service retirement made
37 possible by the benefits under this section.

38 (d) This section may be applied to related supervisory
39 classes or confidential positions for the respective
40 bargaining units specified in this section.



1 (e) (1) This section shall be operative with respect to
2 state peace officer/firefighter members in Corrections
3 Bargaining Unit No. 6, Protective Services and Public
4 Safety Bargaining Unit No. 7, or Firefighters Bargaining
5 Unit No. 8, in accordance with a memorandum of
6 understanding reached between the state and the
7 exclusive bargaining agent in the respective unit
8 pursuant to Chapter 10.3 (commencing with Section
9 3512) of Division 4 of Title 1. ~~This~~

10 (2) *This* section also shall be operative with respect to
11 the state peace officer/firefighter members employed by
12 a California State University police department who are
13 in Public Safety Unit No. 8 in accordance with a
14 memorandum of understanding reached between the
15 Trustees of the California State University and the
16 recognized employee organization pursuant to Chapter
17 12 (commencing with Section 3560) of Division 4 of Title
18 1.

19 (3) This section shall also be operative with respect to
20 a “state peace officer/firefighter member” defined in
21 subdivision (a) of Section 20396 if authorized by, and in
22 accordance with, a memorandum of understanding
23 reached between the Trustees of the California State
24 University and the recognized employee organization
25 pursuant to Chapter 12 (commencing with Section 3560)
26 of Division 4 of Title 1.

27 (4) Nothing in this section or in any other provision of
28 law affected by Chapter 1320 of the Statutes of 1984 or
29 Chapter 234 of the Statutes of 1986 shall be construed as
30 authorizing any future negotiation with respect to
31 whether or not any bargaining unit specified in this
32 section whose memorandum of understanding was
33 previously approved by the Legislature pursuant to law
34 and this section, shall continue to remain within the state
35 peace officer/firefighter membership category.

36 (5) The operative date of this section with respect to
37 members in each of the bargaining units specified in this
38 section shall be as provided for in the memorandum of
39 understanding.



1 ~~This section shall not apply to a person whose effective~~
2 ~~date of retirement is prior to the operative date of this~~
3 ~~section with respect to the bargaining unit of the person.~~

4 (6) *Notwithstanding any provisions in a memorandum*
5 *of understanding to the contrary, this section shall not*
6 *apply to any state peace officer/firefighter member who*
7 *retires on or after January 1, 2000.*

8 (f) This section shall be known as, and may be cited as
9 the State Peace Officers' and Fire Fighters' Retirement
10 Act.

11 (g) The Legislature reserves the right to subsequently
12 modify or amend this part in order to completely
13 effectuate the intent and purposes of this section and the
14 right to not provide any new comparable advantages if
15 disadvantages to employees result from any modification
16 or amendment.

17 (h) This section shall not apply to a contracting agency
18 nor its employees until, first, it is agreed to in a written
19 memorandum of understanding entered into by an
20 employer and representatives of employees and, second,
21 the contracting agency elects to be subject to it by
22 amendment to its contract made in the manner
23 prescribed for approval of contracts or in the case of a
24 new contract, by express provision of the contract. The
25 operative date of this section with respect to a local safety
26 member shall be the effective date of the amendment to
27 his or her employer's contract electing to be subject to
28 this section. *However, this section shall not apply to any*
29 *local safety member in the employ of an employer not*
30 *subject to this section on January 1, 2000.*

31 SEC. 30. *Section 21363.1 is added to the Government*
32 *Code, to read:*

33 21363.1. (a) *The combined current and prior service*
34 *pensions for state peace officer/firefighter members*
35 *subject to this section with respect to state peace*
36 *officer/firefighter service is a pension derived from the*
37 *contributions of the employer sufficient when added to*
38 *the service retirement annuity that is derived from the*
39 *accumulated normal contributions of the state peace*
40 *officer/firefighter member at the date of his or her*



1 retirement to equal the fraction of 3 percent of his or her
 2 final compensation set forth opposite his or her age at
 3 retirement taken to the preceding completed
 4 quarter-year, in the following table, multiplied by the
 5 number of years of state peace officer/firefighter service
 6 subject to this section with which he or she is credited at
 7 retirement.

8	9	10
	<i>Age at Retirement</i>	<i>Fraction</i>
10	50 .....	.800
11	50 ¹ / ₄ .....	.810
12	50 ¹ / ₂ .....	.820
13	50 ³ / ₄ .....	.830
14	51 .....	.840
15	51 ¹ / ₄ .....	.850
16	51 ¹ / ₂ .....	.860
17	51 ³ / ₄ .....	.870
18	52 .....	.880
19	52 ¹ / ₄ .....	.890
20	52 ¹ / ₂ .....	.900
21	52 ³ / ₄ .....	.910
22	53 .....	.920
23	53 ¹ / ₄ .....	.930
24	53 ¹ / ₂ .....	.940
25	53 ³ / ₄ .....	.950
26	54 .....	.960
27	54 ¹ / ₄ .....	.970
28	54 ¹ / ₂ .....	.980
29	54 ³ / ₄ .....	.990
30	55 and over	1.000

