

AMENDED IN SENATE JULY 28, 2020

AMENDED IN SENATE JUNE 29, 2020

AMENDED IN ASSEMBLY MAY 4, 2020

CALIFORNIA LEGISLATURE—2019–20 REGULAR SESSION

ASSEMBLY BILL

No. 2967

Introduced by Assembly Member O'Donnell
(Coauthor: Assembly Member Chen)

February 21, 2020

An act to amend Sections 20460 and 20502 of the Government Code, relating to public employees' retirement.

LEGISLATIVE COUNSEL'S DIGEST

AB 2967, as amended, O'Donnell. Public Employees' Retirement System: contracting agencies: exclusion from membership.

Existing law, the Public Employees' Retirement Law (PERL), establishes the Public Employees' Retirement System (PERS), which provides a defined benefit to members of the system, based on final compensation, credited service, and age at retirement, subject to certain variations. PERS is administered by the Board of Administration of the Public Employees' Retirement System.

PERL authorizes a public agency to contract to make all or part of its employees members of PERS, subject to specified conditions, and requires membership in PERS to be compulsory for all employees included under a contract. Existing law prohibits these contracts from providing for the exclusion of some, but not all, firefighters and specified public safety officers. With regard to other groups of employees, existing law requires that they be based on general categories, such as departments or duties, and not on individual employees.

This bill would delete provisions of PERL that generally authorize a public agency contracting with PERS to make all or part of its employees members of the system. The bill would generally prohibit exclusions of groups of employees from being made by amendment of a public agency contract with ~~PERS~~: *PERS, except as provided*. The bill would apply these provisions to contracts entered into, amended, or extended on and after January 1, ~~2020~~: 2021.

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 20460 of the Government Code is
2 amended to read:

3 20460. (a) Any public agency may participate in this system
4 by contract entered into between its governing body and the board
5 pursuant to this part. However, a public agency shall not enter into
6 the contract within three years of termination of a previous contract
7 for participation.

8 (b) The changes to this section made by the act adding this
9 subdivision shall apply to a contract entered into, amended, or
10 extended on and after January 1, ~~2020~~: 2021.

11 SEC. 2. Section 20502 of the Government Code is amended
12 to read:

13 20502. (a) (1) The initial contract shall include in this system
14 all firefighters, police officers, county peace officers, local sheriffs,
15 and other employees of the contracting agency, except as
16 exclusions in addition to the exclusions applicable to state
17 employees may be agreed to by the agency and the board. The
18 contract shall not provide for the exclusion of some, but not all,
19 firefighters, police officers, county peace officers, or local sheriffs.
20 The exclusions of employees, other than firefighters, police
21 officers, county peace officers, or local sheriffs, shall be based on
22 groups of employees such as departments or duties, and not on
23 individual employees. ~~The~~

24 (2) *The exclusions of groups shall not be made by amendments*
25 *to contracts. ~~Membership~~ An amendment to a contract to enumerate*
26 *or clarify provisions related to groups of employees in a manner*
27 *that does not expand those already subject to exclusion shall not*
28 *be considered an exclusion prohibited by this paragraph.*

1 (3) *Membership* in this system is compulsory for all employees
2 included under a contract. ~~This~~
3 (b) *This* section shall not be construed to supersede Sections
4 20303 and 20305.
5 ~~(b)~~
6 (c) The changes to this section made by the act adding this
7 subdivision shall apply to a contract entered into, amended, or
8 extended on and after January 1, ~~2020~~ 2021.

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