

**LEGISLATIVE HIGHLIGHTS  
PUBLIC EMPLOYEES' RETIREMENT SYSTEM  
BOARD OF ADMINISTRATION  
March 4, 2013**

<b>Bill Number/Author</b>	<b>Status</b>
<b>AB 382 (Mullin)</b>	Newly Introduced 2/14
<p><b>Disclosure of Real Estate Investment Information.</b> Adds nonpublicly traded real estate investments to the list of alternative investments whose specified records are exempt from disclosure under the California Public Records Act.</p> <p><i>Location: 2/28/2013-Assembly Judiciary Committee</i></p>	
<b>AB 761 (Dickinson)</b>	Newly Introduced 2/21
<p><b>Firearm and Ammunition Divestment.</b> Prohibits CalPERS and CalSTRS from investing public employee retirement funds in companies that manufacture, sell, market, or distribute firearms or ammunition, and to sell or transfer any existing investments in companies with these business operations. Further, this bill would require the Systems' Boards of Administration to report to the Legislature any investments in a company with these business operations and the sale or transfer of those investments, subject to their fiduciary duty, by January 1, 2015, and every year thereafter.</p> <p><i>Location: 2/21/2013-A. PRINT</i></p>	
<b>AB 1139 (Lowenthal)</b>	Newly Introduced 2/22
<p><b>Prescription Drugs: Biosimilar Products.</b> Allows a pharmacist filling a prescription order for a prescribed biological product to select a biosimilar deemed by the Food and Drug Administration (FDA) to be interchangeable.</p> <p><i>Location: 2/22/2013-A. PRINT</i></p>	
<b>AB 1163 (Levine)</b>	Newly Introduced 2/22
<p><b>CalPERS Board of Administration: Composition.</b> Changes the composition of the CalPERS Board of Administration by replacing the State Personnel Board (SPB) appointed board member with the Director of Finance (DOF) and adding two public members with financial expertise and no financial interest in the CalPERS System appointed by the Governor. These composition changes would only become operative upon ratification by voters at a statewide election.</p> <p><i>Location: 2/22/2013-A. PRINT</i></p>	

Bill Number/Author

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**SB 277 (Beall)**

Newly Introduced 2/14

**State Peace Officers' and Firefighters' Defined Contribution Plan: Closure.** Terminates the State Peace Officers' and Firefighters' Defined Contribution Plan on January 1, 2014 or upon specified Internal Revenue Service (IRS) approvals, whichever is later. The bill prohibits new participants in the Plan, requires the cessation of all contributions into the Plan, allows rollovers into the CalPERS Supplemental Contributions Program and other specified means of asset distribution, and discharges the CalPERS Board from liability and responsibility upon Plan assets distribution.

*Location: 2/28/2013-Senate Public Employment and Retirement Committee*

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**SB 598 (Hill)**

Newly Introduced 2/22

**Prescription Drugs: Biosimilar Products.** Allows a pharmacist filling a prescription order for a prescribed biological product to select a biosimilar only if certain conditions are met. The bill requires that the substitution of a biosimilar be communicated to the patient and that the full name and manufacturer of the biosimilar be indicated on the prescription label. It also requires the California Board of Pharmacy to maintain on its public website a link to the current list, if available, of biosimilar products determined by the FDA to be interchangeable.

*Location: 2/22/2013-S. PRINT*

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**PUBLIC EMPLOYEES' RETIREMENT SYSTEM  
BOARD OF ADMINISTRATION  
2013 Legislative Year  
Legislative Program Update**

**Status as of March 4, 2013**

**A – CalPERS-Sponsored Bills**

**Bill Number/Author**

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**SB 215 (Beall)** Introduced: 2/11/2013

**Board Position: Sponsor**

**CalPERS 2013 Omnibus Bill.** Makes minor policy and technical changes to the Public Employees' Retirement Law (PERL).

*Location: 2/21/2013-Senate Public Employment and Retirement Committee*

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**PUBLIC EMPLOYEES' RETIREMENT SYSTEM  
BOARD OF ADMINISTRATION  
2013 Legislative Year**

**Status as of March 4, 2013**

**B – Other Bills**

**Bill Number/Author**

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**AB 73 (Blumenfield)** Introduced: 1/10/2013

**2013-14 Budget Act.** Makes appropriations for support of State government for the 2013–14 fiscal year. It would take effect immediately as a budget bill.

