

**Legislative Report
April 2022**

AB 498 (Quirk-Silva) is a two-year bill that was gutted and amended in the Senate. It proposes to define “group or class of positions” as used in Sec. 31461 of the Gov. Code, which applies to compensation earnable under CERL, to mean a number of employees considered together because they share similarities in job duties, work location, collective bargaining unit, or other logical work-related grouping. **It is still at the Sen Rules Committee awaiting assignment to a policy committee.**

AB 826 (Irwin) seeks to include a flexible credit allowance provided under a cafeteria plan, and which includes in-kind benefits, in compensation earnable for legacy employees, subject to meeting certain criteria. The bill applies only to Ventura County. **It is still in the Sen inactive file.**

AB 1667 (Cooper) initially stated the intent of the Legislature to enact legislation related to the State Teachers’ Retirement System, including, among other things, in connection with employee liability for system errors in payments, guidance provided by the system later determined to be erroneous, changes to interpretations of creditable compensation laws by the system, and system audits. **It was amended on March 24 to include provisions consistent with the stated intent. It is at the Asm PE & R Comm.**

AB 1722 (Cooper) would delete the termination provision in the PERL providing that a state safety member of PERS who retires for industrial disability receive a retirement benefit equal to the greatest amount resulting from 3 possible calculations thereby making them operative in perpetuity. **Passed out of the Asm PE & R Comm. on March 16 (6-0) and referred to the Asm Appr Comm. where it was placed in the Suspense File.**

AB 1795 (Fong) would require state bodies to provide all persons the ability to participate both in-person and remotely in any meeting and to address the body remotely. It is currently at the Asm Gov Org Comm.

AB 1824 (Asm PE & R Comm.) is the annual technical clean-up bill for all public Retirement systems established by state law. It includes a number of amendments to CERL recommended by SACRS. it underwent minor amendments on February 28 and March 7. **It passed out the Asm PE & R Comm. on March 30 (12-0) and out of the ASM on April 7 (65-0). It is now at the Sen Rules Committee awaiting assignment to a policy committee.**

AB 1801 (Nazarian) would make non-substantive changes to existing law which requires present, future, and former board members of the Public Employees’ Retirement System or the State Teachers’ Retirement System, jointly and individually, state officers and employees, specified research firms, and investment managers under contract with these retirement systems to be indemnified from the General Fund and held harmless by the State of California from all claims, demands, suits, actions,

damages, judgments, costs, charges, and expenses, and against all liability, losses, and damages that those persons or entities may sustain by reason of a decision to restrict, reduce, or eliminate certain types of investments. **It was amended on March 24 and now pertains to a different subject matter, so will be removed from this report.**

AB 1944 (Lee) would amend the Brown Act to provide when a legislative body chooses to use teleconferencing for the conduct of meetings, and has elected to allow members to participate via teleconferencing, that when a member of the legislative body elects to teleconference from a location that is not public, the address of such location does not need to be identified in the notice and agenda of the meeting or be accessible to the public. The bill would also require all open and public meetings of a legislative body that elects to use teleconferencing to provide a video stream accessible to members of the public and an option for members of the public to address the body remotely during the public comment period through an audio-visual or call-in option. **It was amended slightly on April 18 but is still at the Asm L Gov Comm.**

AB 1971 (Cooper) is a SACRS sponsored bill containing a number of CERL amendments considered to be more than technical amendments. **It was amended on April 18 to delete sections 1, 6, and 8 of the bill which applied to Board of Supervisors approval of regulations adopted by a retirement board, how to handle a retiree who received a disability retirement but was later found to be no longer incapacitated, and to prevent a retiree who retires from more than one public retirement system from receiving a disability allowance greater than the amount the retiree would have received had all the retiree's service been with only one entity. The bill passed out of the Asm PE & R Comm. on April 20 and is now on the Asm Floor.**

AB 2443 (Cooley) was a spot bill which made non-substantive changes to the Judges' Retirement System. **It was amended on March 17 and now would prescribe the method by which benefits are to be reduced when federal law requires aggregation of benefits from different state plans administered by CalPERS and federal limits on benefits are reached. The bill passed out of the Asm PE & R Comm. on March 21 (6-0) and is now at the Asm APPR Comm.**

