

AMENDED IN ASSEMBLY APRIL 16, 2009

AMENDED IN ASSEMBLY MARCH 25, 2009

CALIFORNIA LEGISLATURE—2009–10 REGULAR SESSION

ASSEMBLY BILL

No. 232

Introduced by Assembly Members Hill and Fletcher
(Coauthor: Assembly Member Tran)
(Coauthor: Senator DeSaulnier)

February 5, 2009

An act to amend Section 24604 of, and to add Section 22011 to, the Education Code, relating to retirement.

LEGISLATIVE COUNSEL'S DIGEST

AB 232, as amended, Hill. Teachers' retirement.

The Teachers' Retirement Law establishes certain retirement benefits and procedures for the administration of those benefits to retired public schoolteachers and other persons formerly employed in connection with the schools, as specified. Existing law requires that certain documents relating to benefits under that retirement system be signed, as specified.

This bill would require that, for an application or document requiring a signature, that signature be in a form prescribed by the retirement system, including on paper or made by electronic means.

Existing law authorizes a retired member, disabled member, or beneficiary to specify that monthly benefit payments be disbursed by direct deposit, direct mail to a financial or other institution, or by mailing to a payment address provided by the retired member, disabled member, or beneficiary. Existing law requires a member or beneficiary to whom a lump-sum payment or benefit is to be disbursed to specify the mailing address for the payment.

This bill would apply the above provisions relating to the method of receiving benefit payments and the mailing address for lump-sum payments to a member, nonmember spouse, or beneficiary. The bill would provide that a member, nonmember spouse, or beneficiary to whom a lump-sum payment or benefit is to be disbursed, and who is receiving payment for an ongoing benefit by electronic funds transfer, may have the lump-sum payment disbursed by electronic funds transfer to the financial institution on file for payment of the ongoing benefit. The bill would require the retirement system to make available an electronic copy of the benefit payment information to any member, nonmember spouse, or beneficiary who receives a monthly benefit payment. The bill would also require the retirement system to send a copy of the benefit payment information to any member, nonmember spouse, or beneficiary when there is an adjustment in the allowance, or a change in any amount deducted from the allowance.

Existing law requires the Teachers' Retirement Board to send a copy of the benefit payment information to any retired member, disabled member, or beneficiary who has payments transmitted by direct deposit or by mail to a financial institution, unless the board has received a written request from that person not to send a copy of the information.

This bill would delete the provision that requires the Teachers' Retirement Board to send a copy of the benefit payment information to any retired member, disabled member, or beneficiary who has payments transmitted by direct deposit or by mail to a financial institution. *The bill would instead require the board to notify the member, nonmember spouse, or beneficiary that he or she has the right to request that a copy of the benefit payment information be mailed. The bill would require the board to send a copy of the benefit payment information if the system has received a written request from that person.*

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

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

- 1 SECTION 1. It is the intent of the Legislature to promote the
- 2 use of improvements in technology to provide services in the most
- 3 cost-effective and efficient manner and also to use those
- 4 improvements to engage in environmentally sound practices, such
- 5 as reducing the amount of paper documents that are mailed and
- 6 received.

1 SEC. 2. Section 22011 is added to the Education Code, to read:
2 22011. For an application or document requiring a signature,
3 that signature shall be in a form prescribed by the system,
4 including, but not limited to, on paper or made by electronic means.
5 Notwithstanding any other law, an application or document made
6 under this part that is signed and submitted by the person
7 authorized to do so using technology and security measures
8 prescribed by the system shall be deemed to be a signed and valid
9 original document.

10 SEC. 3. Section 24604 of the Education Code is amended to
11 read:

12 24604. (a) A member, nonmember spouse, or beneficiary
13 under this part shall specify whether monthly benefit payments
14 are to be disbursed by: (1) direct deposit (electronic funds transfer);
15 (2) direct mail to a financial or other institution; or (3) mailing to
16 a payment address provided by the member, nonmember spouse,
17 or beneficiary.

18 (b) A member, nonmember spouse, or beneficiary under this
19 part to whom a lump-sum payment or benefit is to be disbursed,
20 and who is receiving payment for an ongoing benefit by electronic
21 funds transfer, may have the lump-sum payment disbursed by
22 electronic funds transfer to the financial institution on file for
23 payment of the ongoing benefit.

24 (c) A member, nonmember spouse, or beneficiary under this
25 part who is not receiving payment for an ongoing benefit by
26 electronic funds transfer and to whom a lump-sum payment or
27 benefit is to be disbursed shall specify the address to which the
28 payment shall be mailed.

29 (d) (1) The system shall make available an electronic copy of
30 the benefit payment information to any member, nonmember
31 spouse, or beneficiary under this part who receives a monthly
32 benefit payment.

33 (2) *The board shall notify the member, nonmember spouse, or*
34 *beneficiary that he or she has the right to request that a copy of*
35 *the benefit payment information be mailed. The board shall send*
36 *a copy of the benefit payment information if the system has received*
37 *a written request from that person.*

38 ~~(2)~~

39 (3) The system shall send a copy of the benefit payment
40 information to any member, nonmember spouse, or beneficiary

- 1 under this part when there is an adjustment in the allowance, or a
- 2 change in any amount deducted from the allowance.
- 3 (e) A payment disbursed as specified by the member,
- 4 nonmember spouse, or beneficiary under this part shall fully
- 5 discharge the board, system, and plan from any claim resulting
- 6 from actions taken under this section.