

**Public Employees' Retirement System  
Board of Administration  
2021-2022 Legislative Session  
State and Federal Update  
Status as of February 24, 2021**

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**Sponsored Bills**

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**AB 386 (Cooper)** Introduced: 2/2/2021

CalPERS Position: Sponsor

**Public Disclosure of Private Debt Records.** Establishes disclosure parameters within the California Public Records Act for private debt investments managed directly by CalPERS.

*Action Taken: Drafting background documents and conducting stakeholder outreach*

*Location: 2/12/2021-Assembly Public Employment and Retirement Committee*

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**SB 634 (Committee on Labor, Public Employment and Retirement)** Introduced: 2/19/2021

CalPERS Position: Co-Sponsor

**CalPERS 2021 Omnibus Bill.** Among its provisions, this bill makes minor policy and technical changes to the Public Employees' Retirement Law, including creating a clear statutory timeline for establishing the enrollment date for optional members, providing a 90-day window for the individual to decide and the employer to process a membership election, as well as, granting CalPERS authority to apply any future benefit payable made to or on the behalf of any member, former member, or beneficiary toward any overpayment. The bill also contains minor and clarifying provisions related to CalSTRS and the County Employees Retirement Law of 1937.

*Action Taken: Drafting background documents and conducting stakeholder outreach*

*Location: 2/19/2021-Senate Rules Committee*

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## Active State Bills

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**AB 97 (Nazarian)** Amended: 2/16/2021

CalPERS Position: N/A

**Health Care Coverage: Insulin.** Prohibits health care service plan contracts or health insurance policies issued, amended, delivered, or renewed on or after January 1, 2022 from imposing a deductible on an insulin prescription drug.

*Action Taken: Monitoring*

*Location: 2/12/2021-Assembly Committee on Health*

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**AB 342 (Gipson)** Introduced: 1/28/2021

CalPERS Position: N/A

**Health Care Coverage: Colorectal Cancer Screening.** Requires a health care service plan contract or health insurance policy, except as specified, that is issued, amended or renewed on or after January 1, 2022 to provide colorectal cancer screening examinations, and laboratory tests without cost sharing, as specified. Additional colorectal cancer screening examinations shall be included for enrollees who are high risk for colorectal cancer, as specified. Prohibits a health care service plan contract or a health insurance policy from imposing cost sharing on an individual who is between 50 and 75 years of age for colonoscopies conducted for specified purposes. Includes that it does not require a health care service plan or health insurer to provide benefits for items or services delivered by an out-of-network provider and does not preclude a health care service plan or health insurer from imposing cost-sharing requirements for items or services that are delivered by an out-of-network provider.

*Action Taken: Monitoring*

*Location: 2/12/2021- Assembly Committee on Health*

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**AB 510 (Wood)** Introduced: 2/9/2021

CalPERS Position: N/A

**Out-of-Network Health Care Benefits.** Authorizes a noncontracting individual health professional, excluding specified professionals, to bill or collect the out-of-network cost sharing amount directly from the enrollee or insured receiving services under a health care service plan contract or health insurance policy issued, amended, or renewed on or after January 1, 2022, if the enrollee consents in writing or electronically at least 72 hours in advance of care. Requires the consent to include a list of contracted providers at the facility who are able to provide the services and to be provided in the 15 most commonly used languages in the facility's geographic region.

*Action Taken: Monitoring*

*Location: 2/18/2021- Assembly Committee on Health*

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**AB 797 (Wicks)** Introduced: 2/16/2021

CalPERS Position: N/A

**Health Care Coverage: Infertility Treatment.** Requires health care service plan contracts and health insurance policies issued, amended, or renewed on or after January 1, 2022 to provide coverage for infertility treatment. Revises the definition of infertility and removes the exclusion of invitro fertilization from coverage. Also deletes (1) current exemptions for religiously affiliated employers, health care service plans, and health insurance policies from requirements relating to the coverage for infertility treatment and (2) the requirement that a health care service plan contract and health insurance policy provide such treatment under agreed-upon terms.

*Action Taken: Monitoring*

*Location: 2/16/2021-Assembly Print*

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**AB 845 (Rodriguez)** Introduced: 2/17/2021

CalPERS Position: N/A

**Disability Retirement: COVID-19.** Establishes COVID-19-related illness(es) as a rebuttable presumption for disability retirement in any retirement system subject to the Public Employees' Pension Reform Act of 2013. This provision is repealed on January 1, 2023.

