

AMENDED IN SENATE OCTOBER 7, 2010

AMENDED IN ASSEMBLY APRIL 19, 2010

CALIFORNIA LEGISLATURE—2009—10 REGULAR SESSION

ASSEMBLY BILL

No. 1631

**Introduced by Committee on Budget (Blumenfield (Chair)) Assembly
Member Garrick
(Coauthor: Senator Hollingsworth)**

January 11, 2010

An act relating to the Budget Act of 2010. An act to amend Sections 21251.13, 21353, 21354.1, 21363, 21363.1, 21363.3, 21363.4, 21363.8, 21369, and 21369.1 of, and to add Section 20037.15 to, the Government Code, relating to state employees, and declaring the urgency thereof, to take effect immediately.

LEGISLATIVE COUNSEL'S DIGEST

AB 1631, as amended, ~~Committee on Budget~~ *Garrick*. ~~Budget Act of 2010. State employees: benefits: retirement.~~

(1) The Public Employees' Retirement Law (PERL) provides a comprehensive set of rights and benefits based upon age, service credit, and final compensation. Existing law defines final compensation variously for different member classifications and bargaining units and, in this regard, defines final compensation for a state member for the purpose of calculating retirement benefits as the highest annual average compensation earnable by the member during a designated 12-month or 36-month period, depending upon the bargaining unit and classification of that employee. Currently the final compensation for members hired on or after July 1, 2006, who are represented by State Bargaining Units 12, 16, 18, and 19, and for members hired on and

after October 31, 2010, who are represented by State Bargaining Units 5 and 8 means the final compensation earnable by the member during a designated 36-month period.

This bill would provide that final compensation for a person who becomes a state member, as specified, on or after November 10, 2010, and who is represented by State Bargaining Unit 6, 7, or 9, or who is an excluded employee, legislative employee, or judicial branch employee, or an employee of California State University, means the highest annual average compensation earnable by the member during a designated 36-month period.

(2) PERL establishes various retirement formulas that apply to specified membership categories. Under PERL, state miscellaneous members are generally subject to a retirement formula commonly known as 2% at 55, which, if the member retires at 55 years of age, yields a benefit equal to 2% of the member's final compensation multiplied by the member's years of service credit, as specified. Under PERL, state miscellaneous members represented by specified bargaining units who are first employed on after September 1, 2010, are subject to a 2% at 60 retirement formula. Under PERL, patrol members and specified state peace officer/firefighter members are subject to a 3% at 50 retirement formula, with the exception of patrol members and firefighters who are members of State Bargaining Units 5 and 8, first employed on and after October 31, 2010, who are subject to a 3% at 55 retirement formula. Under PERL, safety members employed by the state and the California State University are generally subject to a 2.5% at age 55 retirement formula.

This bill would provide that all state miscellaneous members, who are first employed on and after November 10, 2010, are subject to a 2% at 60 retirement formula, but would provide that the change would not apply if there is a current memorandum of understanding that provides a different formula only for the period that the memorandum of understanding is in effect. The bill would provide that peace officer/firefighter members of State Bargaining Units 6 and 7, state, legislative, judicial branch, and California State University peace officers who are first employed on and after November 10, 2010, are subject to a 2.5% at 55 retirement formula, but would provide that the change would not apply if there is a current memorandum of understanding that provides a different formula only for the period that the memorandum of understanding is in effect. This bill would provide that safety members who are first employed by the state and the

California State University on and after November 10, 2010, are subject to a 2% at age 55 retirement formula, but would provide that the change would not apply if there is a current memorandum of understanding that provides a different formula only for the period that the memorandum of understanding is in effect.

(3) This bill would declare that it is to take effect immediately as an urgency statute.

~~This bill would express the intent of the Legislature to enact statutory changes relating to the Budget Act of 2010.~~

Vote: ~~majority~~^{2/3}. 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 20037.15 is added to the Government
2 Code, to read:

3 20037.15. (a) Notwithstanding Sections 3517.8, 20035, and
4 20037, final compensation for a person who is employed for the
5 first time and becomes a member of the system on or after
6 November 10, 2010, means the highest average annual
7 compensation earnable by the member during the consecutive
8 36-month period immediately preceding the effective date of his
9 or her retirement, or the date of his or her last separation from
10 state service if earlier, or during any other period of 36 consecutive
11 months during his or her state membership that the member
12 designates on the application for retirement.

13 (b) This section applies to the following:

14 (1) Service credit accrued while a member of State Bargaining
15 Unit 6 or 9 or in a class related to State Bargaining Unit 6 or 9
16 as an employee who is excepted from the definition of “state
17 employee” in subdivision (c) of Section 3513, or an officer or
18 employee of the executive branch of state government who is not
19 a member of the civil service.

20 (2) Service credit accrued while a peace officer/firefighter
21 member represented by State Bargaining Unit 7 or in a class
22 related to peace officer/firefighter members in State Bargaining
23 Unit 7 as an employee who is excepted from the definition of “state
24 employee” in subdivision (c) of Section 3513, or an officer or
25 employee of the executive branch of state government who is not
26 a member of the civil service.

1 (3) Service credit accrued as an employee who is excepted from
2 the definition of “state employee” in subdivision (c) of Section
3 3513, or an officer or employee of the executive branch of state
4 government who is not a member of the civil service.

5 (4) Service credit accrued as an employee of the Legislature,
6 the judicial branch, or the California State University.

7 (c) This section does not apply to:

8 (1) Former employees previously employed before November
9 10, 2010, who return to employment on or after November 10,
10 2010, and who were previously subject to a 12-month average.

11 (2) State employees hired prior to November 10, 2010, who
12 were subject to Section 20281.5 during the first 24 months of state
13 employment, and who were previously subject to a 12-month
14 average.

15 (3) State employees hired prior to November 10, 2010, who
16 become subject to representation by State Bargaining Unit 6, 7,
17 or 9 on or after November 10, 2010, and who were previously
18 subject to a 12-month average.

19 (4) Employees on an approved leave of absence employed before
20 November 10, 2010, who return to active employment on or after
21 November 10, 2010, and who were previously subject to a
22 12-month average.

23 (d) If this section is in conflict with a memorandum of
24 understanding that is current and in effect on November 10, 2010,
25 the memorandum of understanding shall be controlling while it
26 remains in effect. Upon expiration of the memorandum of
27 understanding that is in effect and current on November 10, 2010,
28 this section shall be controlling and may not be superseded by a
29 subsequent memorandum of understanding.

30 SEC. 2. Section 21251.13 of the Government Code is amended
31 to read:

32 21251.13. (a) Notwithstanding any other provision of law,
33 Sections 21070.5, 21070.6, 21073.1, 21073.7, 21354.1, 21362.2,
34 21363.1, and 21369.1 and the amendments to Sections 21070,
35 21071, 21072, 21073, 21073.5, and 21353.5, enacted during the
36 first year of the 1999–2000 Regular Session:

37 (1) Shall not become operative unless the board adopts a
38 resolution that does both of the following: (A) employs, for the
39 June 30, 1998, valuation, 95 percent of the market value of assets
40 of the state employer as the actuarial value of the assets; and (B)

1 amortizes the June 30, 1998, excess assets over a period of 20
2 years, beginning July 1, 1999.

