

Right of Retirement System Election When Changing Positions

The purpose of this circular is to provide guidance to employers in providing the right of retirement system election when a California State Teachers' Retirement System (CalSTRS) member changes position that requires membership in another public retirement system.

Education Code section 22508 states in part:

A member who becomes employed by the same or a different school district or community college district, or county superintendent...,to perform service that requires membership in a different public retirement system, and who is not excluded from membership in that public retirement system, may elect to have that service subject to coverage by the Defined Benefit Program.... The election shall be made in writing on a form prescribed by this system within 60 days from the date of hire in the position requiring membership in the other public retirement system.

Since the issuance of "Positions Not Eligible for Creditable Service" Employer Information Circular (EIC 12-1 Volume 28 Issue 1), it has come to the attention of CalSTRS that members may not have been provided the Retirement System Election form when they changed positions subject to Education Code section 22508 but continued to participate in CalSTRS Defined Benefit Program as contributing members.

The error by the employer to timely provide the form is correctable pursuant to Education Code section 22308. In order to correct the error, a completed *Retirement System Election* form (ES372) must be submitted to CalSTRS within 180 days of this circular. The effective date of the election should be the date of hire in the position requiring membership in another system.

In addition to submitting the completed *Retirement System Election* form (ES372), please submit a justification letter, explaining the circumstances of the member's late election. The justification letter must also identify:

- Member's name and CalSTRS Client Identification Number or Social Security number,
- Previous Position: Title, position end date, employer name and report unit code.
- Current Position: Title, position effective date, employer name and report unit code.

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If you are hesitant if the member's current position is subject to Defined Benefit Program coverage please submit the requested *Retirement System Election* form (ES372) and justification letter.

The *Retirement System Election* form (ES372) and justification letter must be returned to:

CalSTRS
Member Account Services
P.O. Box 15275, MS 17
Sacramento, CA 95851-0275

If you have any questions regarding this process, please contact Employer Services Helpline at 1-877-277-5778