



Meeting Date
11/06/13
Agenda Item
#11

MEMORANDUM

Date: November 6, 2013
To: Board of Retirement
From: Karen Levy, General Counsel
Subject: State Association of County Retirement Systems
Legislative Proposal - 2014

Recommendation

Consider the legislative proposal and provide appropriate direction to the CCCERA voting delegate attending the State Association of County Retirement Systems ("SACRS") business meeting, to be held on November 15, 2013.

Background

SACRS has provided its legislative proposal for 2014, which consists of PEPRA clean up legislation. The SACRS Legislative Committee has recommended additional technical clean up legislation in order to conform the County Employees Retirement Law of 1937 ("CERL") to the Public Employees' Pension Reform Act of 2013 ("PEPRA"). One example provided is the need to add the words "pensionable compensation," which is the PEPRA term for that compensation that is included in compensation for retirement purposes, to particular provisions in CERL, as applicable. This would be a follow up to AB 1380, the SACRS PEPRA cleanup bill already enacted.

At the Friday, November 15, 2013, SACRS Business Meeting, SACRS member systems will be asked to approve the SACRS proposals. The Board should provide guidance to its voting delegate with regards to its support, opposition, or abstention on this SACRS action item.

YEAR 2014 SACRS LEGISLATIVE PLATFORM WORKSHEET

PLEASE COMPLETE AND RETURN BY SEPTEMBER 6, 2013

Title of Issue: PEPRA Clean-up Legislation
Association: SACRS Legislative Committee
Contact Person: Julie Wyne, OCERS
Phone #: (714) 558-6221
Fax #:

Please answer the following questions as fully as possible:

1. **Description of issue. A Subcommittee of the SACRS Legislative Committee worked throughout 2013 to conform the County Employees Retirement Law of 1937 (CERL) to PEPRA. After the last set of amendments to AB 1380 in 2013, it was determined that further technical clean-up amendments are required. For example, an important word was dropped from one of the amendments made by AB 1380; some death benefit provisions that rely on "compensation earnable" were not amended to include reference to "pensionable compensation" for members subject to PEPRA, etc. Additionally, the Subcommittee identified some provisions of the CERL unique to specific county systems that may be obsolete or require updating.**
2. **Recommended solution. Propose legislation to accomplish technical clean-up amendments to the CERL related to conformance with PEPRA that were not included in AB 1380 nor SB 13 of 2013.**
3. **Specific language that you would like changed in, or added to, '37 Act Law, and suggested code section numbers. To be determined.**
4. **Why should the proposed legislation be sponsored by SACRS rather than by your individual retirement association? This language will be applicable to all '37 Act systems.**
5. **Do you anticipate that the proposed legislation would create any major problems, such as conflicting with Proposition 162 or create a problem with any of the other 19 SACRS retirement associations? None anticipated. This bill is intended to only address technical corrections to facilitate implementation of PEPRA and clarify the CERL.**
6. **Who will support or oppose this proposed change in the law? SACRS will sponsor; individual systems may support.**
7. **Who will be available from your association to testify before the Legislature?**

Julie Wyne and Richard Stensrud