3 (2) Shall not apply to a state employee, as defined in subdivision
4 (c) of Section 3513, in a bargaining unit unless and until
5 incorporated in a memorandum of understanding, pursuant to
6 Section 3517.5, applicable to that bargaining unit.

7 (3) Shall not apply to excluded employees, as defined in Section
8 3527, unless the Department of Personnel Administration has
9 approved the application of those provisions to those employees.
10 Notwithstanding any provision of law to the contrary, any approval
11 by the Department of Personnel Administration for the application
12 of these provisions to those excluded employees is irrevocable.

13 (b) Notwithstanding anything in a memorandum of
14 understanding to the contrary, (1) the benefits provided under the
15 provisions of those sections described in subdivision (a), as added
16 or amended during the first year of the 1999–2000 Regular Session,
17 shall not terminate upon the expiration or termination of the
18 memorandum of understanding, and (2) the only conditions to the
19 operation of the provisions of those sections described in
20 subdivision (a), as added or amended during the first year of the
21 1999–2000 Regular Session, are contained in this section.

22 (c) *Notwithstanding Section 3517.8 or any provision of a*
23 *memorandum of understanding that has been continued in effect*
24 *on and after November 10, 2010, pursuant to Section 3517.8 to*
25 *the contrary, the retirement formulas in Sections 21354.1, 21363.3,*
26 *21363.4, 21363.8, and 21369.1 shall only apply to state employees*
27 *who were first employed and subject to those sections before*
28 *November 10, 2010. Those sections shall not apply to any state*
29 *employee member first employed on and after November 10, 2010.*

30 (e)

31 (d) Upon request by the state employer or other entity, or on its
32 own volition, the board may change the amortization period, or
33 take any other action the board deems necessary or appropriate,
34 to mitigate the impact of unforeseen factors that may cause an
35 increase in the employer contribution by the state. Nothing in this
36 section shall be construed to limit the board's authority under
37 Section 17 of Article 16 of the California Constitution.

38 *SEC. 3. Section 21353 of the Government Code is amended to*
39 *read:*

1 21353. (a) The combined current and prior service pensions
 2 for a local miscellaneous member, a school member, a state
 3 miscellaneous or state industrial member, or a university member
 4 is a pension derived from the contributions of the employer
 5 sufficient, when added to the service retirement annuity that is
 6 derived from the accumulated normal contributions of the member
 7 at the date of retirement, to equal the fraction of one-fiftieth of the
 8 member's final compensation set forth opposite the member's age
 9 at retirement, taken to the preceding completed quarter year, in
 10 the following table, multiplied by the number of years of current
 11 and prior service except service in a category of membership other
 12 than that of state or state industrial member, local miscellaneous
 13 member, school member, or a university member, or service
 14 covered under this First Tier retirement formula, with which the
 15 member is entitled to be credited at retirement:

16	Age of	Fraction
17	Retirement	
18	50 .....	.546
19	50¼ .....	.554
20	50½ .....	.562
21	50¾ .....	.570
22	51 .....	.578
23	51¼ .....	.586
24	51½ .....	.595
25	51¾ .....	.603
26	52 .....	.612
27	52¼ .....	.621
28	52½ .....	.630
29	52¾ .....	.639
30	53 .....	.648
31	53¼ .....	.658
32	53½ .....	.668
33	53¾ .....	.678
34	54 .....	.688
35	54¼ .....	.698
36	54½ .....	.709
37	54¾ .....	.719
38	55 .....	.730
39	55¼ .....	.741
40		

1	55½	.....	.753
2	55¾	.....	.764
3	56	.....	.776
4	56¼	.....	.788
5	56½	.....	.800
6	56¾	.....	.813
7	57	.....	.825
8	57¼	.....	.839
9	57½	.....	.852
10	57¾	.....	.865
11	58	.....	.879
12	58¼	.....	.893
13	58½	.....	.908
14	58¾	.....	.923
15	59	.....	.937
16	59¼	.....	.953
17	59½	.....	.969
18	59¾	.....	.985
19	60	.....	1.000
20	60¼	.....	1.017
21	60½	.....	1.034
22	60¾	.....	1.050
23	61	.....	1.067
24	61¼	.....	1.084
25	61½	.....	1.101
26	61¾	.....	1.119
27	62	.....	1.136
28	62¼	.....	1.154
29	62½	.....	1.173
30	62¾	.....	1.191
31	63 and over	.....	1.209

32
33 (b) The fractions specified in the above table shall be reduced
34 by one-third as applied to that part of final compensation that does
35 not exceed four hundred dollars (\$400) per month for all service
36 of a member any of whose service has been included in the federal
37 system. This reduction shall not apply to a member employed by
38 a contracting agency that enters into a contract after July 1, 1971,
39 and elects not to be subject to this paragraph or with respect to
40 service rendered after the termination of coverage under the federal

1 system with respect to the coverage group to which the member
2 belongs.

3 (c) The improved retirement allowance provided by this section
4 is granted subject to future reduction prior to a member's
5 retirement, by offset of federal system benefits or otherwise, as
6 the Legislature may from time to time deem appropriate because
7 of changes in the federal system benefits.

8 (d) With the exception of state miscellaneous members for
9 service rendered for the California State University or the
10 legislative or judicial branch of government, this section shall
11 apply to state miscellaneous and state industrial members who are
12 not employed by the state on or after January 1, 2000.

13 (e) (1) This section shall apply to a state miscellaneous or
14 industrial member who is employed by the state for the first time
15 and becomes a state miscellaneous or industrial member of the
16 system on or after the first day of the pay period following the
17 effective date of the act adding this subdivision, and is represented
18 by State Bargaining Unit 12, 16, 18, or 19. With respect to related
19 state miscellaneous or industrial members in managerial,
20 supervisory, or confidential positions and officers or employees
21 of the executive branch of state government who are not members
22 of the civil service, the Director of the Department of Personnel
23 Administration may exercise his or her discretion whether to
24 approve their status in writing to the board.

25 (2) This subdivision does not apply to:

26 (A) Former state employees previously employed before the
27 first day of the pay period following the effective date of this
28 subdivision, who return to state employment on or after the first
29 day of the pay period following the effective date of this
30 subdivision.

31 (B) State employees hired prior to the first day of the pay period
32 following the effective date of this subdivision, who were subject
33 to Section 20281.5 during the first 24 months of state employment.

34 (C) State employees hired prior to the first day of the pay period
35 following the effective date of this subdivision, who become
36 subject to representation by State Bargaining Unit 12, 16, 18, or
37 19 on or after the first day of the pay period following the effective
38 date of the act adding this subdivision.