31
 32 (b) In no event shall the current service pension
 33 exceed an amount that, when added to the service
 34 retirement annuity related to that service, equals 80
 35 percent of final compensation. If the pension relates to
 36 service to more than one employer, or this section and
 37 Section 21369 or 21369.1 would otherwise exceed that
 38 maximum, the pension payable with respect to each
 39 section or employer shall be reduced in the same
 40 proportion as the allowance bears to the total allowance



1 computed as though there were no limit, so that the total
2 of the pensions shall equal the maximum. Where a state
3 member retiring on or after January 1, 2000, has service
4 under this section with the state and other local agency
5 safety service pursuant to Section 21369, the 80-percent
6 limit shall apply and the additional benefit shall be funded
7 by increasing the member's pension payable with respect
8 to the state employer.

9 (c) The Legislature reserves, with respect to any
10 member subject to this section, the right to provide for
11 the adjustment of industrial disability retirement
12 allowances because of earnings of a retired person and
13 modification of the conditions and qualifications required
14 for retirement for disability as it may find appropriate
15 because of the earlier age of service retirement made
16 possible by the benefits under this section.

17 (d) This section shall supersede Section 21363 with
18 respect to state peace officer/firefighter members who
19 retire on or after January 1, 2000.

20 (e) This section shall apply to state peace
21 officer/firefighter members who retire on or after
22 January 1, 2000.

23 (f) The Legislature reserves the right to subsequently
24 modify or amend this part in order to completely
25 effectuate the intent and purposes of this section and the
26 right to not provide any new comparable advantages if
27 disadvantages to employees result from any modification
28 or amendment.

29 SEC. 31. Section 21363.5 of the Government Code is
30 amended to read:

31 21363.5. Notwithstanding Section 21363 or 21363.1,
32 the limitation on the service retirement benefit shall be
33 85 percent for state peace officer/firefighter members in
34 State Bargaining Unit 6 who retire on and after January
35 1, 1999. This provision may also be applied to state peace
36 officer/firefighter members in related supervisory or
37 confidential positions, provided the Department of
38 Personnel Administration has approved this inclusion in
39 writing to the board.



1 SEC. 32. Section 21363.6 of the Government Code is
2 amended to read:

3 21363.6. Notwithstanding Section 21363 or 21363.1,
4 the limitation on the service retirement benefit shall be
5 85 percent for state peace officer/firefighter members in
6 State Bargaining Unit 8 who retire on and after January
7 1, 1999. This provision may also be applied to state peace
8 officer/firefighter members in related supervisory or
9 confidential positions, provided that the Department of
10 Personnel Administration has approved this inclusion in
11 writing to the board.

12 SEC. 33. Section 21369 of the Government Code is
13 amended to read:

14 21369. (a) The combined prior and current service
15 pension for a state safety member, and a local safety
16 member with respect to service to a contracting agency
17 subject to this section, upon retirement after attaining
18 *the age of 55 years*, is a pension derived from
19 contributions of an employer sufficient, when added to
20 that portion of the service retirement annuity that is
21 derived from the accumulated normal contributions of
22 the member at the date of his or her retirement, to equal
23 one-fiftieth of his or her final compensation multiplied by
24 the number of years of state safety, police, fire, or county
25 peace officer service that is credited to him or her as a
26 state safety member or a local safety member subject to
27 this section at retirement. Notwithstanding the
28 preceding sentence, this section shall apply to the current
29 and prior service pension for any other state safety
30 member based on service to which it would have applied
31 had the member, on July 1, 1971, been in employment
32 described in Section 20403 or 20404.

33 (b) Upon retirement for service prior to attaining *the*
34 *age of 55 years*, the percentage of final compensation
35 payable for each year of credited service that is subject to
36 this section shall be the product of 2 percent multiplied
37 by the factor set forth in the following table for his or her
38 actual age at retirement:
39



1		The percent for
2		each year of
3		credited service
4	If the retirement age occurs at:	is:
5	50	0.713
6	50 ¹ / ₄	0.725
7	50 ¹ / ₂	0.737
8	50 ³ / ₄	0.749
9	51	0.761
10	51 ¹ / ₄	0.775
11	51 ¹ / ₂	0.788
12	51 ³ / ₄	0.801
13	52	0.814
14	52 ¹ / ₄	0.828
15	52 ¹ / ₂	0.843
16	52 ³ / ₄	0.857
17	53	0.871
18	53 ¹ / ₄	0.886
19	53 ¹ / ₂	0.902
20	53 ³ / ₄	0.917
21	54	0.933
22	54 ¹ / ₄	0.950
23	54 ¹ / ₂	0.966
24	54 ³ / ₄	0.983

25

26 (c) In no event shall the total pension for all service
 27 under this section exceed an amount that, when added to
 28 the service retirement annuity related to that service,
 29 equals 75 percent of final compensation. For state
 30 members who retire on or after January 1, 1995, and with
 31 respect to service for all state employers under this
 32 section, the benefit shall not exceed 80 percent of final
 33 compensation. If the pension relates to service to more
 34 than one employer and would otherwise exceed that
 35 maximum, the pension payable with respect to each
 36 employer shall be reduced in the same proportion as the
 37 allowance based on service to that employer bears to the
 38 total allowance computed as though there were no limit,
 39 so that the total of those pensions shall equal the
 40 maximum. Where a state member retiring on or after



1 January 1, 1995, has service under this section with both
2 state and local agency employers, the 80-percent limit
3 shall apply and the additional benefit shall be funded by
4 increasing the member's pension payable with respect to
5 the state employer.

