

Employer Information Circular



Volume: 18 Issue: 4

Date: October 3, 2002

Membership Division - P.O. Box 15275, MS-15 - Sacramento, CA 95851-0275

Member Contributions Paid by the Employer

Chapter 115, Statutes of 2002 (Senate Bill 1318) permits an employer to pay all, or a portion of, the member's 8 percent contributions required for creditable compensation for members of the CalSTRS Defined Benefit Program and the Defined Benefit Supplement Program. As an urgency measure, this bill took effect July 5, 2002.

Significant changes are as follows:

- Only employers that are picking up member contributions pursuant to Education Code Sections 22903 and 22904 can pay member contributions.
- Employers that pay member contributions will report them to CalSTRS as if the members were paying the contributions to the system.
- Contributions paid pursuant to Chapter 115 cannot be included in creditable compensation.
- Payment of member contributions must be for all members in a class of employees.

If you have any questions, please call Teresa Anderson, Membership Division Analyst, at (916) 229-3261.