*Action Taken: Monitoring*

*Location: 2/17/2021-Assembly Print*

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**AB 933 (Daly)** Introduced: 2/17/2021

CalPERS Position: N/A

**Prescription Drug Cost Sharing.** Requires an enrollee's or insured's defined cost sharing for each prescription drug to be calculated at the point of sale based on a price that is reduced by an amount equal to 90 percent of all rebates received or to be received in connection with the dispensing or administration of the drugs. Also prohibits health care service plans, health insurers, or a plan or insurer's agents from revealing information on the actual amount of rebates they receive on product-specific, manufacturer-specific, or pharmacy-specific basis.

*Action Taken: Monitoring*

*Location: 2/17/2021-Assembly Print*

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**AB 935 (Maienschein)** Introduced: 2/17/2021

CalPERS Position: N/A

**Telehealth: Mental Health.** Among other things, requires health care service plans and health insurers to (1) provide access to a telehealth consultation program that meets specified criteria, (2) offer providers who treat children, pregnant, and certain postpartum persons with access to a mental health consultation, (3) monitor data pertaining to the utilization of the program to facilitate quality improvement, and (4) provide a description of the program to the appropriate department.

*Action Taken: Monitoring*

*Location: 2/17/2021-Assembly Print*

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**AB 1011 (Waldron)** Introduced: 2/18/2021

CalPERS Position: N/A

**Health Care Coverage. Substance use disorder treatment.** Requires health care service plans contracts and health insurance policies issued, amended, or renewed on or after January 1, 2022 to provide outpatient prescription drug benefits to cover all medically necessary prescription drugs approved by the United States Food and Drug Administration (FDA) to treat substance use disorders and would require these drugs be placed on the lowest cost sharing tier of the plan or insurer's prescription drug formulary, unless specified criteria are met. Prohibits contracts and policies from imposing prescribed requirements on a prescription drug approved by the FDA for treating substance use disorders, unless specified criteria are met.

*Action Taken: Monitoring*

*Location: 2/18/2021-Assembly Print*

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**AB 1019 (Holden)** Introduced: 2/18/2021

CalPERS Position: N/A

**Divestment: Republic of Turkey.** Prohibits state trust funds, as defined, from making additional or new investments or renewing existing investments in investment vehicles issued or owned by the government of Turkey unless the government of Turkey acknowledges the Armenian Genocide and begins to afford justice to its victims.

*Action Taken: Monitoring*

*Location: 2/18/2021-Assembly Print*

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**AB 1107 (Boerner Horvath)** Introduced: 2/18/2021

CalPERS Position: N/A

**Health Care Coverage: Emergency Ground Medical Transportation.** Requires health care service plan contracts and health insurance policies issues, amended, or renewed on or after January 1, 2022 to offer coverage for emergency medical ground transportation services and to include these services as in-network services. Requires the plan or insurer to pay for such services at the contracted rate pursuant to the plan contract or policy.

*Action Taken: Monitoring*

*Location: 2/18/2021-Assembly Print*

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**AB 1130 (Wood)** Introduced: 2/18/2021

CalPERS Position: N/A

**Office of Health Care Affordability.** Among other things, establishes the Office of Health Care Affordability (Office) with the Office of Statewide Health Planning Development (OSHPD) to analyze the health care market for cost and drivers of spending, develop data-informed policies for lowering health care costs, and create a strategy to control health care costs. Establishes the Health Care Affordability Advisory Board to recommend health care cost targets and advise the Director of OSHPD and the Office. The Office would be required to (1) set priority standards for various health care metrics and gather data to present and publish a report on baseline health care spending, among other things and (2) monitor cost trends in the health care market, as specified. Also prohibits an agreement or transaction for which a cost and market impact review proceeds to be implemented without a written waiver from the Office or until 30 days after the Office issues its final report. Requires the health care entity to pay a specified cost associated with the review and final report.

*Action Taken: Monitoring**Location: 2/18/2021-Assembly Print*

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**AB 1131 (Wood)** Introduced: 2/18/2021

CalPERS Position: N/A

**Health Information Exchange.** Among other things, requires health plans, hospitals, medical groups, testing laboratories, and nursing facilities to contribute access, exchange, and make available data through the network of health information exchanges for every person, as a condition in the state health program which will include Medi-Cal, Covered California, and the California Public Employees' Retirement System.