6 (d) This section shall not apply to a person whose
7 effective date of retirement is prior to July 1, 1971.

8 (e) The Legislature reserves, with respect to any
9 member subject to this section, the right to provide for
10 the adjustment of industrial disability retirement
11 allowances because of earnings of a retired person and
12 modification of the conditions and qualifications required
13 for retirement for disability as it may find appropriate
14 because of the earlier age of service retirement made
15 possible by the benefits under this section.

16 (f) The percentage of final compensation provided in
17 this section shall be reduced by one-third as applied to
18 that part of the member's final compensation that does
19 not exceed four hundred dollars (\$400) per month for
20 service after the effective date of coverage of a member
21 under the federal system. This ~~paragraph~~ *subdivision*
22 shall not apply to a member who retires after the date
23 upon which coverage under the federal system of persons
24 in his or her employment terminates. It shall not apply to
25 a local safety member employed by a contracting agency
26 electing to be subject to this section after March 7, 1973,
27 unless the agency elects to be subject to this paragraph by
28 amendment to its contract or by appropriate provision of
29 a contract entered into after this provision is effective and
30 as to any member, the reduction in the percentage of final
31 compensation shall apply to all local safety service to the
32 agency, if any of the local safety service has been included
33 in the federal system.

34 (g) This section shall not apply to a contracting agency
35 nor its employees until the agency elects to be subject to
36 it by amendment to its contract made in the manner
37 prescribed for approval of contracts or in the case of a
38 new contract, by express provision of the contract. The
39 operative date of this section with respect to a local safety
40 member shall be the effective date of the amendment to



1 his or her employer’s contract electing to be subject to
 2 this section.

3 (h) This section shall not apply to a state safety
 4 member who retires after December 31, 1999.

5 SEC. 34. Section 21369.1 is added to the Government
 6 Code, to read:

7 21369.1. (a) The combined prior and current service
 8 pension for state safety members, who are subject to the
 9 provisions of this section, upon retirement after attaining
 10 the age of 56 years, is a pension derived from
 11 contributions of an employer sufficient, when added to
 12 that portion of the service retirement annuity that is
 13 derived from the accumulated normal contributions of
 14 the member at the date of his or her retirement, to equal
 15 2.35 percent of his or her final compensation multiplied
 16 by the number of years of state safety service that is
 17 credited to him or her as a state safety member at
 18 retirement.

19 (b) Upon retirement for service prior to attaining the
 20 age of 56 years, the percentage of final compensation
 21 payable for each year of credited service that is subject to
 22 this section shall be the product of 2 percent multiplied
 23 by the factor set forth in the following table for his or her
 24 actual age at retirement:

25	26 27 28	<i>The percent for each year of credited service</i>
29	<i>If the retirement age occurs at:</i>	<i>is:</i>
30	50	0.8565
31	50 1/4	0.8650
32	50 1/2	0.8740
33	50 3/4	0.8830
34	51	0.8920
35	51 1/4	0.9020
36	51 1/2	0.9120
37	51 3/4	0.9222
38	52	0.9330
39	52 1/4	0.9410
40	52 1/2	0.9490



1	52 ³ / ₄	0.9570
2	53	0.9650
3	53 ¹ / ₄	0.9675
4	53 ¹ / ₂	0.9700
5	53 ³ / ₄	0.9725
6	54	0.9750
7	54 ¹ / ₄	0.9810
8	54 ¹ / ₂	0.9870
9	54 ³ / ₄	0.9935
10	55	1.000
11	55 ¹ / ₄	1.0435
12	55 ¹ / ₂	1.0870
13	55 ³ / ₄	1.1310
14	56	1.1750

15
16 (c) In no event shall the current service pension
17 exceed an amount that, when added to the service
18 retirement annuity related to that service, equals 80
19 percent of final compensation. If the pension relates to
20 service to more than one employer, or this section and
21 Section 21363 and would otherwise exceed that
22 maximum, the pension payable with respect to each
23 section or employer shall be reduced in the same
24 proportion as the allowance bears to the total allowance
25 computed as though there were no limit, so that the total
26 of the pension shall equal the maximum. Where a state
27 member retiring on or after January 1, 2000, has service
28 under this section with the state and other local agency
29 service pursuant to Section 21363, the 80-percent limit
30 shall apply and the additional benefit shall be funded by
31 increasing the member's pension payable with respect to
32 the state employer.