39 (D) State employees on an approved leave of absence employed
40 before the first day of the pay period following the effective date

1 of this subdivision, who return to active employment on or after
2 the first day of the pay period following the effective date of the
3 act adding this subdivision.

4 (f) (1) This section shall apply to a state miscellaneous or
5 industrial member who is employed by the state for the first time
6 and becomes a state miscellaneous or industrial member of the
7 system on or after October 31, 2010, and is represented by State
8 Bargaining Unit 5 or 8. With respect to related state miscellaneous
9 or industrial members in managerial, supervisory, or confidential
10 positions and officers or employees of the executive branch of
11 state government who are not members of the civil service, the
12 Director of the Department of Personnel Administration may
13 exercise his or her discretion whether to approve their status in
14 writing to the board.

15 (2) This subdivision does not apply to:

16 (A) Former state employees previously employed before October
17 31, 2010, who return to state employment on or after October 31,
18 2010.

19 (B) State employees hired prior to October 31, 2010, who were
20 subject to Section 20281.5 during the first 24 months of state
21 employment.

22 (C) State employees hired prior to October 31, 2010, who
23 become subject to representation by State Bargaining Unit 5 or 8
24 on or after October 31, 2010.

25 (D) State employees on an approved leave of absence employed
26 before October 1, 2010, who return to active employment on or
27 after October 31, 2010.

28 (g) (1) *Notwithstanding Section 3517.8 or any provision of an*
29 *expired memorandum of understanding, this section shall also*
30 *apply to a state miscellaneous or industrial member who is*
31 *employed by the state, the Legislature, the judicial branch, or the*
32 *California State University for the first time and becomes a member*
33 *of the system on or after November 10, 2010.*

34 (2) *If this subdivision is in conflict with a memorandum of*
35 *understanding that is current and in effect on November 10, 2010,*
36 *the memorandum of understanding shall be controlling while it*
37 *remains in effect. Upon expiration of the memorandum of*
38 *understanding that is in effect and current on November 10, 2010,*
39 *this section shall be controlling and may not be superseded by a*
40 *subsequent memorandum of understanding.*

1 (3) This subdivision does not apply to:

2 (A) Former state, legislative, judicial branch, or university
3 employees previously employed before November 10, 2010, who
4 return to employment on or after November 10, 2010, and who
5 were not previously subject to this section.

6 (B) State employees hired prior to November 10, 2010, who
7 were subject to Section 20281.5 during the first 24 months of state
8 employment, and who were not previously subject to this section.

9 (C) State, legislative, judicial branch, or university employees
10 on an approved leave of absence employed before November 10,
11 2010, who return to active employment on or after November 10,
12 2010, and who were not previously subject to this section.

13 SEC. 4. Section 21354.1 of the Government Code is amended
14 to read:

15 21354.1. (a) The combined current and prior service pensions
16 for school members, state miscellaneous or state industrial
17 members, or university members who are subject to the provisions
18 of this section is a pension derived from the contributions of the
19 employer sufficient, when added to the service retirement annuity
20 that is derived from the accumulated normal contributions of the
21 member at the date of retirement, to equal the fraction of
22 one-fiftieth of the member's final compensation set forth opposite
23 the member's age at retirement, taken to the preceding completed
24 quarter year, in the following table, multiplied by the number of
25 years of current and prior service, except service in a category of
26 membership other than that of a school member, state
27 miscellaneous or state industrial member, or university member
28 or service covered under this retirement formula with which the
29 member is entitled to be credited at retirement:

31 Age at	32 Fraction
33 retirement	
34 50	0.550
35 50¼	0.573
36 50½	0.595
37 50¾	0.618
38 51	0.640
39 51¼	0.663
40 51½	0.685
51¾	0.708

1	52	0.730
2	52 ¹ / ₄	0.753
3	52 ¹ / ₂	0.775
4	52 ³ / ₄	0.798
5	53	0.820
6	53 ¹ / ₄	0.843
7	53 ¹ / ₂	0.865
8	53 ³ / ₄	0.888
9	54	0.910
10	54 ¹ / ₄	0.933
11	54 ¹ / ₂	0.955
12	54 ³ / ₄	0.978
13	55	1.000
14	55 ¹ / ₄	1.008
15	55 ¹ / ₂	1.016
16	55 ³ / ₄	1.024
17	56	1.032
18	56 ¹ / ₄	1.040
19	56 ¹ / ₂	1.048
20	56 ³ / ₄	1.055
21	57	1.063
22	57 ¹ / ₄	1.071
23	57 ¹ / ₂	1.079
24	57 ³ / ₄	1.086
25	58	1.094
26	58 ¹ / ₄	1.102
27	58 ¹ / ₂	1.110
28	58 ³ / ₄	1.118
29	59	1.125
30	59 ¹ / ₄	1.134
31	59 ¹ / ₂	1.141
32	59 ³ / ₄	1.149
33	60	1.157
34	60 ¹ / ₄	1.165
35	60 ¹ / ₂	1.173
36	60 ³ / ₄	1.180
37	61	1.188
38	61 ¹ / ₄	1.196
39	61 ¹ / ₂	1.203
40	61 ³ / ₄	1.211

1	62	1.219
2	62¼	1.227
3	62½	1.235
4	62¾	1.243
5	63 and over	1.250

6

7 (b) The fraction specified in the above table shall be reduced
8 by one-third as applied to that part of final compensation that does
9 not exceed four hundred dollars (\$400) per month for all service
10 of a member any of whose service has been included in the federal
11 system. This subdivision shall not apply to school members whose
12 service is included in the federal system with respect to service
13 performed on or after January 1, 2001.

14 (c) This section shall supersede Section 21353 for all school
15 members, all university members, and all state miscellaneous
16 members, with respect to service rendered for the California State
17 University or the legislative or judicial branch of government, who
18 retire on or after January 1, 2000.

19 (d) This section shall also supersede Section 21353 for state
20 miscellaneous or state industrial members, for service not subject
21 to subdivision (c), who are employed by the state on or after
22 January 1, 2000, and who do not elect under Section 21070.5 to
23 be subject to Second Tier benefits.

24 (e) Operation and application of this section are subject to the
25 limitations set forth in Section 21251.13.

26 (f) Notwithstanding any other provision of this section, this
27 section shall not apply to a state miscellaneous or industrial
28 member who is employed by the state for the first time and
29 becomes a state miscellaneous or industrial member of the system
30 on or after the first day of the pay period following the effective
31 date of the act adding this subdivision, and is represented by State
32 Bargaining Unit 12, 16, 18, or 19. With respect to related state
33 miscellaneous or industrial members in managerial, supervisory,
34 or confidential positions and officers or employees of the executive
35 branch of state government who are not members of the civil
36 service, the Director of the Department of Personnel Administration
37 may exercise his or her discretion whether to approve their status
38 in writing to the board.