*Action Taken: Monitoring**Location: 2/18/2021-Assembly Print*

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**AB 1132 (Wood)** Introduced: 2/18/2021

CalPERS Position: N/A

**Health Care Consolidation and Contracting Fairness Act of 2021.** Among other things, creates the Health Care Consolidation and Contracting Fairness Act of 2021 which would prohibit a contract issued, amended, or renewed on or after January 1, 2022, between a health care service plan or health insurer and a health care provider or health facility from containing terms that restrict the plan or insurer from steering an enrollee or insured to another provider or facility or require the plan or insurer to contract with other affiliated providers and facilities. Additionally, requires a health care service plan that intends to acquire or obtain control of an entity to give notice to and secure prior approval from the Director of Managed Health Care. Requires a medical group, hospital or hospital system, health care service plan, or health insurer that intends to purchase, merge, or consolidate with, initiate a corporate affiliation with, or enter into an agreement resulting in its purchase, acquisition, or control by, another entity, to provide a written notice to the Attorney General at least 90 days before entering an agreement with a value of 3 million or more. Requires the Attorney General to disclose the decision to the entity within 90 days, which can be extended by a one 45 day period of specified conditions are met.

*Action Taken: Monitoring**Location: 2/18/2021-Assembly Print*

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**AB 1162 (Villapudua)** Introduced: 2/18/2021

CalPERS Position: N/A

**Health Care Coverage: Claims Payments.** Among other things, requires health care service plans or health insurers to provide access to medically necessary health care services during a state of emergency that are displaced or affected by the state of emergency. Allows departments to suspend requirements for prior authorization during the state of emergency. Shortens the time requirements for a plan or insurer to pay or contest a claim for emergency or nonemergency services to 20 working days. Requires plans or insurers to pay a provider any interest or fees that accrue from failure to pay such a claim.

*Action Taken: Monitoring*

*Location: 2/18/2021-Assembly Print*

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**AB 1254 (Gipson)** Introduced: 2/19/2021

CalPERS Position: N/A

**Health Care Coverage: Mobile Stroke Unit.** Requires health care service plans or health insurance policies issued, amended, or renewed on or after January 1, 2022 to provide coverage for emergency health care services performed by a mobile stroke unit.

*Action Taken: Monitoring*

*Location: 2/19/2021-Assembly Print*

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**AB 1400 (Kalra)** Introduced: 2/19/2021

CalPERS Position: N/A

**Guaranteed Health Care for All.** Among other things, creates the California Guaranteed Health Care for All for all California residents that will provide comprehensive universal single-payer health care coverage and a health care cost control system for benefits and other services that would incorporate the health care benefits and standards for other existing state and federal provisions.

*Action Taken: Monitoring*

*Location: 2/19/2021-Assembly Print*

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**SB 245 (Gonzalez)** Introduced: 1/22/2021

CalPERS Position: N/A

**Health Care Coverage: Cost Sharing for Abortion Services.** Prohibits health care service plans or an individual or group policy of a disability insurance that is issued, amended, renewed, or delivered on or after January 1, 2022 from imposing a deductible, coinsurance, copayment, or any cost-sharing requirement on the coverage for all abortion services. Followup services would be included, but not limited to, the management of side effects and counseling. Would also prohibit cost sharing from being imposed on a Med-Cal beneficiary for abortion services.

*Action Taken: Monitoring*

*Location: 2/3/2021- Senate Committee on Health*

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**SB 250 (Pan)** Introduced: 1/25/2021

CalPERS Position: N/A

**Health Care Coverage.** Among other things, requires a health care service plan or health insurer to reimburse a noncontracting individual health care professional the in-network cost-sharing amount and collect that amount from an enrollee or insured for services performed in a contracted facility or at a licensed hospital. Prohibits a noncontracting individual health professional from collecting the in-network cost-sharing amount directly from an enrollee or insured. Also requires a health care service plan contract or health insurance policy issued, amended, or renewed on or after January 1, 2022 to reimburse an individual health professional the full contracted rate, including any cost sharing, for services provided by the individual health professional to an enrollee or insured at a licensed hospital, and would prohibit an individual health professional from collecting the cost-sharing amount from the enrollee or insured. Requires a health care service plan contract or health insurance policy to provide that the plan will bill and collect from the enrollee or insured the cost-sharing amounts for services provided by an individual health professional at a licensed hospital for services rendered on or after July 1, 2022.

*Action Taken: Monitoring*

*Location: 2/3/2021- Senate Committee on Health*

**SB 278 (Leyva)** Introduced: 1/29/2021

CalPERS Position: N/A

Prior Bills: SB 1124 (2018) and SB 266 (2019)

**Administration of Reportable Compensation.** Among other things, this bill defines “disallowed compensation” and stipulates what would occur if disallowed compensation is reported by the state, school employer, or contracting agency including requiring the employer to pay a retiree the actuarial equivalent of any reduced retirement benefit. It also allows the state, school employer, or contracting agency to submit additional proposed compensation items to CalPERS to determine compliance with existing law.

