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Circular Letter No.: 200-029-16
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Circular Letter

June 27, 2016

TO: ALL CALPERS EMPLOYERS

SUBJECT: OPTIONAL MEMBERS OF CALPERS

The purpose of this Circular Letter is to inform you of an important change. The change affects how a membership date is determined for optional members who elect to become a CalPERS member.

The membership date for an optional member is the date CalPERS **receives and files** the "Election of Optional Membership" form.

The California Public Employees' Retirement Law (PERL) provides optional membership rights for certain elected and appointed officers. Optional members are excluded from membership unless the officer files a written election to become a CalPERS member. Optional members are defined in Government Code(s) 20320 – 20325 of the PERL.

Types of Optional Members

The four types of optional members and the appropriate election forms are explained below:

Optional Member Type	Explanation of Type	Corresponding Government Code (GC)	Applicable Optional Membership Form
State Appointees	A person directly appointed by the Governor, without nomination of any officer or board	GC Section 20320	my CalPERS Form 0842
Elective Officers	<p>A person such as a city council member, county board of supervisor member, and city clerk. Three criteria that must be met to make an optional member election are:</p> <ul style="list-style-type: none"> • Must be an officer of the City or County 	GC Section 20322	my CalPERS Form 0841

Elective Officers	<ul style="list-style-type: none"> • Must be elected or appointed to office • Must have a fixed term of office 	GC Section 20322	my CalPERS Form 0841
Legislative Employees	A person of the Senate or the Assembly whose salaries are paid from the operating funds of the Senate or the Assembly	GC Section 20324	my CalPERS Form 0840
Part-time Employees	A person who works for a public agency or school whose respective resolution or contract contains language allowing part-time employees that work less than a qualifying time base to elect "optional" membership	GC Section 20325	my CalPERS Form 0843

Agency's Responsibility

It is the agency's responsibility to present eligible optional members the option of electing CalPERS membership on the date of their appointment. Please provide the optional member with the appropriate election form which can be downloaded from our website at www.calpers.ca.gov under Forms and Publications.

If the optional member chooses CalPERS membership, upon receipt of the signed election form, enroll the optional member into CalPERS membership with the effective date of the signed election form. Submit the original election form to CalPERS and retain a copy for your personnel records. The optional member's earnings should now begin being reported to CalPERS.

Through the validation process of the election form, CalPERS will update the optional member's membership date to the date when the election form was received and filed in CalPERS.

If the optional member declines electing CalPERS membership on the date of their appointment, the agency must document in their personnel file that the optional member was informed of their option to elect CalPERS membership and chose to decline. This documentation should be signed and dated by the agency and optional member.

Public Agency Contract Exclusions

Optional members who are excluded by an agency's CalPERS retirement contract remain excluded from electing CalPERS membership even if a signed election form is received by CalPERS. For example, if an agency has an exclusion in the contract excluding elective officers, then the elective officers do not have any rights to elect CalPERS membership.

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Additional Resources

For more information on optional members, please refer to the appropriate reference guides, which are located on the CalPERS website under Forms and Publications at www.calpers.ca.gov.

If you have any questions, please call our CalPERS Customer Contact Center at **888 CalPERS** (or **888-225-7377**).

Renee Ostrander, Chief
Employer Account Management Division