



March 27, 2001

**TO:** All County Superintendents of Schools  
District Superintendents of Schools  
Community College Districts and  
Other Employing Agencies

**FROM:** Executive Office

**SUBJECT:** Employer Directive 2001-06  
Right to California Public Employees Retirement System (CalPERS) Coverage as  
a School Member

### **PURPOSE**

The purpose of this directive is to inform employers of the enactment of Senate Bill 1694 (Chapter 880, Statutes of 2000), effective January 1, 2001, that provides the right of a select group of CalPERS members that accept employment subject to California State Teachers' Retirement System (CalSTRS) coverage to elect their retirement coverage.

### **SCOPE**

This directive applies to a CalPERS member who is employed by a school employer, the Board of Governors of the California community colleges, or the state department of education and who is subsequently employed to perform service subject to coverage by CalSTRS Defined Benefit (DB) Program.

### **DISCUSSION**

Section 20309 of the Government Code has been amended to allow a member of the CalPERS who is employed by a school employer, the Board of Governors of the California community colleges, or the state department of education and who is subsequently employed to perform service subject to coverage by CalSTRS DB Program to elect to retain coverage by CalPERS for that subsequent service. If the member elects that the service be covered by CalPERS, the CalPERS benefits will be as a school member. A publication, "Join CalSTRS? Join CalPERS? The decision is yours!" produced by CalSTRS, with the cooperation of CalPERS compares the features of both systems to assist members in making a decision on their retirement coverage.

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Employees can request a copy of this publication from a CalSTRS Representative at 1-800-228-5453 or our website [www.calstrs.ca.gov](http://www.calstrs.ca.gov) or from a CalPERS Representative at 1-800-352-2238.

The election must be made in writing within 60 days from the date of hire. The election must be submitted on a form prescribed by CalPERS and a copy of the election must be submitted to CalSTRS. Any election made pursuant to this section will become effective as of the first day of employment in the position that qualified the member to make the election as creditable service.

**ACTION**

Employers should contact their CalPERS employer representative regarding CalPERS election and reporting requirements.

JAMES D. MOSMAN  
Chief Executive Officer