

AMENDED IN ASSEMBLY APRIL 17, 2012

AMENDED IN ASSEMBLY MARCH 29, 2012

CALIFORNIA LEGISLATURE—2011–12 REGULAR SESSION

ASSEMBLY BILL

No. 2606

Introduced by Assembly Member Mendoza

February 24, 2012

An act to amend Section 21623.6 of the Government Code, relating to public employees' retirement.

LEGISLATIVE COUNSEL'S DIGEST

AB 2606, as amended, Mendoza. Public employees' retirement: postretirement death benefits.

The Public Employees' Retirement Law requires that, upon the death of any state or school member after retirement and while receiving a retirement allowance, the sum of \$2,000 be paid to the member's designated beneficiary, except as specified. Existing law requires, when a school employer elects by contract, that the amount paid to the beneficiary be \$3,000, \$4,000, or \$5,000, whichever amount is designated in its contract.

This bill would require that the amount paid be \$4,000 for a death occurring from January 1, 2013, to December 31, 2013, inclusive, and would increase that amount each year by \$500 until April 1, 2017, at which point the amount would be \$6,000, and would be adjusted annually, as specified. *Until January 1, 2015, when the amount would reach \$5,000, the bill would instead allow a school employer to elect by contract to pay the beneficiary \$5,000.*

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 21623.6 of the Government Code is
 2 amended to read:

3 21623.6. (a) In lieu of benefits provided by Sections 21620,
 4 21622, and 21623, upon the death of any school member, after
 5 retirement and while receiving a retirement allowance from this
 6 system, there shall be paid to the beneficiary whom he or she shall
 7 nominate by written designation duly executed and filed with the
 8 board, an amount to be provided from contributions by the
 9 employer as follows:

10 (1) The sum of four thousand dollars (\$4,000), *or five thousand*
 11 *dollars (\$5,000) if designated by the employer in its contract*, for
 12 a death occurring from January 1, 2013, to December 31, 2013,
 13 inclusive.

14 (2) The sum of four thousand five hundred dollars (\$4,500), *or*
 15 *five thousand dollars (\$5,000) if designated by the employer in its*
 16 *contract*, for a death occurring from January 1, 2014, to December
 17 31, 2014, inclusive.

18 (3) The sum of five thousand dollars (\$5,000) for a death
 19 occurring from January 1, 2015, to December 31, 2015, inclusive.

20 (4) The sum of five thousand five hundred dollars (\$5,500) for
 21 a death occurring from January 1, 2016, to December 31, 2016,
 22 inclusive.

23 (5) The sum of six thousand dollars (\$6,000) for a death
 24 occurring from January 1, 2017, to March 31, 2017, inclusive.

25 (6) For a death occurring on or after April 1, 2017, the amount
 26 shall be adjusted annually in the same manner as monthly
 27 allowances subject to Sections 21313 and 21329.

28 (b) For the purposes of this section, all contributions, liabilities,
 29 actuarial interest rates, and other valuation factors shall be
 30 determined on the basis of actuarial assumptions and methods that,
 31 in the aggregate, are reasonable and that, in combination, offer the
 32 actuary's best estimate of anticipated experience under the system.

33 (c) The additional employer contributions required under this
 34 section shall be computed as a level percentage of member
 35 compensation.

36 (d) ~~This section shall apply to any school employer and any~~
 37 ~~retired school member whose death after retirement occurs on or~~
 38 ~~after January 1, 2001.~~ This section shall not apply to any

1 contracting agency or local member, except those contracting
2 agencies that are school employers and those school districts or
3 community college districts as defined in subdivision (i) of Section
4 20057.

O