

**Introduced by Senator Ortiz**

February 17, 1999

An act to add Section 22801.5 to the Education Code, relating to the State Teachers' Retirement System.

LEGISLATIVE COUNSEL'S DIGEST

SB 473, as introduced, Ortiz. State Teachers' Retirement System: benefits.

The State Teachers' Retirement Law authorizes members to elect to receive additional service credit upon payment of contributions.

This bill would authorize a school district, community college district, or county office of education to pay all or a portion of the member's costs for that service credit.

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 22801.5 is added to the  
 2 Education Code, to read:  
 3 22801.5. (a) A school district, a community college  
 4 district, or a county office of education may, subject to  
 5 subdivision (g), pay all or a portion of the cost to receive  
 6 credit for service authorized to be purchased by a  
 7 member pursuant to Sections 22802, 22805, 22806, 22809,  
 8 or paragraphs (1), (3), (4), or (5), of subdivision (a) of  
 9 Section 22803 or Chapter 14.2 (commencing with Section  
 10 22820) or authorized to be credited to a member who



1 redeposits previously refunded contributions pursuant to  
2 Chapter 19 (commencing with Section 23200). Any  
3 payments made by a school district, a community college  
4 district, or a county office of education for service to be  
5 credited to a member who redeposits previously  
6 refunded contributions pursuant to Chapter 19  
7 (commencing with Section 23200), shall be in accord with  
8 the provisions of that chapter.

9 (b) A school district, a community college district, or  
10 a county office of education electing to pay for credited  
11 service pursuant to this section shall establish criteria that  
12 are consistent with one or more of the objectives specified  
13 in subdivision (f), which shall be used to determine  
14 eligibility for a member to have service credit paid by the  
15 school district, community college district, or county  
16 office of education. The criteria shall be broad enough to  
17 apply to at least 20 employees who are members of the  
18 system, or 3 percent of the employees who are members  
19 of the system, whichever is greater, unless the Teachers'  
20 Retirement Board specifically authorizes the application  
21 of criteria to a lesser number or percentage of members  
22 due to unique circumstances, as determined by the  
23 Teachers' Retirement Board.

24 (c) The opportunity to have the cost of credit for  
25 service paid by the school district, a community college  
26 district, or a county office of education pursuant to this  
27 section shall be made equally available to any member  
28 employed by the school district, a community college  
29 district, or a county office of education who meets the  
30 criteria established by the school district, community  
31 college district, or county office of education pursuant to  
32 this section, and shall not be restricted to members who  
33 are not classroom teachers, as defined in Section 22135.

34 (d) The school district, a community college district,  
35 or a county office of education shall pay either the same  
36 dollar amount toward the purchase of service credit or  
37 purchase an equal amount of credit for service pursuant  
38 to this section for each member employed by the school  
39 district, community college district, or county office of  
40 education who meets the criteria established by the



1 school district, community college district, or county  
2 office of education pursuant to this section. Payments to  
3 the retirement fund shall be made annually in a manner  
4 and time period, not to exceed four years, that is  
5 acceptable to the Teachers' Retirement Board.

6 (e) Contributions made by a school district,  
7 community college district, or county office of education  
8 pursuant to this section shall not be credited to the  
9 account of the member.

10 (f) The school district, community college district, or  
11 county office of education may, purchase all or a portion  
12 of permissive service credit pursuant to subdivision (a) to  
13 encourage members to remain with the current  
14 employer for at least a specified number of years, and to  
15 encourage members to cease employment with the  
16 current employer in order to facilitate a change in  
17 workforce requirements due, among other things, to an  
18 impending curtailment of services, a decline in workload  
19 or a change in curriculum that results in a need for  
20 different skills by teachers or instructors or to promote  
21 the recruitment of members to become employed by the  
22 employer.

23 (g) The school district, community college district, or  
24 county office of education shall inform the Teachers'  
25 Retirement Board of the criteria that are being applied  
26 to establish eligibility to pay the cost of credit for service  
27 pursuant to this section, and the estimated number of  
28 members who would be eligible to have the cost of credit  
29 for service paid by the employer pursuant to this section.  
30 Prior to authorizing the payment of funds by the school  
31 district, community college district, or county office of  
32 education pursuant to this section, the Teachers'  
33 Retirement Board shall determine whether the criteria  
34 submitted to the board pursuant to this subdivision are  
35 consistent with one or more of the objectives specified in  
36 subdivision (f).

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