39 (g) Notwithstanding any other provision of this section, this
40 section shall not apply to a state miscellaneous or industrial

1 member who is employed by the state for the first time and
2 becomes a state miscellaneous or industrial member of the system
3 on or after October 31, 2010, and is represented by State
4 Bargaining Unit 5 or 8. With respect to related state miscellaneous
5 or industrial members in managerial, supervisory, or confidential
6 positions and officers or employees of the executive branch of
7 state government who are not members of the civil service, the
8 Director of the Department of Personnel Administration may
9 exercise his or her discretion whether to approve their status in
10 writing to the board.

11 *(h) (1) Notwithstanding Section 3517.8 or any provision of an*
12 *expired memorandum of understanding, or any other provision of*
13 *this section, this section shall not apply to a state miscellaneous*
14 *or industrial member who is employed by the state, the Legislature,*
15 *the judicial branch, or the California State University for the first*
16 *time and becomes a member of the system on or after November*
17 *10, 2010.*

18 *(2) If this subdivision is in conflict with a memorandum of*
19 *understanding that is current and in effect on November 10, 2010,*
20 *the memorandum of understanding shall be controlling while it*
21 *remains in effect. Upon expiration of the memorandum of*
22 *understanding that is in effect and current on November 10, 2010,*
23 *this section shall be controlling and may not be superseded by a*
24 *subsequent memorandum of understanding.*

25 *SEC. 5. Section 21363 of the Government Code is amended to*
26 *read:*

27 21363. (a) The combined current and prior service pensions
28 for state peace officer/firefighter members subject to this section
29 with respect to state peace officer/firefighter service and the
30 combined current and prior service pensions for local safety
31 members with respect to local safety service rendered to a
32 contracting agency that is subject to this section is a pension
33 derived from the contributions of the employer sufficient when
34 added to the service retirement annuity that is derived from the
35 accumulated normal contributions of the state peace
36 officer/firefighter or local safety member at the date of his or her
37 retirement to equal the fraction of one-fiftieth of his or her final
38 compensation set forth opposite his or her age at retirement taken
39 to the preceding completed quarter year, in the following table,
40 multiplied by the number of years of state peace officer/firefighter

1 service or local safety service subject to this section with which
2 he or she is credited at retirement:

	Age at Retirement	Fraction
3		
4		
5		
6	50	1.0000
7	50 ¹ / ₄	1.0125
8	50 ¹ / ₂	1.0250
9	50 ³ / ₄	1.0375
10	51	1.0500
11	51 ¹ / ₄	1.0625
12	51 ¹ / ₂	1.0750
13	51 ³ / ₄	1.0875
14	52	1.1000
15	52 ¹ / ₄	1.1125
16	52 ¹ / ₂	1.1250
17	52 ³ / ₄	1.1375
18	53	1.1500
19	53 ¹ / ₄	1.1625
20	53 ¹ / ₂	1.1750
21	53 ³ / ₄	1.1875
22	54	1.2000
23	54 ¹ / ₄	1.2125
24	54 ¹ / ₂	1.2250
25	54 ³ / ₄	1.2375
26	55 and over.....	1.2500

27
28 (b) (1) In no event shall the current service pension and the
29 combined current and prior service pensions under this section for
30 all service to all employers exceed an amount that, when added to
31 the service retirement annuity related to that service, equals 75
32 percent of final compensation.

33 (2) For state members, with respect to service for all state
34 employers under this section, the benefit shall not exceed:

35 (A) Eighty percent of final compensation for state members
36 who retire on or after January 1, 1995.

37 (B) Eighty-five percent of final compensation for state peace
38 officer/firefighter members in State Bargaining Units 6 and 8 who
39 retire on or after January 1, 1999, and prior to January 1, 2000.

1 (C) Ninety percent of final compensation for state peace
2 officer/firefighter members who retire on or after January 1, 2000.

3 (3) For local safety members who retire on or after January 1,
4 2000, the benefit shall not exceed 85 percent of final compensation.

5 If the pension relates to service to more than one employer, or this
6 section and Section 21369, and would otherwise exceed that
7 maximum, the pension payable with respect to each section or
8 employer shall be reduced in the same proportion as the allowance
9 bears to the total allowance computed as though there were no
10 limit, so that the total of the pensions shall equal the maximum.

11 Where a state or local member retiring on or after January 1, 1995,
12 has service under this section with both state and local agency
13 employers, the higher maximum shall apply and the additional
14 benefit, if any, shall be funded by increasing the member's pension
15 payable with respect to the employer for whom the member
16 performed the service subject to the higher maximum.

17 (c) The Legislature reserves, with respect to any member subject
18 to this section, the right to provide for the adjustment of industrial
19 disability retirement allowances because of earnings of a retired
20 person and modification of the conditions and qualifications
21 required for retirement for disability as it may find appropriate
22 because of the earlier age of service retirement made possible by
23 the benefits under this section.

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

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

35 (2) This section also shall be operative with respect to the state
36 peace officer/firefighter members employed by a California State
37 University police department who are in Public Safety Unit No. 8
38 in accordance with a memorandum of understanding reached
39 between the Trustees of the California State University and the

1 recognized employee organization pursuant to Chapter 12
2 (commencing with Section 3560) of Division 4 of Title 1.

3 (3) This section shall also be operative with respect to a “state
4 peace officer/firefighter member” defined in subdivision (a) of
5 Section 20396 if authorized by, and in accordance with, a
6 memorandum of understanding reached between the Trustees of
7 the California State University and the recognized employee
8 organization pursuant to Chapter 12 (commencing with Section
9 3560) of Division 4 of Title 1.

10 (4) Nothing in this section or in any other provision of law
11 affected by Chapter 1320 of the Statutes of 1984 or Chapter 234
12 of the Statutes of 1986 shall be construed as authorizing any future
13 negotiation with respect to whether or not any bargaining unit
14 specified in this section whose memorandum of understanding
15 was previously approved by the Legislature pursuant to law and
16 this section, shall continue to remain within the state peace
17 officer/firefighter membership category.

18 (5) The operative date of this section with respect to members
19 in each of the bargaining units specified in this section shall be as
20 provided for in the memorandum of understanding.

21 (6) With the exception of state peace officer/firefighter members
22 for service rendered for the California State University or the
23 legislative or judicial branch of government, this section shall
24 apply to state peace officer/firefighter members who are not
25 employed by the state on or after January 1, 2000.

26 (f) This section shall be known as, and may be cited as, the State
27 Peace Officers’ and Fire Fighters’ Retirement Act.

28 (g) The Legislature reserves the right to subsequently modify
29 or amend this part in order to completely effectuate the intent and
30 purposes of this section and the right to not provide any new
31 comparable advantages if disadvantages to employees result from
32 any modification or amendment.

33 (h) This section shall not apply to a contracting agency nor its
34 employees until, first, it is agreed to in a written memorandum of
35 understanding entered into by an employer and representatives of
36 employees and, second, the contracting agency elects to be subject
37 to it by amendment to its contract made in the manner prescribed
38 for approval of contracts or in the case of a new contract, by
39 express provision of the contract. The operative date of this section
40 with respect to a local safety member shall be the effective date

1 of the amendment to his or her employer's contract electing to be
2 subject to this section. However, this section shall not apply to any
3 local safety member in the employ of an employer not subject to
4 this section on January 1, 2000.

