

AMENDED IN SENATE AUGUST 20, 2010

CALIFORNIA LEGISLATURE—2009—10 REGULAR SESSION

ASSEMBLY BILL

No. 194

Introduced by ~~Committee on Budget (Evans (Chair), Arambula, Beall, Blumenfield, Brownley, Caballero, Carter, De La Torre, Feuer, Hill, Huffman, Monning, Ruskin, and Swanson)~~ Assembly Members *Torrico and Torres*
(Coauthors: Assembly Members De La Torre and Gatto)

February 2, 2009

~~An act relating to the Budget Act of 2009. An act to add Section 7503.5 to the Government Code, relating to retirement.~~

LEGISLATIVE COUNSEL'S DIGEST

AB 194, as amended, ~~Committee on Budget Torrico. Budget Act of 2009. Retirement: local employees.~~

The Public Employees' Retirement Law (PERL) creates the Public Employees' Retirement System (PERS), which provides a defined benefit to its members based on age at retirement, service credit, and final compensation, as defined. The State Teachers' Retirement Law (STRL) and the retirement laws for county employees and city employees also provide for a defined benefit based on age at retirement, service credit, and final compensation. Existing law requires the California Citizens Compensation Commission to establish the annual salary and the medical, dental, insurance, and other similar benefits of state officers.

This bill would specify that, notwithstanding any other law, for the purposes of determining a retirement benefit paid to a person who first becomes a member of a public retirement system on or after January 1, 2011, the maximum salary or payrate upon which retirement benefits shall be based shall not exceed 125% of the salary recommended by

the California Citizens Compensation Commission to be paid to the Governor of the State of California, effective December 7, 2009. The bill would require that this amount be adjusted annually based on changes in the All Urban California Consumer Price Index.

~~This bill would express the intent of the Legislature to enact statutory changes relating to the Budget Act of 2009.~~

Vote: majority. Appropriation: no. Fiscal committee: ~~no~~-yes. State-mandated local program: no.

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

1 SECTION 1. Section 7503.5 is added to the Government Code,
2 to read:
3 7503.5. Notwithstanding any other law, for the purposes of
4 determining a retirement benefit paid to a person who first becomes
5 a member of a public retirement system on or after January 1,
6 2011, the maximum salary or payrate upon which retirement
7 benefits shall be based shall not exceed 125 percent of the salary
8 recommended by the California Citizens Compensation
9 Commission to be paid to the Governor of the State of California
10 effective December 7, 2009. This amount shall be adjusted annually
11 based on changes in the All Urban California Consumer Price
12 Index.

13 SECTION 1. ~~It is the intent of the Legislature to enact statutory~~
14 ~~changes relating to the Budget Act of 2009.~~