

Assembly Bill No. 1101

Passed the Assembly May 5, 2011

Chief Clerk of the Assembly

Passed the Senate August 29, 2012

Secretary of the Senate

This bill was received by the Governor this _____ day
of _____, 2012, at _____ o'clock ____M.

Private Secretary of the Governor

CHAPTER _____

An act to amend, repeal, and add Section 22200 of the Education Code, relating to the Teachers' Retirement Board.

LEGISLATIVE COUNSEL'S DIGEST

AB 1101, Eng. Teachers' Retirement Board: members.

The State Teachers' Retirement Law establishes the procedures by which members of the Teachers' Retirement Board are selected. Existing law provides for the election of 3 members of the board by specified members of the Defined Benefit Program and specified participants of the Cash Balance Benefit Program at elections conducted by the board. Existing law also authorizes the Governor to appoint 5 persons to the board, including a person who is either a retired member of the Defined Benefit Program or a retired participant of the Cash Balance Benefit Program.

This bill would, beginning January 1, 2016, reduce the number of gubernatorial appointees to 4 by removing the authority of the Governor to appoint a person who is either a retired member of the Defined Benefit Program or a retired participant of the Cash Balance Benefit Program. The bill would instead require that a retired member of the Defined Benefit Program or a retired participant of the Cash Balance Benefit Program be elected to the board, thereby increasing the number of elected members of the board to 4.

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

SECTION 1. Section 22200 of the Education Code is amended to read:

22200. (a) The plan and the system are administered by the Teachers' Retirement Board. On and after January 1, 2004, the members of the board are as follows:

- (1) The Superintendent of Public Instruction.
- (2) The Controller.
- (3) The Treasurer.
- (4) The Director of Finance.

(5) Three persons who are either members of the Defined Benefit Program or participants in the Cash Balance Benefit Program, as follows:

(A) One person who, at the time of election, is an active member of the Defined Benefit Program or an active participant of the Cash Balance Benefit Program employed by a school district that provides instruction for prekindergarten, kindergarten, or grades 1 to 12, inclusive, or a county office of education, in a position other than a school administrator that requires a services credential with a specialization in administrative services. This member shall be elected by the active members of the Defined Benefit Program and active participants of the Cash Balance Benefit Program who are employed by a school district that provides instruction for prekindergarten, kindergarten, or grades 1 to 12, inclusive, or county office of education, pursuant to regulations adopted by the board, for a four-year term commencing on January 1, 2004.

(B) One person who, at the time of election, is an active member of the Defined Benefit Program or an active participant of the Cash Balance Benefit Program employed by a school district that provides instruction for prekindergarten, kindergarten, or grades 1 to 12, inclusive, or a county office of education. This member shall be elected by the active members of the Defined Benefit Program and active participants of the Cash Balance Benefit Program who are employed by a school district that provides instruction for prekindergarten, kindergarten, or grades 1 to 12, inclusive, or a county office of education, pursuant to regulations adopted by the board, for a four-year term commencing on January 1, 2004.

(C) One person who, at the time of election, is a community college instructor and an active member of the Defined Benefit Program or an active participant of the Cash Balance Benefit Program employed by a community college district, who shall be elected by the active community college members of the Defined Benefit Program and the active community college participants of the Cash Balance Benefit Program, pursuant to regulations adopted by the board, for a four-year term commencing on January 1, 2004.

(6) Five persons appointed by the Governor for a term of four years, subject to confirmation by the Senate, as follows:

(A) One person who, at the time of appointment, is a member of the governing board of a school district or a community college district.

(B) One person who is either a retired member under this part or a retired participant under Part 14 (commencing with Section 26000).

(C) Three persons representing the public, whose terms shall be staggered by varying the first terms of these members, as follows:

(i) One person to a term expiring December 31, 2005.

(ii) One person to a term expiring December 31, 2006.

(iii) One person to a term expiring December 31, 2007.

(b) A person who is employed to perform creditable service by a community college district and either a school district that provides instruction for prekindergarten, kindergarten, or grades 1 to 12, inclusive, or a county office of education, may only be elected to the position on the board that corresponds to the position in which he or she accrued the most service credit during the prior school year.

(c) The members of the board shall annually elect a chairperson and vice chairperson.

(d) This section shall remain in effect only until January 1, 2016, and as of that date is repealed, unless a later enacted statute, that is enacted before January 1, 2016, deletes or extends that date.

SEC. 2. Section 22200 is added to the Education Code, to read:

22200. (a) The plan and the system are administered by the Teachers' Retirement Board. On and after January 1, 2016, the members of the board are as follows:

(1) The Superintendent of Public Instruction.

(2) The Controller.

(3) The Treasurer.

(4) The Director of Finance.

(5) Four persons who are either members of the Defined Benefit Program or participants in the Cash Balance Benefit Program, as follows:

(A) One person who, at the time of election, is an active member of the Defined Benefit Program or an active participant of the Cash Balance Benefit Program employed by a school district that provides instruction for prekindergarten, kindergarten, or grades 1 to 12, inclusive, or a county office of education, in a position

other than a school administrator that requires a services credential with a specialization in administrative services. This member shall be elected by the active members of the Defined Benefit Program and active participants of the Cash Balance Benefit Program who are employed by a school district that provides instruction for prekindergarten, kindergarten, or grades 1 to 12, inclusive, or county office of education, pursuant to regulations adopted by the board, for a four-year term commencing on January 1, 2004.

(B) One person who, at the time of election, is an active member of the Defined Benefit Program or an active participant of the Cash Balance Benefit Program employed by a school district that provides instruction for prekindergarten, kindergarten, or grades 1 to 12, inclusive, or a county office of education. This member shall be elected by the active members of the Defined Benefit Program and active participants of the Cash Balance Benefit Program who are employed by a school district that provides instruction for prekindergarten, kindergarten, or grades 1 to 12, inclusive, or a county office of education, pursuant to regulations adopted by the board, for a four-year term commencing on January 1, 2004.

(C) One person who, at the time of election, is a community college instructor and an active member of the Defined Benefit Program or an active participant of the Cash Balance Benefit Program employed by a community college district, who shall be elected by the active community college members of the Defined Benefit Program and the active community college participants of the Cash Balance Benefit Program, pursuant to regulations adopted by the board, for a four-year term commencing on January 1, 2004.

(D) One person who, at the time of election, is either a retired member under this part or a retired participant under Part 14 (commencing with Section 26000). This member shall be elected by the retired members of the Defined Benefit Program and the retired participants of the Cash Balance Benefit program, pursuant to regulations adopted by the board, for a four-year period commencing on January 1, 2016.

(6) Four persons appointed by the Governor for a term of four years, subject to confirmation by the Senate, as follows:

(A) One person who, at the time of appointment, is a member of the governing board of a school district or a community college district.

(B) Three persons representing the public, whose terms shall be staggered by varying the first terms of these members, as follows:

- (i) One person to a term expiring December 31, 2005.
- (ii) One person to a term expiring December 31, 2006.
- (iii) One person to a term expiring December 31, 2007.

(b) A person who is employed to perform creditable service by a community college district and either a school district that provides instruction for prekindergarten, kindergarten, or grades 1 to 12, inclusive, or a county office of education, may only be elected to the position on the board that corresponds to the position in which he or she accrued the most service credit during the prior school year.

(c) The members of the board shall annually elect a chairperson and vice chairperson.

Approved _____, 2012

Governor