5 *(i) Notwithstanding Section 3517.8 or any provision of an*
6 *expired memorandum of understanding, this section shall apply*
7 *to a state peace officer/firefighter member who is employed by the*
8 *state for the first time and becomes a state peace officer/firefighter*
9 *member of the system on or after November 10, 2010, and is*
10 *represented by State Bargaining Unit 6 or 7. With respect to related*
11 *state peace officer/firefighter members in managerial, supervisory,*
12 *or confidential positions and officers or employees of the executive*
13 *branch of state government who are not members of the civil*
14 *service, the Director of the Department of Personnel*
15 *Administration may exercise his or her discretion whether to*
16 *approve their status in writing to the board.*

17 *(j) (1) This section shall also apply to a state peace*
18 *officer/firefighter member who is employed by the California State*
19 *University or judicial branch of government or the Legislature for*
20 *the first time and becomes a state peace officer/firefighter member*
21 *on or after November 10, 2010.*

22 *(2) If this subdivision is in conflict with a memorandum of*
23 *understanding that is current and in effect on November 10, 2010,*
24 *the memorandum of understanding shall be controlling while it*
25 *remains in effect. Upon expiration of the memorandum of*
26 *understanding that is in effect and current on November 10, 2010,*
27 *this section shall be controlling and may not be superseded by a*
28 *subsequent memorandum of understanding.*

29 *(k) Subdivisions (i) and (j) do not apply to:*

30 *(1) Former state, legislative, judicial branch, or California*
31 *State University employees employed before November 10, 2010,*
32 *who return to state or university employment on or after November*
33 *10, 2010, and who were not previously subject to this section.*

34 *(2) State employees hired prior to November 10, 2010, who*
35 *were subject to Section 20281.5 during the first 24 months of state*
36 *employment and who were not previously subject to this section.*

37 *(3) State employees hired prior to November 10, 2010, who*
38 *become subject to representation by State Bargaining Unit 6 or 7*
39 *on or after November 10, 2010, and who were not previously*
40 *subject to this section.*

1 (4) State, legislative, judicial branch, or California State
2 University employees on an approved leave of absence before
3 November 10, 2010, who return to active employment on or after
4 November 10, 2010, and who were not previously subject to this
5 section.

6 SEC. 6. Section 21363.1 of the Government Code is amended
7 to read:

8 21363.1. (a) The combined current and prior service pensions
9 for state peace officer/firefighter members subject to this section
10 with respect to state peace officer/firefighter service, and for local
11 safety members with respect to local safety service rendered to a
12 contracting agency that is subject to this section, is a pension
13 derived from the contributions of the employer sufficient when
14 added to the service retirement annuity that is derived from the
15 accumulated normal contributions of the state peace
16 officer/firefighter member or local safety member at the date of
17 his or her retirement to equal the fraction of 3 percent of his or her
18 final compensation set forth opposite his or her age at retirement
19 taken to the preceding completed quarter year, in the following
20 table, multiplied by the number of years of state peace
21 officer/firefighter service or local safety service subject to this
22 section with which he or she is credited at retirement:

24	Age at		Fraction
25	Retirement		
26	50 .....		.800
27	50¼ .....		.810
28	50½ .....		.820
29	50¾ .....		.830
30	51 .....		.840
31	51¼ .....		.850
32	51½ .....		.860
33	51¾ .....		.870
34	52 .....		.880
35	52¼ .....		.890
36	52½ .....		.900
37	52¾ .....		.910
38	53 .....		.920
39	53¼ .....		.930
40	53½ .....		.940

1	53¾ .....	.950
2	54 .....	.960
3	54¼ .....	.970
4	54½ .....	.980
5	54¾ .....	.990
6	55 and over	1.000

7

8 (b) In no event shall the current service pension and the
9 combined current and prior service pensions under this section for
10 all service to all employers exceed an amount that, when added to
11 the service retirement annuity related to that service, equals 85
12 percent of final compensation. For state peace officer/firefighter
13 members with respect to service for all state employers under this
14 section, the benefit shall not exceed 90 percent of final
15 compensation. If the pension relates to service to more than one
16 employer and would otherwise exceed that maximum, the pension
17 payable with respect to each employer shall be reduced in the same
18 proportion as the allowance based on service to that employer
19 bears to the total allowance computed as though there were no
20 limit, so that the total of the pensions shall equal the maximum.
21 Where a state or local member has service under this section with
22 both state and local agency employers, the higher maximum shall
23 apply and the additional benefit shall be funded by increasing the
24 member's pension payable with respect to the employer for whom
25 the member performed the service subject to the higher maximum.

26 (c) This section shall supersede Section 21363 for state peace
27 officer/firefighter members with respect to service rendered for
28 the California State University or the legislative or judicial branch
29 of government.

30 (d) This section shall also supersede Section 21363 for state
31 peace officer/firefighter members, for service not subject to
32 subdivision (c), who are employed by the state on or after January
33 1, 2000.

34 (e) This section shall not apply to any contracting agency nor
35 its employees unless and until the agency elects to be subject to
36 the provisions of this section by amendment to its contract made
37 in the manner prescribed for approval of contracts or, in the case
38 of contracts made after the date this section becomes operative,
39 by express provision in the contract making the contracting agency
40 subject to this section. The operative date of this section for a local

1 safety member shall be the effective date of the amendment to his
2 or her employer's contract electing to be subject to this section.

3 (f) This section shall supersede Section 21363, 21366, 21368,
4 21369, or 21370, whichever is then applicable, with respect to
5 local safety members who retire after the date this section becomes
6 applicable to their respective employers.

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

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

19 (i) Operation and application of this section are subject to the
20 limitations set forth in Section 21251.13.

21 (j) This section shall apply to a state patrol member who is
22 employed by the state for the first time and becomes a state patrol
23 member of the system on or after October 31, 2010, and is
24 represented by State Bargaining Unit 5. With respect to related
25 state patrol members in managerial, supervisory, or confidential
26 positions and officers or employees of the executive branch of
27 state government who are not members of the civil service, the
28 Director of the Department of Personnel Administration may
29 exercise his or her discretion whether to approve their status in
30 writing to the board.

31 (k) This section shall apply to a state peace officer/firefighter
32 member who is employed by the state for the first time and
33 becomes a state peace officer/firefighter member of the system on
34 or after October 31, 2010, and is represented by State Bargaining
35 Unit 8. With respect to related state peace officer/firefighter
36 members in managerial, supervisory, or confidential positions and
37 officers or employees of the executive branch of state government
38 who are not members of the civil service, the Director of the
39 Department of Personnel Administration may exercise his or her
40 discretion whether to approve their status in writing to the board.

1 (l) Subdivisions (j) and (k) do not apply to:

2 (1) Former state employees previously employed before October
3 31, 2010, who return to state employment on or after October 31,
4 2010.