33 (d) Notwithstanding anything in this section to the
34 contrary, this section shall apply to the current and prior
35 service pension for any other state safety member based
36 on service to which it would have applied had the
37 member, on July 1, 1971, been in employment described
38 in Section 20403 or 20404.

39 (e) This section shall apply to state safety members
40 who retire on or after January 1, 2000.



1 (f) The Legislature reserves, with respect to any
2 member subject to this section, the right to provide for
3 the adjustment of industrial disability retirement
4 allowances because of earnings of a retired person and
5 modification of the conditions and qualifications required
6 for retirement for disability as it may find appropriate
7 because of the earlier age of service retirement made
8 possible by the benefits under this section.

9 (g) The percentage of final compensation provided in
10 this section shall be reduced by one-third as applied to
11 that part of the member's final compensation that does
12 not exceed four hundred dollars (\$400) per month for
13 service after the effective date of coverage of a member
14 under the federal system. This subdivision shall not apply
15 to a member who retires after the date upon which
16 coverage under the federal system of persons in his or her
17 employment terminates.

18 SEC. 35. Section 21372 of the Government Code is
19 amended to read:

20 21372. The combined current and prior service
21 pensions of a state safety member who on March 31, 1973,
22 was a forestry member not subject to former Section
23 21252.3, as added by Chapter 131 of the Statutes of 1970,
24 shall be determined in accordance with this part as it read
25 and applied to him or her on March 31, 1973, and the
26 member shall not become subject to Section ~~21369~~ 21369.1
27 unless he or she thereafter accepts appointment to a
28 position in another state department in which he or she
29 is a state safety member, and in that event he or she shall
30 be subject to Section ~~21369~~ 21369.1 with respect to all of
31 his or her state safety service.

32 SEC. 36. Section 21373 of the Government Code is
33 amended to read:

34 21373. The combined current and prior service
35 pensions for a state safety member who on March 31, 1973,
36 was a law enforcement member not subject to Section
37 21369, shall be determined in accordance with this part as
38 it read and applied to him or her on March 31, 1973, rather
39 than Section 21369 if under those provisions he or she is
40 entitled to a retirement allowance exceeding 2 percent of



1 final compensation per year of his or her law enforcement
2 service, unless he or she elects in writing to be subject to
3 Section 21369 and the election is filed in the office of the
4 board within 30 calendar days following April 1, 1973. Any
5 member who does not so elect and thereafter accepts
6 appointment to a position in another state department in
7 which he or she is a state safety member shall become
8 subject, upon that acceptance, to Section—21369 21369.1
9 with respect to all of his or her state safety service.

10 *SEC. 37. Section 21374 of the Government Code is*
11 *amended to read:*

12 21374. The combined current and prior service
13 pensions for a state safety member who on March 31, 1973,
14 was a warden member shall be determined in accordance
15 with this part as it read and applied to him or her on
16 March 31, 1973, if on March 31, 1973, he or she was either:
17 (a) in compensated employment in which he or she was
18 a warden member, or (b) on leave of absence from that
19 employment and who either: (1) has attained ~~age 55~~ *the*
20 *age of 55 years*, or (2), if on that date he or she was subject
21 to former Section 21252.2, as amended by Chapter 752 of
22 the Statutes of 1969, he or she entered warden service
23 after attaining ~~age 35~~ *the age of 35 years*, unless he or she
24 elects in writing to be subject to Section 21369 and the
25 election is filed in the office of the board within 30
26 calendar days following April 1, 1973.

27 Any member who thereafter accepts an appointment
28 to a position in another state department in which he or
29 she is a state safety member shall become subject to
30 Section—21369 21369.1 with respect to all of his or her state
31 safety service.

32 *SEC. 38. Section 21403 of the Government Code is*
33 *amended to read:*

34 21403. ~~Upon~~ *Prior to January 1, 2000, upon* retirement
35 for nonindustrial disability, a patrol member or local
36 safety member subject to Section 21362 or 21363 or a state
37 peace officer/firefighter who has attained ~~age 50~~ *the age*
38 *of 50 years*, or a state safety member who has attained ~~age~~
39 ~~55~~, *the age of 55 years* shall receive his or her service
40 retirement allowance. *This section shall not apply to*



1 patrol members, state peace officer/firefighter members,
2 or state safety members who retire on or after January 1,
3 2000.

4 SEC. 39. Section 21403.1 is added to the Government
5 Code, to read:

6 21403.1. Upon retirement, on or after January 1, 2000,
7 for nonindustrial disability, a patrol member subject to
8 Section 21362.2 or a state peace officer/firefighter
9 member who has attained the age of 50 years, or a state
10 safety member who has attained the age of 55 years, shall
11 receive his or her service retirement allowance.

12 SEC. 40. Section 21407 of the Government Code is
13 amended to read:

14 21407. Upon retirement of a state peace
15 officer/firefighter member subject to Section 21363 or
16 21363.1, or a local safety member subject to Section 21363
17 for industrial disability, the member shall receive a
18 disability allowance of 50 percent of his or her final
19 compensation plus an annuity purchased with his or her
20 accumulated additional contributions, if any, or, if
21 qualified for service retirement, the member shall
22 receive his or her service retirement allowance if the
23 allowance, after deducting the annuity, is greater.

