

BILL NUMBER: [SB 885](#) (L,PE&R) as amended June 6, 2023

SUMMARY

SB 885 makes a conforming change to the Teachers' Retirement Law to facilitate efficient administration of the State Teachers' Retirement Plan (plan), which includes the Defined Benefit Program, the Defined Benefit Supplement Program and the Cash Balance Benefit Program. The bill also makes various technical and conforming changes in the Public Employees' Retirement Law, the County Employees Retirement Law and the law related to the Judges' Retirement System II.

BOARD POSITION

Sponsor. This bill will make conforming amendments necessary for continued effective administration of the California State Teachers' Retirement System.

REASON FOR THE BILL

SB 885 will help ensure continued effective and efficient plan administration for CalSTRS' internal and external customers.

SUMMARY OF AMENDMENTS

The June 6, 2023, amendments:

- Move the date CalSTRS and CalPERS must report on the merit of continuing the divestment of investment vehicles issued or owned by the government of Turkey from January 1, 2024, to January 1, 2035.
- Make changes to provisions of the Public Employees' Retirement Law and the law related to the Judges' Retirement System II.

ANALYSIS & PROGRAM BACKGROUND

Federal Criminal Background Checks for Employment

Background

Penal Code section 11105 allows state agencies to request that the California Department of Justice (CalDOJ) provide information regarding federal convictions, among other information, and to request that CalDOJ send fingerprint images to the Federal Bureau of Investigation (FBI). The underlying statute that serves as the basis for obtaining background check information for employees or prospective employees is Government Code section 19572, which lists conduct that constitutes cause for discipline of a state employee or prospective state employee. Through these provisions, CalSTRS can request federal background checks on employees and prospective employees and does so after a tentative job offer is granted in order to determine any job-related convictions. CalDOJ was informed by the FBI that Government Code section 19572 no longer qualifies for access to federal criminal history information under Public Law 92-544. The FBI will no longer process requests beginning December 31, 2023, unless statute is changed to qualify under federal law. CalDOJ has requested that applicable agencies amend their respective laws to maintain access to federal-level service for state employee fingerprint-based background checks.

Proposed

This bill amends the Teachers' Retirement Law to maintain CalSTRS' authority to request federal background checks for employment purposes through CalDOJ in order to continue protecting member information and funds held in trust for those members.

Section affected: 22338

FISCAL IMPACT

Program Cost – None.

Administrative Costs/Savings – Minor and absorbable.

SUPPORT

CalSTRS (Co-sponsor)
CalPERS (Co-sponsor)
State Association of County Retirement Systems

OPPOSITION

None known.

LEGISLATIVE STAFF CONTACT

Peter Elliott
Legislative Analyst,
CalSTRS Governmental Relations,
(916) 414-1183
pelliott@calstrs.com

John Maradik-Symkowick
Manager,
CalSTRS Governmental Relations,
(916) 414-1977
jmaradik-symkowick@calstrs.com

Joycelyn Martinez-Wade
Director,
CalSTRS Governmental Relations,
(916) 414-1980
jmwade@calstrs.com