5 (2) State employees hired prior to October 31, 2010, who were
6 subject to Section 20281.5 during the first 24 months of state
7 employment.

8 (3) State employees hired prior to October 31, 2010, who
9 become subject to representation by State Bargaining Unit 5 or 8
10 on or after October 31, 2010.

11 (4) State employees on an approved leave of absence employed
12 before October 31, 2010, who return to active employment on or
13 after October 31, 2010.

14 (m) (1) *Notwithstanding any other provision of this section,*
15 *this section shall not apply to a peace officer/firefighter member*
16 *who is employed for the first time by the California State University*
17 *or the legislative or judicial branch and becomes a state peace*
18 *officer/firefighter member of the system on or after November 10,*
19 *2010.*

20 (2) *If this subdivision is in conflict with a memorandum of*
21 *understanding that is current and in effect on November 10, 2010,*
22 *the memorandum of understanding shall be controlling while it*
23 *remains in effect. Upon expiration of the memorandum of*
24 *understanding that is in effect and current on November 10, 2010,*
25 *this section shall be controlling and may not be superseded by a*
26 *subsequent memorandum of understanding.*

27 (n) *Notwithstanding Section 3517.8, or any provision of an*
28 *expired memorandum of understanding, or any other provision of*
29 *this section, this section shall not apply to those peace*
30 *officer/firefighter members in state Bargaining Units 6 and 7 first*
31 *employed by the state on or after November 10, 2010.*

32 *SEC. 7. Section 21363.3 of the Government Code is amended*
33 *to read:*

34 21363.3. (a) The combined current and prior service pensions
35 for state peace officer/firefighter members described in Section
36 20394 is a pension derived from the contributions of the employer
37 sufficient when added to the service retirement annuity that is
38 derived from the accumulated normal contributions of the member
39 at the date of his or her retirement to equal 3 percent of his or her
40 final compensation at the age of 50 years, multiplied by the number

1 of years of state peace officer/firefighter service subject to this
2 section with which he or she is credited at retirement.

3 (b) In no event shall the current service pension and the
4 combined current and prior service pensions under this section for
5 all service to all employers exceed an amount that, when added to
6 the service retirement annuity related to that service, equals 90
7 percent of final compensation. If the pension relates to service to
8 more than one employer and would otherwise exceed that
9 maximum, the pension payable with respect to each employer shall
10 be reduced in the same proportion as the allowance based on
11 service to that employer bears to the total allowance computed as
12 though there were no limit, so that the total of the pensions shall
13 equal the maximum. Where a state peace officer/firefighter member
14 has service under this section, or other safety retirement formulas
15 pursuant to this part with state or local agency employers, the
16 higher maximum shall apply and the additional benefit shall be
17 funded by increasing the member's pension payable with respect
18 to the state employer.

19 (c) This section shall apply to state peace officer/firefighter
20 members described in Section 20394 if authorized by, and in
21 accordance with, a memorandum of understanding reached between
22 the Trustees of the California State University and the recognized
23 employee organization pursuant to Chapter 12 (commencing with
24 Section 3560) of Division 4 of Title 1. This section may also apply
25 to sworn peace officer/firefighter members described in Section
26 20394 in related management positions, if the Trustees of the
27 California State University have approved the application in writing
28 to the Board of Administration of the Public Employees'
29 Retirement System.

30 (d) This section shall supersede Section 21363.1 with respect
31 to peace officer/firefighter service for members employed by the
32 California State University police department on or after the date
33 a memorandum of understanding, or action by the Trustees of the
34 California State University regarding related management
35 positions, makes this section applicable to these members.

36 (e) This section may not prevent a subsequent memorandum of
37 understanding, or subsequent action by the Trustees of the
38 California State University regarding related management
39 positions, from making this section inapplicable to peace
40 officer/firefighter members first employed by the California State

1 University police department on or after a date specified in a
2 subsequent memorandum of understanding, or subsequent action
3 by the Trustees of the California State University regarding related
4 management positions.

5 (f) (1) *Notwithstanding any other provision of this section, this*
6 *section shall not apply to a state peace officer/firefighter member*
7 *described in Section 20394 who is employed for the first time and*
8 *becomes a state peace officer/firefighter member of the system on*
9 *or after November 10, 2010.*

10 (2) *If this subdivision is in conflict with a memorandum of*
11 *understanding that is current and in effect on November 10, 2010,*
12 *the memorandum of understanding shall be controlling while it*
13 *remains in effect. Upon expiration of the memorandum of*
14 *understanding that is in effect and current on November 10, 2010,*
15 *this section shall be controlling and may not be superseded by a*
16 *subsequent memorandum of understanding.*

17 SEC. 8. *Section 21363.4 of the Government Code is amended*
18 *to read:*

19 21363.4. (a) Upon attaining the age of 50 years or more, the
20 combined current and prior service pension for a state peace
21 officer/firefighter member described in subdivision (c) who retires
22 or dies on or after January 1, 2006, is a pension derived from the
23 contributions of the employer sufficient when added to the service
24 retirement annuity that is derived from the accumulated normal
25 contributions of the member at the date of his or her retirement to
26 equal 3 percent of his or her final compensation at retirement,
27 multiplied by the number of years of state peace officer/firefighter
28 service, as defined in subdivision (d), subject to this section with
29 which he or she is credited at retirement.

30 (b) For state peace officer/firefighter members, with respect to
31 service for all state employers under this section, the current service
32 pension and the combined current and prior service pension under
33 this section shall not exceed an amount that, when added to the
34 service retirement annuity related to that service, equals 90 percent
35 of final compensation. If the pension relates to service to more
36 than one employer and would otherwise exceed that maximum,
37 the pension payable with respect to each employer shall be reduced
38 in the same proportion as the allowance based on service to that
39 employer bears to the total allowance computed as though there

1 were no limit, so that the total of the pensions shall equal the
2 maximum.

3 (c) For purposes of this section, “state peace officer/firefighter
4 member” means state peace officer/firefighter members under this
5 part who, on or after January 1, 2006, are employed by the state
6 and are members of State Bargaining Unit 6 or State Bargaining
7 Unit 8, and may include state peace officer/firefighter members
8 in related managerial, supervisory, or confidential positions and
9 officers or employees of the executive branch of state government
10 who are not members of the civil service, provided the Department
11 of Personnel Administration has approved their inclusion in writing
12 to the board.

13 (d) For purposes of this section, “state peace officer/firefighter
14 service” means service performed by a state peace
15 officer/firefighter member while a member of State Bargaining
16 Unit 6 or State Bargaining Unit 8, and may include state peace
17 officer/firefighter service in related managerial, supervisory, or
18 confidential positions or as officers or employees of the executive
19 branch of state government who are not members of the civil
20 service, provided the Department of Personnel Administration has
21 approved their inclusion in writing to the board.