24 SEC. 41. Section 21572 of the Government Code is
25 amended to read:

26 21572. (a) In lieu of benefits provided in Section
27 21571, if the death benefit provided by Section 21532 is
28 payable on account of a state member's death that occurs
29 under circumstances other than those described in
30 subparagraph (F) of paragraph (1) of subdivision (a) of
31 Section 21530, or if an allowance under Section 21546 is
32 payable, the payment pursuant to subdivision (b) shall be
33 made, in the following order of priority:

34 (1) The surviving wife or surviving husband of the
35 member, who has the care of unmarried children,
36 including stepchildren, of the member who are under 22
37 years of age, or are incapacitated because of a disability
38 that began before and has continued without
39 interruption after attainment of that age.



1 (2) The guardian of surviving unmarried children,
2 including stepchildren, of the member who are under 22
3 years of age or are so incapacitated.

4 (3) The surviving wife or surviving husband of the
5 member, who does not qualify under paragraph (1).

6 (4) Each surviving parent of the member.

7 (b) Regardless of the benefit provided by Section
8 21532 and of the beneficiary designated by the member
9 under that section, or regardless of the allowance
10 provided under Section 21546, the following applicable
11 1959 survivor allowance, under the conditions stated and
12 from contributions of the state, shall be paid:

13 (1) A surviving spouse who was either continuously
14 married to the member for at least one year prior to
15 death, or was married to the member prior to the
16 occurrence of the injury or onset of the illness that
17 resulted in death, and has the care of unmarried children,
18 including stepchildren, of the deceased member who are
19 under 22 years of age or are so incapacitated, shall be paid
20 four hundred fifty dollars (\$450) per month if there is one
21 child or five hundred thirty-eight dollars (\$538) per
22 month if there are two or more children. If there also are
23 children who are not in the care of the surviving spouse,
24 the portion of the allowance payable under this
25 paragraph, assuming that these children were in the care
26 of the surviving spouse, that is in excess of two hundred
27 twenty-five dollars (\$225) per month, shall be divided
28 equally among all those children and payments made to
29 the spouse and other children, as the case may be.

30 (2) If there is no surviving spouse, or if the surviving
31 spouse dies or remarries, and if there are unmarried
32 children, including stepchildren, of the deceased
33 member who are under 22 years of age or are so
34 incapacitated, or if there are children not in the care of
35 the spouse, the children shall be paid an allowance as
36 follows:

37 (A) If there is only one child, the child shall be paid two
38 hundred twenty-five dollars (\$225) per month.



1 (B) If there are two children, the children shall be paid
2 four hundred fifty dollars (\$450) per month divided
3 equally between them.

4 (C) If there are three or more children, the children
5 shall be paid five hundred thirty-eight dollars (\$538) per
6 month divided equally among them.

7 (3) A surviving spouse who has attained or attains the
8 age of 62 years and, with respect to that surviving spouse,
9 who was either continuously married to the member for
10 at least one year prior to death, or was married to the
11 member prior to the occurrence of the injury or onset of
12 the illness that resulted in death and has not remarried
13 subsequent to the member's death, shall be paid two
14 hundred twenty-five dollars (\$225) per month. No
15 allowance shall be paid under this paragraph while the
16 surviving spouse is receiving an allowance under
17 paragraph (1) or while an allowance is being paid under
18 subparagraph (C) of paragraph (2). The allowance paid
19 under this paragraph shall be eighty-eight dollars (\$88)
20 per month while an allowance is being paid under
21 subparagraph (B) of paragraph (2).

22 (4) If there is no surviving spouse or surviving child
23 who qualifies for a 1959 survivor allowance, or if the
24 surviving spouse dies or remarries and there is no
25 surviving child, or if the surviving spouse dies or
26 remarries and the children die or marry or, if not
27 incapacitated, reach 22 years of age, each of the member's
28 dependent parents who has attained or attains the age of
29 62, and who received at least one-half of his or her support
30 from the member at the time of the member's death, shall
31 be paid two hundred twenty-five dollars (\$225) per
32 month.

33 (c) "Stepchildren," for purposes of this section, shall
34 include only stepchildren of the member living with him
35 or her in a regular parent-child relationship at the time
36 of his or her death.

37 (d) This section shall apply to beneficiaries receiving
38 1959 survivor allowances on July 1, 1975, as well as to
39 beneficiaries with respect to the death of a state member
40 occurring on or after July 1, 1975.



1 (e) This section shall apply, with respect to benefits
2 payable on and after July 1, 1981, to all members
3 employed by a school employer, and school safety
4 members employed with a school district or community
5 college district as defined in subdivision (i) of Section
6 20057, except that it shall not apply, without contract
7 amendment, with respect to safety members who
8 became members after July 1, 1981. All assets and
9 liabilities of all school employers, and their employees, on
10 account of benefits provided under this article shall be
11 pooled into a single account, and a single employer rate
12 shall be established to provide benefits under this section
13 on account of all miscellaneous members employed by a
14 school employer and all safety members who are
15 members on July 1, 1981.

