

ASSEMBLY BILL

No. 429

Introduced by Assembly Member Correa

February 12, 1999

An act to amend Section 24600 of the Education Code, relating to the State Teachers' Retirement System.

LEGISLATIVE COUNSEL'S DIGEST

AB 429, as introduced, Correa. State Teachers' Retirement System: benefits.

Existing law, the State Teachers' Retirement System, sets forth procedures for the accrual and termination dates of benefits and allowances, including distributions from the Defined Benefit Program.

This bill would make technical, nonsubstantive changes to that provision effective January 1, 2002.

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

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

1 SECTION 1. Section 24600 of the Education Code is
2 amended to read:
3 24600. (a) A retirement allowance under this part
4 begins to accrue on the effective date of the member's
5 retirement and ceases on the earlier of the day of the
6 member's death or the day on which the retirement
7 allowance terminated for a reason other than the
8 member's death.

1 (b) A retirement allowance payable to an option
2 beneficiary under this part begins to accrue on the day
3 following the day of the retired member's death and
4 ceases on the day of the option beneficiary's death.

5 (c) A disability allowance under this part begins to
6 accrue on the effective date of the member's disability
7 and ceases on the earlier of the day of the member's death
8 or the day on which the disability allowance terminated
9 for a reason other than the member's death.

10 (d) A family allowance under this part begins to
11 accrue on the day following the day of the member's
12 death and ceases on the day of the event that terminates
13 eligibility for the allowance.

14 (e) A survivor benefit allowance payable to a
15 surviving spouse under this part pursuant to Chapter 23
16 (commencing with Section 23850) begins to accrue on
17 the day the member would have attained 60 years of age
18 or on the day following the day of the member's death, as
19 elected by the surviving spouse, and ceases on the day of
20 the surviving spouse's death.

21 (f) A child's portion of an allowance under this part
22 begins to accrue on the effective date of that allowance
23 and ceases on the earlier of either the termination of the
24 child's eligibility or the termination of the allowance. An
25 allowance payable because of a full-time student shall
26 terminate on the first day of the month following the end
27 of the school quarter or semester that is in progress in the
28 month the full-time student attains 22 years of age. Any
29 adjustment to an allowance because of a full-time
30 student's periods of nonattendance shall be made as
31 follows: the allowance shall cease on the first day of the
32 month in which return to full-time attendance was
33 required and shall begin to accrue again on the first day
34 of the month in which full-time attendance resumes.

35 (g) Supplemental payments issued under this part
36 pursuant to Sections 24701, 24702, and 24703 to retired
37 members, disabled members, and beneficiaries shall
38 begin to accrue pursuant to Sections 24701, 24702, and
39 24703 and shall cease to accrue as of the termination dates
40 specified in subdivisions (a) to (f), inclusive.



1 (h) Notwithstanding any other provision of this part or
2 other law, distributions from the plan with respect to the
3 Defined Benefit Program shall be made in accordance
4 with Section 401(a)(9) of the Internal Revenue Code of
5 1986, as amended, including the incidental death benefit
6 requirements of Section 401(a)(9)(G) and the
7 regulations thereunder, and the required beginning date
8 of benefit payments that represent the entire interest of
9 the member in the ~~plan with respect to the~~ Defined
10 Benefit Program shall be as follows:

11 (1) In the case of a refund of contributions, as
12 described in Chapter 12 (commencing with Section
13 23100) of this part, not later than April 1 of the calendar
14 year following the later of (A) the calendar year in which
15 the member attains 70 1/2 years of age or (B) the calendar
16 year in which the member terminates employment
17 within the meaning of subdivision (i).

18 (2) In the case of a retirement allowance, as defined in
19 Section 22150, beginning not later than April 1 of the
20 calendar year following the later of (A) the calendar year
21 in which the member attains 70 1/2 years of age or (B) the
22 calendar year in which the member terminates
23 employment within the meaning of subdivision (i), to
24 continue over the life of the member or the lives of the
25 member and the member's option beneficiary, or over
26 the life expectancy of the member or the life expectancy
27 of the member and the member's option beneficiary.

28 (i) For purposes of subdivision (h), "terminates
29 employment" means the later of the termination of
30 employment subject to coverage by the ~~plan~~ *Defined*
31 *Benefit Program* or the termination of employment in a
32 position requiring or permitting membership in another
33 public retirement system in this state the compensation
34 from which may be included in final compensation under
35 Section 22127.

36 (j) This section shall become operative on January 1,
37 2002.

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