22 (e) This section shall supersede Section 21363 or 21363.1,
23 whichever is applicable, with respect to state peace
24 officer/firefighter members and service as defined herein.

25 (f) The Legislature reserves, with respect to any member subject
26 to this section, the right to provide for the adjustment of industrial
27 disability retirement allowances because of earnings of a retired
28 person and modification of the conditions and qualifications
29 required for retirement for disability as it may find appropriate
30 because of the earlier ages of service retirement made possible by
31 the benefits under this section.

32 (g) Notwithstanding any other provision of this section, this
33 section shall not apply to a state peace officer/firefighter member
34 who is employed by the state for the first time and becomes a state
35 peace officer/firefighter member of the system on or after October
36 31, 2010, and is represented by State Bargaining Unit 8. With
37 respect to related state peace officer/firefighter members in
38 managerial, supervisory, or confidential positions and officers or
39 employees of the executive branch of state government who are
40 not members of the civil service, the Director of the Department

1 of Personnel Administration may exercise his or her discretion
2 whether to approve their status in writing to the board.

3 *(h) Notwithstanding Section 3517.8, or any provision of an*
4 *expired memorandum of understanding, or any other provision of*
5 *this section, this section shall not apply to a state peace*
6 *officer/firefighter member who is employed by the state for the*
7 *first time and becomes a state peace officer/firefighter member of*
8 *the system on or after November 10, 2010, and is represented by*
9 *State Bargaining Unit 6. With respect to related state peace*
10 *officer/firefighter members in managerial, supervisory, or*
11 *confidential positions and officers or employees of the executive*
12 *branch of state government who are not members of the civil*
13 *service, the Director of the Department of Personnel*
14 *Administration may exercise his or her discretion whether to*
15 *approve their status in writing to the board.*

16 *SEC. 9. Section 21363.8 of the Government Code is amended*
17 *to read:*

18 21363.8. (a) Upon attaining the age of 50 years or more, the
19 combined current and prior service pension for a state peace
20 officer/firefighter member described in subdivision (c) who retires
21 or dies on or after January 1, 2004, is a pension derived from the
22 contributions of the employer sufficient when added to the service
23 retirement annuity that is derived from the accumulated normal
24 contributions of the member at the date of his or her retirement to
25 equal 3 percent of his or her final compensation at retirement,
26 multiplied by the number of years of state peace officer/firefighter
27 service, as defined in subdivision (d), subject to this section with
28 which he or she is credited at retirement.

29 (b) For state peace officer/firefighter members, with respect to
30 service for all state employers under this section, the current service
31 pension and the combined current and prior service pension under
32 this section may not exceed an amount that, when added to the
33 service retirement annuity related to that service, equals 90 percent
34 of final compensation. If the pension relates to service to more
35 than one employer and would otherwise exceed that maximum,
36 the pension payable with respect to each employer shall be reduced
37 in the same proportion as the allowance based on service to that
38 employer bears to the total allowance computed as though there
39 were no limit, so that the total of the pensions shall equal the
40 maximum.

1 (c) (1) This section shall apply to state peace officer/firefighter
2 members under this part who, on or after January 1, 2004, are
3 employed by the state and are members of State Bargaining Unit
4 7.

5 (2) This section may also apply to state peace officer/firefighter
6 members in managerial, supervisory, or confidential positions that
7 are related to the members described in paragraph (1) and to
8 officers or employees of the executive branch of state government
9 who are not members of the civil service and who are in positions
10 that are related to the members described in paragraph (1), if the
11 Department of Personnel Administration has approved their
12 inclusion in writing to the board.

13 (d) (1) For purposes of this section, “state peace
14 officer/firefighter service” means service performed by a state
15 peace officer/firefighter member while a member of State
16 Bargaining Unit 7.

17 (2) That service may include state peace officer/firefighter
18 service in managerial, supervisory, or confidential positions that
19 are related to the members described in paragraph (1) or as officers
20 or employees of the executive branch of state government who are
21 not members of the civil service and who are in positions that are
22 related to the members described in paragraph (1), provided the
23 Department of Personnel Administration has approved their
24 inclusion in writing to the board.

25 (e) This section shall supersede Section 21363 or 21363.1,
26 whichever is applicable, with respect to state peace
27 officer/firefighter members subject to this section and state peace
28 officer/firefighter service as defined herein.

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

36 (g) *Notwithstanding Section 3517.8, or any provision of an*
37 *expired memorandum of understanding, or any other provision of*
38 *this section, this section shall not apply to a state peace*
39 *officer/firefighter member who is employed by the state for the*
40 *first time and becomes a state peace officer/firefighter member of*

1 the system on or after November 10, 2010, and is represented by
 2 State Bargaining Unit 7. With respect to related state peace
 3 officer/firefighter members in managerial, supervisory, or
 4 confidential positions and officers or employees of the executive
 5 branch of state government who are not members of the civil
 6 service, the Director of the Department of Personnel
 7 Administration may exercise his or her discretion whether to
 8 approve their status in writing to the board.

9 SEC. 10. Section 21369 of the Government Code is amended
 10 to read:

11 21369. (a) The combined prior and current service pension
 12 for a state safety member, and a local safety member with respect
 13 to service to a contracting agency subject to this section, upon
 14 retirement after attaining the age of 55 years, is a pension derived
 15 from contributions of an employer sufficient, when added to that
 16 portion of the service retirement annuity that is derived from the
 17 accumulated normal contributions of the member at the date of
 18 his or her retirement, to equal one-fiftieth of his or her final
 19 compensation multiplied by the number of years of state safety,
 20 police, fire, or county peace officer service that is credited to him
 21 or her as a state safety member or a local safety member subject
 22 to this section at retirement. Notwithstanding the preceding
 23 sentence, this section shall apply to the current and prior service
 24 pension for any other state safety member based on service to
 25 which it would have applied had the member, on July 1, 1971,
 26 been in employment described in Section 20403 or 20404.

27 (b) Upon retirement for service prior to attaining the age of 55
 28 years, the percentage of final compensation payable for each year
 29 of credited service that is subject to this section shall be the product
 30 of 2 percent multiplied by the factor set forth in the following table
 31 for his or her actual age at retirement:

If the retirement age occurs at:	The percent for each year of credited service
32	
33	
34	
35	
36	is:
37	50 0.713
38	50 1/4 0.725
39	50 1/2 0.737
40	50 3/4 0.749

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

21

22 (c) In no event shall the total pension for all service under this

23 section exceed an amount that, when added to the service retirement

24 annuity related to that service, equals 75 percent of final

25 compensation. For state members who retire on or after January

26 1, 1995, and with respect to service for all state employers under

27 this section, the benefit shall not exceed 80 percent of final

28 compensation. For local members who retire on or after January

29 1, 2000, the benefit shall not exceed 85 percent of final

30 compensation. If the pension relates to service to more than one

31 employer and would otherwise exceed that maximum, the pension

32 payable with respect to each employer shall be reduced in the same

33 proportion as the allowance based on service to that employer

34 bears to the total allowance computed as though there were no

35 limit, so that the total of those pensions shall equal the maximum.