16 (f) This section shall not apply to any member in the
17 employ of an employer not subject to this section on
18 January 1, 1994.

19 (g) A contracting agency may, by amending its
20 contract, elect to make this section applicable to local
21 members employed by the agency.

22 (h) On and after January 1, 2000, and until January 1,
23 2010, all state members covered by this section shall be
24 covered by the benefit provided under Section 21574.7.
25 On and after January 1, 2010, all state members not
26 covered by Section 21573 or 21574.7 shall be covered by
27 this section.

28 ~~SEC. 2.~~

29 *SEC. 42.* Section 21573 of the Government Code is
30 amended to read:

31 21573. (a) In lieu of benefits provided in Section
32 21571 or Section 21572, if the death benefit provided by
33 Section 21532 is payable on account of a state member's
34 death that occurs under circumstances other than those
35 described in subparagraph (F) of paragraph (1) of
36 subdivision (a) of Section 21530, or if an allowance under
37 Section 21546 is payable, the payment pursuant to
38 subdivision (b) shall be made in the following order of
39 priority:



1 (1) The surviving wife or surviving husband of the
2 member, who has the care of unmarried children,
3 including stepchildren, of the member who are under 22
4 years of age, or are incapacitated because of a disability
5 that began before and has continued without
6 interruption after attainment of that age.

7 (2) The guardian of surviving unmarried children,
8 including stepchildren, of the member who are under 22
9 years of age or are so incapacitated.

10 (3) The surviving wife or surviving husband of the
11 member, who does not qualify under paragraph (1).

12 (4) Each surviving parent of the member.

13 (b) Regardless of the benefit provided by Section
14 21532 and of the beneficiary designated by the member
15 under that section, or regardless of the allowance
16 provided under Section 21546, the following applicable
17 1959 survivor allowance, under the conditions stated and
18 from contributions of the state, shall be paid:

19 (1) A surviving spouse who was either continuously
20 married to the member for at least one year prior to
21 death, or who was married to the member prior to the
22 occurrence of the injury or onset of the illness that
23 resulted in death, and has the care of unmarried children,
24 including stepchildren, of the deceased member who are
25 under 22 years of age or are so incapacitated, shall be paid
26 seven hundred dollars (\$700) per month if there is one
27 child, or eight hundred forty dollars (\$840) per month if
28 there are two or more children. If there also are children
29 who are not in the care of the surviving spouse, the
30 portion of the allowance payable under this paragraph,
31 assuming that these children were in the care of the
32 surviving spouse, that is in excess of three hundred fifty
33 dollars (\$350) per month, shall be divided equally among
34 all those children and payments made to the spouse and
35 other children, as the case may be.

36 (2) If there is no surviving spouse, or if the surviving
37 spouse dies or remarries, and if there are unmarried
38 children, including stepchildren, of the deceased
39 member who are under 22 years of age or are so
40 incapacitated, or if there are children not in the care of



1 the spouse, the children shall be paid an allowance as
2 follows:

3 (A) If there is only one child, the child shall be paid
4 three hundred fifty dollars (\$350) per month.

5 (B) If there are two children, the children shall be paid
6 seven hundred dollars (\$700) per month divided equally
7 between them.

8 (C) If there are three or more children, the children
9 shall be paid eight hundred forty dollars (\$840) per
10 month divided equally among them.

11 (3) A surviving spouse who has attained or attains the
12 age of 62 years, and, with respect to that surviving spouse,
13 who was either continuously married to the member for
14 at least one year prior to death, or who was married to the
15 member prior to the occurrence of the injury or onset of
16 the illness that resulted in death and has not remarried
17 subsequent to the member's death, shall be paid three
18 hundred fifty dollars (\$350) per month. No allowance
19 shall be paid under this paragraph while the surviving
20 spouse is receiving an allowance under paragraph (1) or
21 while an allowance is being paid under subparagraph (C)
22 of paragraph (2). The allowance paid under this
23 paragraph shall be one hundred forty dollars (\$140) per
24 month while an allowance is being paid under
25 subparagraph (B) of paragraph (2).

26 (4) If there is no surviving spouse or surviving child
27 who qualifies for the 1959 survivor allowance, or if the
28 surviving spouse dies or remarries and there is no
29 surviving child, or if the surviving spouse dies or
30 remarries and the children die or marry or, if not
31 incapacitated, reach 22 years of age, each of the member's
32 dependent parents who has attained or attains the age of
33 62 years, and who received at least one-half of his or her
34 support from the member at the time of the member's
35 death, shall be paid three hundred fifty dollars (\$350) per
36 month.

37 (c) "Stepchildren," for purposes of this section, shall
38 include only stepchildren of the member living with the
39 member in a regular parent-child relationship at the time
40 of the death of the member.



