



Board of Retirement Regular Meeting

Sacramento County Employees' Retirement System

Agenda Item 9

MEETING DATE: August 17, 2022

SUBJECT: State Association of County Retirement Systems
Legislative Update—August 2022

SUBMITTED FOR: Consent Deliberation and Action Receive and File

RECOMMENDATION

Staff recommends that the Board receive and file the State Association of County Retirement Systems Legislative Update for August 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—August 2022

Prepared by:

/S/

Eric Stern
Chief Executive Officer



Retirement Board Order

Sacramento County Employees' Retirement System

Before the Board of Retirement
August 17, 2022

AGENDA ITEM:

**State Association of County Retirement Systems Legislative Update—
August 2022**

THE BOARD OF RETIREMENT hereby accepts the recommendation of staff to receive and file the State Association of County Retirement Systems Legislative Update – August 2022.

I HEREBY CERTIFY that the above order was passed and adopted on August 17, 2022 by the following vote of the Board of Retirement, to wit:

AYES:

NOES:

ABSENT:

ABSTAIN:

ALTERNATES (Present but not voting):

Board President

Eric Stern
Chief Executive Officer and
Board Secretary



August 3, 2022

TO: State Association of County Retirement Systems
FROM: Edelstein Gilbert Robson & Smith, LLC
RE: **Legislative Update – August 2022**

General Update

The Legislature returned from Summer Recess on August 1 and is now focused on the fiscal committee deadline. For this deadline, all bills keyed fiscal must pass out of the Appropriations Committee of the bill's second house by August 12. To meet this deadline, both the Senate and Assembly Appropriations Committees will hold a "Suspense Hearing" on August 11 where they will dispense with hundreds of bills at once.

After August 12, legislators must pass the remaining bills off the floor of the second house and if applicable, the floor of the house of origin for concurrence, before the Legislature adjourns for final recess on August 31.

The Governor will then have 30 days to consider the bills on his desk.

SACRS Sponsored Bills

AB 1824 (Committee on Public Employment and Retirement) – Committee Cleanup Bill. This bill was set for hearing in the Senate Appropriations Committee on August 8.

AB 1971 (Cooper) – CERL Policy Bill. This bill is awaiting a vote on the Senate floor. It is not a fiscal bill so it does not need a hearing in the Senate Appropriations Committee.

Other Bills of Interest

AB 2493 (Chen) – Disallowed Compensation. As initially amended, this bill would have allowed OCERS to adjust retirement payments based on disallowed compensation for peace officers and firefighters under certain circumstances. The bill was later amended to apply to all CERL systems.

When this bill had a hearing in the Senate Judiciary Committee in late June, CSAC was the lead opposition witness and discussed these cost concerns as well as how the bill differs from SB 278 (Leyva) from 2021.

The bill was amended substantially after the author and sponsors worked with committee staff. It is now eligible for a vote on the Senate floor.

AB 2449 (Rubio) – Public Meetings. This bill would allow a local agency to use teleconferencing for a public meeting if at least a quorum of members of the legislative body participate in person from a single location that is identified on the agenda and is open to the public within the local agency's jurisdiction, among other requirements. Recent amendments add more guardrails for when a board member can participate remotely and add a sunset date, among other changes.

The bill is now eligible for a vote on the Senate Floor.

Compensation Earnable Bills – Last session, two bills were introduced relating to compensation earnable - **AB 498 (Quirk-Silva) and AB 826 (Irwin)**. As reported in previous updates, AB 826 was gutted and amended in June of 2021 with the CERL provisions currently contained in the bill. The bill was placed on the Senate Inactive File in September, where it remains. AB 498 (Quirk Silva) was similarly amended at the end of session last year in September.

In late June, AB 498 was gutted and amended again, this time with provisions unrelated to county retirement systems, so it is no longer of interest to SACRS. AB 826 remains on the Senate Inactive File, and we will continue to monitor.