

Board of Retirement Regular Meeting

Sacramento County Employees' Retirement System

Agenda It	em 6
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MEETING DATE: September 21, 2022

SUBJECT: State Association of County Retirement Systems

Legislative Update—September 2022

SUBMITTED FOR: X Consent Deliberation Receive and Action and File

RECOMMENDATION

Staff recommends that the Board receive and file the State Association of County Retirement Systems Legislative Update for September 2022.

PURPOSE

This item complies with the Strategic Management Plan goal of stakeholder communication and outreach by participating in the legislative process to monitor changes in state law affecting public pension plans.

DISCUSSION

The attached report highlights recent legislative activity affecting California public pension plans and is produced by SACRS' legislative advocates at Edelstein Gilbert Robson & Smith, LLC.

SACRS is composed of the 20 systems operating under the County Employees' Retirement Law. The association's mission is to provide education and analysis to trustees and staff so that they can be more effective stewards of their systems' pension plans.

ATTACHMENTS

- Board Order
- SACRS Legislative Update—September 2022

Prepared by:	
/S/	
Eric Stern Chief Executive Officer	



Retirement Board Order

Sacramento County Employees' Retirement System

Before the Board of Retirement September 21, 2022

AGENDA ITEM:		
State Association of County Retirement Systems Legislative Update—September 21, 2022		
THE BOARD OF RETIREMENT hereby accepts to receive and file the State Association of C Legislative Update – September 2022.		
I HEREBY CERTIFY that the above order was September 21, 2022 by the following vote of the		
AYES:		
NOES:		
ABSENT:		
ABSTAIN:		
ALTERNATES (Present but not voting):		
	Eric Stern Chief Executive Officer and	

Board Secretary

Donald B. Gilbert Michael R. Robson Trent E. Smith Jason D. Ikerd Associate Bridget E. McGowan Associate

September 1, 2022

TO: State Association of County Retirement Systems

FROM: Edelstein Gilbert Robson & Smith, LLC

RE: Legislative Update – September 2022

General Update

The Legislature adjourned for final recess late last night, marking the end of the 2021-22 Legislative Session. The Legislature spent the last days of session on the Senate and Assembly Floor working through final budget bills as well as hundreds of policy bills that needed floor votes and concurrence votes to pass out of the Legislature.

The Governor will have until September 30 to act upon the bills on his desk.

SACRS Sponsored Bills

AB 1824 (Committee on Public Employment and Retirement) – Committee Cleanup Bill. This bill passed out of the Legislature unanimously on August 18 and is awaiting consideration by the Governor. SACRS submitted a letter formally requesting the Governor's signature on the bill.

AB 1971 (Cooper) – CERL Policy Bill. This bill passed out of the Legislature on August 22 and is awaiting consideration by the Governor. Like AB 1824, SACRS submitted a letter formally requesting the Governor's signature on the bill.

In preparation for next year's cleanup bill, the SACRS Legislative Committee will be fielding and reviewing cleanup proposals in the fall.

Other Bills of Interest

AB 2493 (Chen) – Disallowed Compensation. As initially amended, this bill would have allowed OCERS to adjust retirement payments based on disallowed compensation for peace officers and firefighters under certain circumstances. The bill was later amended to apply to all CERL systems.

When this bill had a hearing in the Senate Judiciary Committee in late June, CSAC was the lead opposition witness and discussed these cost concerns as well as how the bill differs from SB 278 (Leyva) from 2021.

The bill was amended substantially after the author and sponsors worked with committee staff. While SACRS did not take a position, we are aware that some systems submitted their own letters and shared concerns with the Legislature.

The bill passed out of the Senate, but before it was brought up for a final vote in the Assembly, the author pulled the bill from consideration based on opposition from counties and discussions with the Governor's office.

AB 2449 (Rubio) – Public Meetings. This bill would allow a local agency to use teleconferencing for a public meeting if at least a quorum of members of the legislative body participate in person from a single location that is identified on the agenda and is open to the public within the local agency's jurisdiction, among other requirements. The last amendments to the bill added more guardrails for when a board member can participate remotely and added a sunset date, among other changes.

The bill passed out of the Legislature and is on the Governor's desk for consideration.

Compensation Earnable Bills – Last year, two bills were introduced relating to compensation earnable - AB 498 (Quirk-Silva) and AB 826 (Irwin). As reported in previous updates, AB 826 was gutted and amended in June of 2021 with the CERL provisions currently contained in the bill. AB 498 (Quirk Silva) was similarly amended at the end of session last year in September.

In late June, AB 498 was gutted and amended again, this time with provisions unrelated to county retirement systems, so it is no longer of interest to SACRS.

AB 826 was amended and pulled off the Inactive File on August 3. It subsequently passed out of both houses of the Legislature and is now on the Governor's desk.