*Action Taken: Monitoring*

*Location: 2/10/2021- Senate Labor, Public Employment and Retirement Committee*

**SB 294 (Leyva)** Introduced: 2/2/2021

CalPERS Position: N/A

**Repeal of School Member Elected Officer Service Credit Limitation.** Among other things, this bill removes a provision from existing law that limits the amount of service credit a school member may accrue while on an approved leave of absence to serve as an elected officer of an employee organization. The current service credit limit is twelve years.

*Action Taken: Monitoring*

*Location: 2/10/2021- Senate Labor, Public Employment and Retirement Committee*

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**SB 306 (Pan)** Introduced: 2/4/2021

CalPERS Position: N/A

**Sexually Transmitted Disease Testing.** Among other things, expands sexually transmitted disease testing by identifying the partner or partners of a patient who tests positive for a sexually transmitted disease (STD) and who the practitioner is unable to name as an “expedited partner therapy” (EPT), and requires health care providers to label and dispense EPT on a prescription for the partner or partners. In addition, expands the definition of “reproductive and sexual health care services” to include home test kits for STDs, requires an additional blood test for syphilis in the third trimester of pregnancy and for a licensed health care provider to ensure that a blood specimen is obtained at the time of delivery unless the patient’s chart shows a negative screen for syphilis in the third trimester, and authorizes an HIV counselor to perform a rapid sexually transmitted infection (STI) test, or a combination of HIV, hepatitis C virus, and STI test.

*Action Taken: Monitoring*

*Location: 2/17/2021-Senate Committee on Health*

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**SB 428 (Hurtado)** Introduced: 2/12/2021

CalPERS Position: N/A

**Health Care Coverage: Childhood Screenings.** Requires health care service plan contracts or health insurance policies issued, amended, or renewed on or after January 1, 2022 to provide coverage for adverse childhood experiences, as specified.

*Action Taken: Monitoring*

*Location: 2/12/2021-Senate Rules Committee*

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**SB 449 (Stern)** Introduced: 2/16/2021

CalPERS Position: N/A

**Climate Change Financial Risk Task Force.** Among other things, establishes the Climate Change Financial Risk Task Force to assess climate-related financial risks by reviewing climate-related financial risk reports and preparing a public report. A representative designated by the CalPERS Board of Administration shall serve on the task force.

*Action Taken: Monitoring*

*Location: 2/16/2021-Senate Rules Committee*

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**SB 457 (Portantino)** Introduced: 2/16/2021

CalPERS Position: N/A

**Segregated Investment Portfolio: Republic of Turkey.** Requires CalPERS and CalSTRS to provide a school employer or a city the option to elect an investment portfolio that does not contain investment vehicles issued or owned by the government of the Republic of Turkey.

*Action Taken: Monitoring*

*Location: 2/16/2021-Senate Rules Committee*

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**SB 473 (Bates)** Introduced: 2/17/2021

CalPERS Position: N/A

**Insulin Cost Sharing.** Prohibits health care service plan contracts or health insurance policies issued, amended, delivered, or renewed on or after January 1, 2022, from imposing cost sharing on a covered insulin prescription, except for a copayment not to exceed \$50 per 30-day supply of insulin, or \$100 for a supply exceeding 30 days.

*Action Taken: Monitoring*

*Location: 2/17/2021-Senate Rules Committee*

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**SB 510 (Pan)** Introduced: 2/17/2021

CalPERS Position: N/A

**Health Care Coverage: COVID-19 Cost Sharing.** Among other things, requires health care service plan contracts or a disability insurance policies that provide coverage for hospital, medical, or surgical benefits to cover the health care services costs related to the testing for COVID-19 or a future pandemic disease when it is declared a public health emergency by the Governor of the State of California. Prohibits a health contract or insurance policy from imposing cost sharing or prior authorization for an item, service, or immunization intended to prevent or mitigate a pandemic disease, when declared a public health emergency by the Governor of the State of California, that is recommended by the United States Preventive Services Task Force or the federal Centers for Disease Control and Prevention, and only with respect to an out-of-network provider for the duration of the federal public health emergency.