AB 2449 (B. Rubio) is similar to AB 1944 and would authorize a local agency to use teleconferencing if at least a quorum of the members of the legislative body participates in person from a singular location clearly identified on the agenda that is open to the public and situated within the local agency's jurisdiction. The bill would impose prescribed requirements relating to notice, agendas, the means and manner of access, and procedures for dealing with disruptions preventing broadcasting the meeting. The bill would also require the legislative body to implement a procedure for receiving and swiftly resolving requests for reasonable accommodation for individuals with disabilities, consistent with federal law. **It is still at the Asm Local Gov Comm.**

SB 457 (Portantino) would require the boards of administration of the Public Employees' Retirement System and the State Teachers' Retirement System to provide

employers that are school districts and cities that participate in the systems an option to elect an investment portfolio that does not contain investment vehicles that are issued or owned by the government of the Republic of Turkey. The bill passed out of the Senate (36-0) on May 8, 2021. **It is still at the Asm PE & R Comm.**

SB 868 (Cortese) would prescribe additional benefits to be paid quarterly from the CalSTRS Supplemental Benefit Maintenance Account, beginning July 1, 2023, for the purpose of restoring the purchasing power of the allowances of retired members and nonmember spouses, disabled members, and beneficiaries. **The bill was amended on March 24 by adding additional authors. It passed out of the Sen L, PE & R Comm. on April 5 (4-0) and referred to the Sen APPR Comm. It was amended on April 18 by again adding authors, remaining in the Sen APPR Comm.**

SB 1114 (Newman) is a spot bill and makes non-substantive changes to the Public Employees Retirement System. **It is still at the Sen Rules Comm awaiting assignment to a policy committee.**

SB 1168 (Cortese) would require the PERS board to determine the average benefit paid to a beneficiary under various PERS provisions upon the death of a member, and would require the board, beginning on July 1, 2023, to increase the beneficiary payment annually in a specified amount until the beneficiary payment reaches the average benefit paid, as calculated by the board. **It passed out of the Sen L, PE & R Comm. on April 19 (5-0) and referred to the Sen APPR Comm where it was amended on April 20 to increase the death benefit to \$2000. The bill remains at the Sen APPR Comm.**

SB 1173 (Gonzales) would prohibit the boards of the PERS and the STRS from making new investments or renewing existing investments of public employee retirement funds in a fossil fuel company. The bill would also require the boards to liquidate investments in a fossil fuel company on or before July 1, 2027, but that it does not require a board to take any action unless the board determines in good faith that the action is consistent with the board's fiduciary responsibilities. **It was amended on April 5 to temporarily suspend the liquidation requirement, apparently in response to the Ukraine war and passed out of the Sen L, PE & R Comm on April 5 (3-1) and referred to the Sen JUD Comm. The bill was amended again on April 20 making some minor text changes, passed out of Sen JUD Comm on the same date (8-2) and referred to the Sen APPR Comm.**

SB 1328 (McGuire) was gutted and amended to prohibit the boards of state and local public retirement systems from investing public employee retirement funds in a company with business operations in Russia or Belarus or a company that supplies military equipment to Russia or Belarus. The bill would require those boards to contract with a research firm or firms to determine those companies with business operations in those countries, to conduct their own review of companies with business operations in those countries, require the boards to determine whether a company has business operations in Russia or Belarus or supplies military equipment to Russia or Belarus. The bill would require the board to notify companies determined to have business operations

with those countries and request the company to take substantial action. If the company fails to complete substantial action, the bill would prohibit the board from making additional or new investments in that company, and to liquidate the investments of the board in that company. The bill does not require the board to liquidate unless the board determines, in good faith, that liquidation is consistent with the fiduciary responsibilities of the board. **On March 17, the bill was assigned to the Sen L, PE & R Comm and amended to clarify its application to Belarus. It passed out of the Sen L, PE & R Comm on March 29 (13-0) and referred to the Sen APPR Comm where it was amended in a minor way on April 19. It is still at the Sen APPR Comm. SACRS has serious concerns about the bill and has sent a letter to the legislature, a copy of which is attached for your information.**