1 (d) This section shall apply to beneficiaries of state
2 members whose death occurred before January 1, 1985.
3 Where a surviving spouse attained the age of 62 years
4 prior to January 1, 1987, entitlement shall exist retroactive
5 to January 1, 1985, or to his or her 62nd birthday,
6 whichever is later. All assets and liabilities of all state
7 agencies and their employees on account of benefits
8 provided to beneficiaries specified in this subdivision
9 shall be pooled into a single account. The board shall
10 transfer from the reserve for 1959 survivor contributions
11 retained in the retirement fund, an amount sufficient to
12 pay the cost of the increased benefits provided by this
13 subdivision for beneficiaries of members who died on or
14 before December 31, 1984.

15 (e) This section shall not apply to beneficiaries with
16 respect to the death of a state member, except as
17 provided in subdivision (i), occurring on or after January
18 1, 1985, unless provided for in a memorandum of
19 understanding reached pursuant to Section 3517.5, or
20 authorized by the Director of Personnel Administration
21 for classifications of state employees that are excluded
22 from, or not subject to, collective bargaining. The
23 memorandum of understanding adopting this section
24 shall be controlling without further legislative action,
25 except that if those provisions of a memorandum of
26 understanding require the expenditure of funds, those
27 provisions shall not become effective unless approved by
28 the Legislature as provided by law.

29 (f) This section shall apply, with respect to benefits
30 payable on and after January 1, 1985, to school members
31 and to school safety members, as defined in Section 20444.
32 All assets and liabilities of all school employers, and their
33 employees, on account of benefits provided under this
34 article shall be pooled into a single account, and a single
35 employer rate shall be established to provide benefits
36 under this section on account of school members
37 employed by a school employer.

38 (g) This section shall apply to members of a
39 contracting agency that, in its original contract or by
40 amending its contract, first elects effective on or after



1 January 1, 1985, to make this article applicable to local
2 members employed by the agency. On and after January
3 1, 1985, contracting agencies already subject to Section
4 21571 or Section 21572 may elect by contract amendment
5 to be subject to this section. All assets and liabilities of all
6 contracting agencies subject to this section, and their
7 employees, on account of benefits provided under this
8 article shall be pooled into a single account, and a single
9 employer rate shall be established to provide benefits
10 under this section on account of members employed by
11 a contracting agency that is subject to this section. Any
12 public agency first contracting with the board on and
13 after January 1, 1994, or any contracting agency
14 amending its contract to remove exclusions of member
15 classifications on or after January 1, 1994, that has not,
16 pursuant to Section 418 of Title 42 of the United States
17 Code, entered into an agreement with the federal
18 government for the coverage of its employees under the
19 federal system, shall be subject to this section.

20 (h) The rate of contribution of an employer subject to
21 this section shall be figured using the term insurance
22 valuation method. If a contracting agency that is subject
23 to this section has a surplus in its 1959 survivor benefit
24 account as of the date the contracting agency becomes
25 subject to this section, the surplus shall be applied to
26 reduce its rate of contribution. If a contracting agency
27 that is subject to this section has a deficit in its 1959
28 survivor benefit account as of the date the contracting
29 agency becomes subject to this section, its rate of
30 contribution shall be increased until the deficit is paid.

31 (i) This section shall not apply to beneficiaries with
32 respect to the death of a state member employed by the
33 California State University occurring on or after January
34 1, 1988, unless provided for in a memorandum of
35 understanding reached pursuant to Chapter 12
36 (commencing with Section 3560) of Division 4 of Title 1,
37 or authorized by the Trustees of the California State
38 University for employees excluded from collective
39 bargaining. The memorandum of understanding shall be
40 controlling without further legislative action, except that



1 if the provisions of a memorandum of understanding
2 require the expenditure of funds, the provisions shall not
3 become effective unless approved by the Legislature in
4 the annual Budget Act.

5 (j) On and after January 1, 2000, and until January 1,
6 2010, all state and school members covered by this section
7 shall be covered by the benefit provided under Section
8 21574.7. On and after January 1, 2010, all state and school
9 members not covered by Section 21572 or 21574.7 shall be
10 covered by this section.

11 ~~SEC. 3.~~

12 *SEC. 43.* Section 21574.7 is added to the Government
13 Code, to read:

14 21574.7. (a) In lieu of benefits provided in Section
15 21571, 21572, 21573, or 21574, if the death benefit provided
16 by Section 21532 is payable on account of a state
17 member's death that occurs under circumstances other
18 than those described in subparagraph (F) of paragraph
19 (1) of subdivision (a) of Section 21530, or if an allowance
20 under Section 21546 is payable, the payment pursuant to
21 subdivision (b) shall be made in the following order of
22 priority:

23 (1) The surviving spouse of the member, who has the
24 care of unmarried children, including stepchildren, of the
25 member who are under 22 years of age, or are
26 incapacitated because of a disability that began before
27 and has continued without interruption after the
28 attainment of that age.

29 (2) The guardian of surviving unmarried children,
30 including stepchildren, of the member who are 22 years
31 of age or are so incapacitated.

32 (3) The surviving spouse of the member, who does not
33 qualify under paragraph (1).

34 (4) Each surviving parent of the member.

