

2012 LEGISLATION AFFECTING CalSTRS

BILL / AUTHOR	SPONSOR	SUMMARY	BOARD POSITION	LOCATION
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Updated: 1/30/12

STATE LEGISLATION

AB 7 (Portantino) Introduced: 12/6/10	Author	Prohibits a person employed by the state whose base salary is greater than \$150,000 per year from receiving a salary increase or a bonus while employed in the same position or classification until January 1, 2014.	Oppose, unless amended	Held in Assembly
AB 17 (Davis) Amended: 1/13/12	California State NAACP	Requires CalSTRS to submit a report annually to the Legislature on the ethnicity and gender of the investment managers who participate in managing their portfolios and on the ethnicity and gender of the brokerage firms that provide brokerage services. Repeals these provisions on January 1, 2018.	Neutral, if amended	Senate 2-year bill
AB 738 (Hagman) Amended: 1/5/12	Author	Prohibits a person who is publicly elected to an office of any kind, on and after January 1, 2013, from becoming a member of a retirement system by virtue of that service or acquiring any retirement right or benefit for serving in that elective office. <i>(Similar to SB 523-Walters)</i>	Oppose, unless amended	Held in Assembly
AB 758 (Wieckowski) Introduced: 2/17/11	Author	Extends the sunset dates for the post-retirement earnings limit exemptions to June 30, 2014, and expands eligibility, where applicable, to members who retired on or before January 1, 2011.		Held in Assembly
AB 875 (Donnelly) Amended: 3/31/11	Author	For persons hired on and after January 1, 2012, prohibits the inclusion of compensation for accrued leave of any form or compensation for overtime work in the calculation of final comp for the purpose of determining any pension or benefit with respect to a public entity defined benefit retirement system.		Held in Assembly
AB 961 (Mansoor) Amended: 3/31/11	Author	Prohibits employee organizations from negotiating pension benefits with public employers.		Held in Assembly
AB 1101 (Eng) Introduced: 2/18/11	California Federation of Teachers	Provides that the Teachers' Retirement Board member who is either a retired member of the Defined Benefit (DB) Program or a retired participant of the Cash Balance (CB) Benefit Program would be elected by retired members and participants of those programs.	No position	Senate Appropriations Committee 2-year bill

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SB 27 (Simitian) Amended: 8/15/11	Author	Limits the types of compensation included in a member's final compensation for the purpose of determining retirement benefits. Effectively requires all members to have a separation from service of 180 days after retirement.	Support, if amended	Assembly Appropriations Committee 2-year bill
SB 114 (Yee) Amended: 1/17/12	Author	Requires community college districts to calculate and report the compensation of part-time faculty as a percentage of salary for a full-time teaching lead.		Assembly 2-year bill
SB 115 (Strickland) Amended: 1/4/12	Author	Requires a public officer or employee convicted of a felony as specified to forfeit all rights and benefits under any public retirement system accrued on or after January 1, 2013. Contributions made by the officer or employee to the pension system arising from the forfeited service would be returned to the officer or employee without interest.		Held in Senate
SB 522 (Walters) Amended: 3/22/11	Author	Repeals provisions in current law that allow CalPERS and CalSTRS members to purchase nonqualified service (airtime).		Held in Senate
SB 523 (Walters) Amended: 3/22/11	Author	Prohibits a person who is publicly elected to a local office of any kind, on and after January 1, 2012, from becoming a member of a retirement system by virtue of that service or from acquiring any retirement right or benefit for serving in that elective office. <i>(Similar to AB 738-Hagman)</i>	Oppose, unless amended	Held in Senate
SB 524 (Walters) Amended: 3/22/11	Author	Requires that any improvement in a retirement formula used to calculate public retirement benefits apply only to service performed after the effective date of the adjustment.		Held in Senate

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SB 526 (Walters) Amended: 3/21/11	Author	For persons first hired on and after January 1, 2012, for determining any pension benefit from a public entity defined benefit retirement system requires final compensation mean the highest annual average compensation earnable by the person during a consecutive 36-month period of membership in the system. Prohibits the inclusion of compensation for accrued leave or overtime work in the calculation of final compensation.		Held in Senate
SB 527 (Walters) Amended: 3/21/11	Author	Prohibits employee organizations from negotiating pension benefits with employers, except for the amount of employee contributions to the pension plans.		Held in Senate
SB 689 (Harman) Amended: 4/26/11	Author	Requires on or before July 1, 2012, CalPERS, CalSTRS and the University of California Retirement System each to establish and maintain an Internet Web site that allows the public to access specified information about any retired member who receives a pension of \$100,000 or more annually and specified information regarding the costs of postretirement health care benefits.	Neutral, note concerns (on prior version of bill)	Held in Senate
SB 903 (Anderson) Amended: 7/1/11	Author	Requires that any determination by CalSTRS that an action as specified in the California Public Divest from Iran Act would be a breach of fiduciary duty be made in a public hearing of the full board after proper public notice and provide an opportunity for public comment. This bill would become operative only if AB 1151 is enacted and takes effect on or before January 1, 2012. <i>(Similar to AB 1151-Feuer)</i>	Oppose	Held in Assembly

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FEDERAL LEGISLATION

<p>H.R. 567 (Nunes)</p> <p>Introduced: 2/9/11</p>	<p>Author</p>	<p>Requires state or local government employee pension plan sponsors to report their respective financial data to the U.S. Secretary of the Treasury each plan year beginning on or after January 1, 2011 utilizing existing valuation methods and calculation assumptions, as well as alternative methods and assumptions prescribed by the Secretary. Failure to comply with the reporting requirements will result in the forfeiture of federal tax benefits to bonds issued by the state or political subdivisions for which the plan provides benefits until noncompliance is remedied. Directs the U.S. Secretary of the Treasury to create and maintain a public website to post the information received from the reporting plans. Specifies that the U.S. government will not be liable for obligations related to current or future shortfalls in state or local government employee pension plans.</p>	<p>Oppose</p>	<p>House Committee on Ways and Means</p>
<p>S. 347 (Burr)</p> <p>Introduced: 2/15/11</p>	<p>Author</p>	<p>Requires state or local government employee pension plan sponsors to report their respective financial data to the U.S. Secretary of the Treasury each plan year beginning on or after January 1, 2011 utilizing existing valuation methods and calculation assumptions, as well as alternative methods and assumptions prescribed by the Secretary. Failure to comply with the reporting requirements will result in the forfeiture of federal tax benefits to bonds issued by the state or political subdivisions for which the plan provides benefits until noncompliance is remedied. Directs the U.S. Secretary of the Treasury to create and maintain a public website to post the information received from the reporting plans. Specifies that the U.S. government will not be liable for obligations related to current or future shortfalls in state or local government employee pension plans.</p>	<p>Oppose</p>	<p>Senate Committee on Finance</p>