*Location: 1/10/2013-A. PRINT*

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**AB 160 (Alejo)** Introduced: 1/22/2013

**PEPRA Exceptions.** Exempts Taft-Hartley retirement plans and retirement plans for specified federally-funded public transportation employees from the provisions of the Public Employees' Pension Reform Act of 2013 (PEPRA).

*Location: 1/31/2013-Assembly Public Employees, Retirement and Social Security Committee*

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**AB 382 (Mullin)** Introduced: 2/14/2013

**Disclosure of Real Estate Investment Information.** Adds nonpublicly traded real estate investments to the list of alternative investments whose specified records are exempt from disclosure under the California Public Records Act.

*Location: 2/28/2013-Assembly Judiciary Committee*

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**AB 410 (Jones-Sawyer)** Introduced: 2/15/2013

**PEMHCA: Retiree Benefits After Reinstatement.** Allows an annuitant who, after reinstatement to active employment, subsequently retires to enroll as an annuitant of the employer from which he or she first retired, unless the annuitant is entitled to a higher contribution from the employer from which he or she subsequently retires. To be eligible, the annuitant must have at least five years of service with the employer from which he or she first retired. In addition, retirement must occur within 120 days after separation from employment from the most recent employer.

*Location: 2/28/2013-Assembly Public Employees, Retirement and Social Security Committee*

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**Bill Number/Author**

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**AB 459 (Mitchell)** Introduced: 2/19/2013

**Food and Beverage Guidelines for State Concessions and Vending Operations.** Increases the required percentage of food and beverages meeting specified nutritional guidelines that are provided in vending machines on State owned or occupied property, to 50 percent by January 1, 2015, and increases the percentage each year by 25 percent until it reaches 100 percent. It also requires all new or renewed contracts for food concessions and cafeterias on state property to include specified food and nutrition guidelines, and gives preference to food and beverage items grown, packaged or produced within the State.

*Location: 2/28/2013-Assembly Business, Professions and Consumer Protection Committee*

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**AB 507 (Garcia)** Introduced: 2/20/2013

**School Member Post-Retirement Death Benefits.** Current law requires a \$2,000 death benefit be paid to the designated beneficiary of a retired school member, and allows school employers to elect to provide a higher benefit of \$3,000, \$4,000 or \$5,000, with the additional employer contributions required to fund the benefit computed as a level percentage of member compensation. This bill would eliminate these contract options and raise the required benefit to \$4,000 for a school member deaths occurring during 2014, and increase the benefit each year by \$500 until it reaches \$6,000, whereupon it would be adjusted annually in the same manner as retiree COLA payments. It would also allow school employers the ability to contract to pay a \$5,000 benefit until the mandatory benefit level reaches that amount.

*Location: 2/20/2013-A. PRINT*

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**AB 761 (Dickinson)** Introduced: 2/21/2013

**Firearm and Ammunition Divestment.** Prohibits CalPERS and CalSTRS from investing public employee retirement funds in companies that manufacture, sell, market, or distribute firearms or ammunition, and to sell or transfer any existing investments in companies with these business operations. Further, this bill would require the Systems' Boards of Administration to report to the Legislature any investments in a company with these business operations and the sale or transfer of those investments, subject to their fiduciary duty, by January 1, 2015, and every year thereafter.

*Location: 2/21/2013-A. PRINT*

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**Bill Number/Author**

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**AB 785 (Weber)** Introduced: 2/21/2013

**CalPERS: Direct Mailing Assistance.** Requires CalPERS to provide direct mailing assistance, upon request, to any organization that provides employee representation or membership services to CalPERS annuitants. The direct mailing must be for lawful purposes and cannot be for the support or opposition of any political party, ballot measure, or candidate. The mailing address data may only be provided to a mail processing center through a secure data sharing agreement under which the organization or any other entity cannot have direct access to any names or addresses. The organization must pay all reasonable costs of the mailing, and CalPERS would not be required to notify annuitants that their data has been released to a mail processing center for the purposes of these direct mailings.

*Location: 2/21/2013-A. PRINT*

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**AB 1139 (Lowenthal)** Introduced: 2/22/2013

**Prescription Drugs: Biosimilar Products.** Allows a pharmacist filling a prescription order for a prescribed biological product to select a biosimilar deemed by the Food and Drug Administration (FDA) to be interchangeable.