35 (b) Regardless of the benefit provided by Section
36 21532 and of the beneficiary designated by the member
37 under that section, or regardless of the allowance
38 provided under Section 21546, the following applicable
39 1959 survivor allowance, under the conditions stated and
40 from contributions of the employer, shall be paid:



1 (1) A surviving spouse who was either continuously
2 married to the member for at least one year prior to
3 death, or was married to the member prior to the
4 occurrence of the injury or onset of the illness that
5 resulted in death, and has the care of unmarried children,
6 including stepchildren, of the deceased member who are
7 under 22 years of age or are so incapacitated, shall be paid
8 one thousand five hundred dollars (\$1,500) per month if
9 there is one child or one thousand eight hundred dollars
10 (\$1,800) per month if there are two or more children. If
11 there also are children who are not in the care of the
12 surviving spouse, the portion of the allowance payable
13 under this paragraph, assuming that these children were
14 in the care of the surviving spouse, that is in excess of
15 seven hundred fifty dollars (\$750) per month, shall be
16 divided equally among all those children and payments
17 made to the spouse and other children, as the case may
18 be.

19 (2) If there is no surviving spouse, or if the surviving
20 spouse dies, and if there are unmarried children,
21 including stepchildren, of the deceased member who are
22 under 22 years of age or are so incapacitated, or if there
23 are children not in the care of the spouse, the children
24 shall be paid an allowance as follows:

25 (A) If there is only one child, the child shall be paid
26 seven hundred fifty dollars (\$750) per month.

27 (B) If there are two children, the children shall be paid
28 one thousand five hundred dollars (\$1,500) per month
29 divided equally between them.

30 (C) If there are three or more children, the children
31 shall be paid one thousand eight hundred dollars (\$1,800)
32 per month divided equally among them.

33 (3) A surviving spouse who has attained or attains the
34 age of 60 years, and who was either continuously married
35 to the member for at least one year prior to death, or was
36 married to the member prior to the occurrence of the
37 injury or onset of the illness that resulted in death, shall
38 be paid seven hundred fifty dollars (\$750) per month. No
39 allowance shall be paid under this paragraph while the
40 surviving spouse is receiving an allowance under



1 paragraph (1) or while an allowance is being paid under
2 subparagraph (C) of paragraph (2). The allowance paid
3 under this paragraph shall be three hundred dollars
4 (\$300) per month while an allowance is being paid under
5 subparagraph (B) of paragraph (2).

6 (4) If there is no surviving spouse or surviving child
7 who qualifies for the 1959 survivor allowance, or if the
8 surviving spouse dies and there is no surviving child, or
9 if the surviving spouse dies and the children die or marry
10 or, if not incapacitated, reach 22 years of age, each of the
11 member's dependent parents who has attained or attains
12 the age of 60 years, and who received at least one-half of
13 his or her support from the member at the time of the
14 member's death, shall be paid seven hundred fifty dollars
15 (\$750) per month.

16 (c) "Stepchildren," for purposes of this section, shall
17 include only stepchildren of the member living with the
18 member in a regular parent-child relationship at the time
19 of the death of the member.

20 (d) This section shall only apply to state and school
21 members effective on or after January 1, 1999. All assets
22 and liabilities of employers subject to this section, and
23 their employees, on account of benefits provided under
24 this article shall be pooled into a single account, and a
25 single employer rate shall be established to provide
26 benefits under this section on account of state and school
27 members employed by the state or a school employer.

28 (e) The rate of contribution of an employer subject to
29 this section shall be calculated using a method
30 determined by the board. Surplus assets shall be applied
31 to reduce the rate of contribution. If a deficit exists, the
32 rate of contribution shall be increased until the deficit is
33 paid.

34 (f) On and after January 1, 2000, and until January 1,
35 2010, all state employees and school members shall be
36 covered by this section.

37 (g) This section shall be repealed on January 1, 2010,
38 unless a later enacted statute, that becomes effective on
39 or before January 1, 2010, deletes or extends that date.

40 ~~SEC. 4.~~



1 SEC. 44. Section 21581 of the Government Code is
2 amended to read:

3 21581. (a) The rate of contribution of a member
4 subject to this article shall include, in addition to his or her
5 normal rate, two dollars (\$2) per month or fraction
6 thereof, or ninety-three cents (\$0.93) for each biweekly
7 payroll period or fraction thereof, where salaries are paid
8 on that basis. Those contributions shall not become a part
9 of a member's accumulated contributions or be treated or
10 administered as normal contributions and shall not be
11 refundable to a member under any circumstances. Those
12 contributions shall be available only for payment of 1959
13 survivor allowances.

14 (b) Notwithstanding subdivision (a), the total
15 monthly premium required for Section 21574.7, as
16 determined by the board, shall be offset by the uniform
17 amortization of surplus assets within this account.
18 Member contributions shall be two dollars (\$2) per
19 month until such time as the future required monthly
20 premium exceeds four dollars (\$4), and the employer
21 shall pay the difference between the total required
22 monthly premium and the member's contribution. Once
23 the total required monthly premium exceeds four dollars
24 (\$4), the member and the employer shall evenly share
25 the required monthly premium.

