



CALSTRS®

# Legislative Update

Joycelyn Martinez-Wade

# 2023 Legislative Update

- SB 252 (Gonzalez) – Fossil fuel divestment
- SB 261 (Stern) – Climate-Related Financial Risk Act
- SB 327 (Laird) – Service retirement benefit backdating
- SB 885 (L,PE&R) – Public retirement system housekeeping bill
- SJR 1 (Cortese) – GPO and WEP repeal
- H.R. 82 (Graves) – Social Security Fairness Act of 2023

# 2023 Legislative Update (continued)

- SB 432 (Cortese) – AB 1667 clean-up
- SB 765 (Portantino) – Postretirement earnings limitations

# 2022 Legislation Implementation Update

- AB 1667 (Cooper) – Benefit overpayments
- SB 868 (Cortese) – Supplemental Benefit Maintenance Account increase

# 2024 Potential Legislative Proposals

- Teachers' Retirement Law simplification
  - Creditable compensation
  - Creditable service
- Housekeeping
  - Billing process for service credit purchases and redeposits
  - Federally required minimum distribution timeframes for beneficiary distributions



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# Regulatory Update

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# 2023 Regulations Update

- CalSTRS 2% at 62 compensation paid each pay period
  - Written comment period ends September 13.
  - Public hearing on September 14 at the board meeting.
- Updates to Penalties and Interest regulations
  - Consent action item seeking board approval to begin formal rulemaking process on September 14.
  - Targeted timeframe for Notice: mid November.
  - Targeted date for public hearing: January board meeting.
- AB 1667 regulations
  - Drafting phase.

# Updates to P&I Regulations

- Provide that, along with existing exemptions, assessment of P&I would be exempted when:
  - An employer's operations are impaired because of a natural or human-made emergency.
  - An employer reported information or remitted contributions under direction give by CalSTRS through a resource or advisory letter under the provisions of AB 1667.
  - The assessed P&I are a result of an outage of the CalSTRS secure employer website or a constraint of the pension administration system.



# Updates to P&I Regulations

- Clarify that interest will be charged on outstanding balances not paid in full within 30 days of the invoice date

# 2024 Potential Regulatory Proposal

- Board elections