*Location: 2/22/2013-A. PRINT*

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**AB 1144 (Hall)** Introduced: 2/22/2013

**PEMHCA: City of Carson.** Requires the City of Carson's employer contribution for post-retirement health care benefits to be based on the percentage of the annuitant's credited years of service, so that those with five years of credited service would receive 50 percent of the employer contribution increasing proportionately to 100 percent of the employer contribution after 10 years of credited service. To qualify an annuitant must have at least five of those years with the City of Carson.

*Location: 2/22/2013-A. PRINT*

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**AB 1163 (Levine)** Introduced: 2/22/2013

**CalPERS Board of Administration: Composition.** Changes the composition of the CalPERS Board of Administration by replacing the State Personnel Board (SPB) appointed board member with the Director of Finance (DOF) and adding two public members with financial expertise and no financial interest in the CalPERS System appointed by the Governor. These composition changes would only become operative upon ratification by voters at a statewide election.

*Location: 2/22/2013-A. PRINT*

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**Bill Number/Author**

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**SB 13 (Beall)** Amended: 2/6/2013

**Board Position: Support**

**Pension Reform Act Clarifications.** Amends the Public Employees' Pension Reform Act of 2013 (PEPRA) to correct or clarify several provisions, including those related to new judges' retirement benefits. It would also close the State Alternate Retirement Program (ARP) to new members on January 1, 2013 rather than July 1, 2013, and provide rule-making authority for retirement systems to implement the PEPRA. The bill is an urgency measure that would go into effect immediately.

*Location: 2/12/2013-Senate Appropriations Committee*

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**SB 24 (Walters)** Introduced: 12/3/2012

**Public Employees' Retirement: Benefit Plans.** Eliminates the requirement in the California Public Employees' Pension Reform Act of 2013 (PEPRA) that local government employers seek the approval of the Legislature before providing retirement benefits less generous than required by PEPRA for new employees. It also corrects a drafting error in PEPRA related to retirement benefits for new judges.

*Location: 1/10/2013-Senate Public Employment and Retirement Committee*

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**SB 65 (Leno)** Introduced: 1/10/2013

**2013-14 Budget Act.** Makes appropriations for support of State government for the 2013-14 fiscal year. It would take effect immediately as a budget bill.

*Location: 1/10/2013-Senate Budget and Fiscal Review Committee*

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**SB 277 (Beall)** Introduced: 2/14/2013

**State Peace Officers' and Firefighters' Defined Contribution Plan: Closure.** Terminates the State Peace Officers' and Firefighters' Defined Contribution Plan on January 1, 2014 or upon specified Internal Revenue Service (IRS) approvals, whichever is later. The bill prohibits new participants in the Plan, requires the cessation of all contributions into the Plan, allows rollovers into the CalPERS Supplemental Contributions Program and other specified means of asset distribution, and discharges the CalPERS Board from liability and responsibility upon Plan assets distribution.

*Location: 2/28/2013-Senate Public Employment and Retirement Committee*

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**SB 598 (Hill)** Introduced: 2/22/2013

**Prescription Drugs: Biosimilar Products.** Allows a pharmacist filling a prescription order for a prescribed biological product to select a biosimilar only if certain conditions are met. The bill requires that the substitution of a biosimilar be communicated to the patient and that the full name and manufacturer of the biosimilar be indicated on the prescription label. It also requires the California Board of Pharmacy to maintain on its public website a link to the current list, if available, of biosimilar products determined by the FDA to be interchangeable.

*Location: 2/22/2013-S. PRINT*

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**Bill Number/Author**

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**SB 774 (Walters)** Introduced: 2/22/2013

**PEMHCA: Post-employment Benefits for New State Employees.** Requires CalPERS to develop a comprehensive plan, pursuant to specified criteria, to restructure health and other post-retirement benefits offered to new State employees hired on or after January 1, 2015. Specified elements of the plan to be developed by the Board include pre-funding methods and contribution requirements, new employee vesting requirements, and employee benefit and participation options.

*Location: 2/22/2013-S. PRINT*

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**SB 775 (Walters)** Introduced: 2/22/2013

**PEMHCA: Post-employment Benefits for Current State Employees.** Requires CalPERS to develop a comprehensive plan, pursuant to specified criteria, to provide current State employees certain options to receive a buyout or transfer of promised post-employment health care benefits. Specified requirements for the plan to be developed by CalPERS include the creation and administration of retiree health care savings accounts, determination of the potential costs of the program, and development of actuarial methods to determine the present value of post-retirement health care benefits.

*Location: 2/22/2013-S. PRINT*

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