

Board of Retirement Regular Meeting

Sacramento County Employees' Retirement System

Agenda Item	10	
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MEETING DATE: January 19, 2022

SUBJECT: State Association of County Retirement Systems

Legislative Update—January 2022

Deliberation Receive
SUBMITTED FOR: X Consent and Action and File

RECOMMENDATION

Staff recommends that the Board receive and file the State Association of County Retirement Systems (SACRS) Legislative Update for January 2022.

PURPOSE

This item complies with the Strategic Management Plan goal of stakeholder communication and outreach by participating in the legislative process to monitor changes in state law affecting public pension plans.

DISCUSSION

The attached report highlights recent legislative activity affecting California public pension plans and is produced by SACRS' legislative advocates at Edelstein Gilbert Robson & Smith, LLC.

SACRS is composed of the 20 systems operating under the County Employees' Retirement Law. The association's mission is to provide education and analysis to trustees and staff so that they can be more effective stewards of their systems' pension plans.

ATTACHMENTS

- Board Order
- SACRS Legislative Update—January 2022

Prepared by:	
/S/	
Eric Stern Chief Executive Officer	



Retirement Board Order Sacramento County Employees' Retirement System

Before the Board of Retirement January 19, 2022

AGENDA ITEM:			
State Association of County Retirement Systems Legislative Update— January 2022			
THE BOARD OF RETIREMENT hereby acceptor to receive and file the State Association of Legislative Update.			
I HEREBY CERTIFY that the above order v January 19, 2022 by the following vote of the I	•		
AYES:			
NOES:			
ABSENT:			
ABSTAIN:			
ALTERNATES (Present but not voting):			
Richard B. Fowler II Board President	Eric Stern Chief Executive Officer and Board Secretary		

Donald B. Gilbert Michael R. Robson Trent E. Smith Jason D. Ikerd Associate Bridget E. McGowan Associate

January 6, 2022

TO: State Association of County Retirement Systems

FROM: Edelstein Gilbert Robson & Smith, LLC

RE: Legislative Update – January 2022

General Update

The Legislature reconvened for the second year of the 2021-22 Legislative session on Monday January 3. Legislators are beginning to introduce new bills, and two-year bills that are in the first house are getting set for hearing.

Legislators have until February 18 to introduce new legislation. All two-year bills that are still in the house of origin must pass out of that house by the end of January. Two-year bills that are already in the second house have a more relaxed timeline.

The "Swing Space" where legislative offices are housed during the construction of the annex is up and running. However, due to the spike in COVID-19 cases, many legislative staff are still working from home. It remains to be seen how the Capitol working dynamic will evolve as case rates change in the Winter and into Spring.

2022-23 California State Budget

Governor Newsom is expected to introduce the January 2022-23 State Budget next week. Like last year, California is anticipating a record surplus. Latest projections put this figure at \$31 billion, and this means it will be another busy budget year as legislators and organizations vie for a portion of this funding.

We will keep SACRS apprised of any budget items of interest that are in introduced in the coming weeks and months.

Redistricting

The 2020 California Citizens Redistricting Commission approved the new district lines on December 27. Incumbent legislators are making decisions about where to run next cycle or to even run at all. To that end, a handful of legislators have already announced that they will not be seeking reelection for their next term. We expect more shuffling to come.

SACRS Sponsored Bill

The SACRS membership approved the SACRS proposed legislation at the Fall Conference in November. Now that it is approved, the Legislative Committee and lobbyists are having the relevant discussions in the Legislature to get the proposals introduced into bills.

Half of the proposals in the approved SACRS Sponsored Bill will be placed into an annual omnibus committee cleanup bill. This year that bill will be authored by the Assembly Public Employment and Retirement Committee. The other half of the proposals, while not controversial, will need to be placed in a policy bill because they are more than "technical cleanup" suitable for an omnibus bill. The SACRS lobbying team is in the process of securing a legislator to author this bill.