36 Where a state or local member retiring on or after January 1, 1995,

37 has service under this section with both state and local agency

38 employers, the higher maximum shall apply and the additional

39 benefit shall be funded by increasing the member's pension payable

1 with respect to the employer for whom the member performed the
2 service subject to the higher maximum.

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

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

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

28 (g) With the exception of state safety members for service
29 rendered for the California State University, this section shall apply
30 to state safety members who are not employed by the state on or
31 after January 1, 2000.

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

1 (i) (1) *Notwithstanding Section 3517.8 or any provision of an*
2 *expired memorandum of understanding, this section shall also*
3 *apply to a state safety member who is employed by the state or the*
4 *California State University for the first time and becomes a state*
5 *safety member of the system on or after November 10, 2010. With*
6 *respect to related state safety members in managerial, supervisory,*
7 *or confidential positions and officers or employees of the executive*
8 *branch of state government who are not members of the civil*
9 *service, the Director of the Department of Personnel*
10 *Administration may exercise his or her discretion whether to*
11 *approve their status in writing to the board.*

12 (2) *If this subdivision is in conflict with a memorandum of*
13 *understanding that is current and in effect on November 10, 2010,*
14 *the memorandum of understanding shall be controlling while it*
15 *remains in effect. Upon expiration of the memorandum of*
16 *understanding that is in effect and current on November 10, 2010,*
17 *this section shall be controlling and may not be superseded by a*
18 *subsequent memorandum of understanding.*

19 (j) *This section does not apply to:*

20 (1) *Former state or California State University employees*
21 *employed before November 10, 2010, who return to state or*
22 *university employment on or after November 10, 2010, and who*
23 *were not previously subject to this section.*

24 (2) *State employees hired prior to November 10, 2010, who*
25 *were subject to Section 20281.5 during the first 24 months of state*
26 *employment, and who were not previously subject to this section.*

27 (3) *State or California State University employees on an*
28 *approved leave of absence before November 10, 2010, who return*
29 *to active employment on or after November 10, 2010, and who*
30 *were not previously subject to this section.*

31 (4) *State employees who are subject to Section 21369.2 so long*
32 *as their memorandum of understanding is in effect. Upon expiration*
33 *of the memorandum of understanding, notwithstanding Section*
34 *3517.8, this section shall be controlling and may not be superseded*
35 *by a subsequent memorandum of understanding.*

36 *SEC. 11. Section 21369.1 of the Government Code is amended*
37 *to read:*

38 21369.1. (a) *The combined current and prior service pensions*
39 *for state safety members subject to this section with respect to state*
40 *safety service that is subject to this section is a pension derived*

1 from the contributions of the employer sufficient when added to
 2 the service retirement annuity that is derived from the accumulated
 3 normal contributions of the state safety member at the date of his
 4 or her retirement to equal the fraction of one-fiftieth of his or her
 5 final compensation set forth opposite his or her age at retirement
 6 taken to the preceding completed quarter year, in the following
 7 table, multiplied by the number of years of state safety service
 8 subject to this section with which he or she is credited at retirement.

10	Age at		Fraction
11	Retirement		
12	50		0.8500
13	50¼		0.8625
14	50½		0.8750
15	50¾		0.8875
16	51		0.9000
17	51¼		0.9125
18	51½		0.9250
19	51¾		0.9375
20	52		0.9500
21	52¼		0.9625
22	52½		0.9750
23	52¾		0.9875
24	53		1.0000
25	53¼		1.0320
26	53½		1.0630
27	53¾		1.0940
28	54		1.1250
29	54¼		1.1570
30	54½		1.1880
31	54¾		1.2190
32	55 and over		1.2500

33
 34 (b) For state safety members with respect to service for all state
 35 employers under this section, the benefit shall not exceed 80
 36 percent of final compensation. If the pension relates to service to
 37 more than one employer, and would otherwise exceed that
 38 maximum, the pension payable with respect to each employer shall
 39 be reduced in the same proportion as the allowance based on
 40 service to that employer bears to the total allowance computed as

1 though there were no limit, so that the total of the pensions shall
2 equal the maximum.

3 (c) This section shall supersede Section 21369 for state safety
4 members with respect to service rendered for the California State
5 University.

6 (d) This section shall also supersede Section 21369 for state
7 safety members, for service not subject to subdivision (c), who are
8 employed by the state on or after January 1, 2000.

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

16 (f) The Legislature reserves the right to subsequently modify
17 or amend this part in order to completely effectuate the intent and
18 purposes of this section and the right to not provide any new
19 comparable advantages if disadvantages to employees result from
20 any modification or amendment.

21 (g) Operation and application of this section are subject to the
22 limitations set forth in Section 21251.13.

23 (h) Notwithstanding any other provision of this section, this
24 section shall not apply to a state safety member who is employed
25 by the state for the first time and becomes a state safety member
26 of the system on or after the first day of the pay period following
27 the effective date of the act adding this subdivision, and is
28 represented by State Bargaining Unit 12, 16, 18, or 19. With respect
29 to related state safety members in managerial, supervisory, or
30 confidential positions and officers or employees of the executive
31 branch of state government who are not members of the civil
32 service, the Director of the Department of Personnel Administration
33 may exercise his or her discretion whether to approve their status
34 in writing to the board.

35 (i) *(1) Notwithstanding Section 3517.8, or any provision of an*
36 *expired memorandum of understanding, or any other provision of*
37 *this section, this section shall not apply to a state safety member*
38 *who is employed by the state or the California State University for*
39 *the first time and becomes a state safety member of the system on*
40 *or after November 10, 2010. With respect to related state safety*

1 *members in managerial, supervisory, or confidential positions and*
2 *officers or employees of the executive branch of state government*
3 *who are not members of the civil service, the Director of the*
4 *Department of Personnel Administration may exercise his or her*
5 *discretion whether to approve their status in writing to the board.*

6 *(2) If this subdivision is in conflict with a memorandum of*
7 *understanding that is current and in effect on November 10, 2010,*
8 *the memorandum of understanding shall be controlling while it*
9 *remains in effect. Upon expiration of the memorandum of*
10 *understanding that is in effect and current on November 10, 2010,*
11 *this section shall be controlling and may not be superseded by a*
12 *subsequent memorandum of understanding.*

13 *SEC. 12. This act is an urgency statute necessary for the*
14 *immediate preservation of the public peace, health, or safety within*
15 *the meaning of Article IV of the Constitution and shall go into*
16 *immediate effect. The facts constituting the necessity are:*

17 *In order for the provisions of this act to be applicable as soon*
18 *as possible for the 2010–11 fiscal year, and thereby facilitate the*
19 *orderly administration of state government at the earliest time*
20 *possible, it is necessary that this act take effect immediately.*

21 ~~SECTION 1. It is the intent of the Legislature to enact statutory~~
22 ~~changes relating to the Budget Act of 2010.~~

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