*Action Taken: Monitoring*

*Location: 2/17/2021-Senate Rules Committee*

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**SB 523 (Leyva)** Introduced: 2/17/2021

CalPERS Position: N/A

**Contraceptive Equity Act of 2021.** Creates the Contraceptive Equity Act of 2021 that would expand coverage by health care service plans or health insurance policies used, amended, renewed, or delivered on or after January 1, 2022. Among other things, requires health care service plans and health insurers, without medical management restrictions, to (1) provide point-of-sale coverage for over the counter FDA-approved contraceptive drugs, devices and products at in-network pharmacies without cost sharing and (2) reimburse enrollees and insureds for out-of-pocket costs for over the counter birth control methods purchased at an out-of-network pharmacy in California. Prohibits the CalPERS Board of Administration and University of California from approving or renewing a health benefit plan that does not comply.

*Action Taken: Monitoring*

*Location: 2/17/2021-Senate Rules Committee*

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**SB 562 (Portantino)** Introduced: 2/18/2021

CalPERS Position: N/A

**Health Care Coverage: Pervasive Developmental Disorders or Autism.** Modifies existing law that defines “behavioral health treatment” for health care service plans and health insurers to define professional services and treatment programs based on behavioral, developmental, relationship-based, or other evidence-based models, including applied behavior analysis and other evidence-based behavior intervention programs that meet the specified criteria.

*Action Taken: Monitoring*

*Location: 2/18/2021-Senate Rules Committee*

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## Federal Bills

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**H.R. 82 - Davis, Rodney (R-IL) Introduced: 1/4/2021**

CalPERS Position: N/A

**Social Security Fairness Act of 2021.** Repeals the Government Pension Offset and the Windfall Elimination Provision from the Social Security Act, which impacts state and local government retirees that have earned pensions through employment not coordinated with Social Security.

*Action Taken: Monitoring*

*Status: 1/4/2021 - Referred to the House Committee on Ways and Means.*

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**H.R. 1087 - (Foster, Bill (D-IL) Introduced: 2/18/2021**

CalPERS Position: N/A

**Shareholder Political Transparency Act of 2021.** Requires public companies to disclose political activity expenditures information including the expenditures' dates and amounts, the names of candidates (if any) the expenditures were made in support of or opposition to, and the names of any trade associations or organizations the expenditures were made to.

*Action Taken: Monitoring*

*Status: 2/25/2021 - House Committee on Financial Services, Subcommittee on Investor Protection, Entrepreneurship and Capital Markets hearing held.*

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**H.R. 1187 - Vargas, Juan (D-CA) Introduced: 2/18/2021**

CalPERS Position: N/A

**ESG Disclosure Simplification Act of 2021.** Expresses Congress's sense that Environmental, Social, and Governance (ESG) disclosures are material for the SEC's disclosure purposes and requires the SEC to define ESG metrics and, in turn, require public companies to disclose their ESG metrics and views on the link between their ESG metrics and long-term business strategy. It also requires the SEC to establish a "Sustainable Finance Advisory Committee" that would make recommendations about what ESG metrics the SEC should require issuers to disclose. It also requires this Committee to submit a report to the SEC that identifies challenges and opportunities for investors associated with sustainable finance, and recommends policy changes to facilitate the flow of capital towards sustainable investments, and especially to environmentally sustainable investments.

*Action Taken: Monitoring*

*Status: 2/25/2021 - House Committee on Financial Services, Subcommittee on Investor Protection, Entrepreneurship and Capital Markets hearing held.*

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**H.R. 1319 - Yarmuth, John A. (D-KY) Introduced: 2/24/2021**

CalPERS Position: N/A

**American Rescue Plan Act of 2021.** An economic relief package that, among other things, provides assistance to individuals with direct one-time payments of up to \$1,400 per person, increased unemployment benefits from \$300 to \$400 during the COVID-19 pandemic, a refundable payroll tax credit to those who want to remain on their employer plans through COBRA, an increase to the federal minimum wage to \$15 per hour by 2025, and approximately \$30 billion for targeted rental assistance and mortgage relief. In addition, it provides approximately \$350 billion in aid to state and local governments and \$129 billion for reopening schools. It allocates approximately \$62 billion for COVID-19 testing, contact tracing and vaccination services, and to expand the public health workforce. It also assists certain private sector multiemployer defined benefit pension plans and reduces funding requirements for single-employer pension plans, with a specific provision for community newspapers, as well as freezing the indexation of certain contribution limits for pension plans beginning in 2030.

*Action Taken: Monitoring*

*Status: 2/24/2021 - Placed on the House Union Calendar, Calendar No.1.*

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