**LEGISLATIVE HIGHLIGHTS**
PUBLIC EMPLOYEES’ RETIREMENT SYSTEM
BOARD OF ADMINISTRATION
April 3, 2014

<table>
<thead>
<tr>
<th>Bill Number/Author</th>
<th>Status</th>
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<tbody>
<tr>
<td>AB 2472 (Committee on Public Employees, Retirement and Social Security)</td>
<td>Amended: 3/27/2014</td>
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**CalPERS 2014 Omnibus Bill.** This CalPERS-sponsored bill was heard in the Assembly Public Employees, Retirement and Social Security Committee on April 2 and passed out on consent. The bill is scheduled to be heard in Assembly Appropriations on April 9.

*Location: 4/2/2014- Scheduled to be heard in Assembly Appropriations Committee on April 9, 2014*

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<tr>
<td>AB 2483 (Allen)</td>
<td>Amended: 3/28/2014</td>
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**CalPERS Board of Administration: Composition.** This bill was amended from a “spot bill” on March 28 to change the composition of the CalPERS Board of Administration by adding an additional member who would be elected from the full membership of the System. This composition change would not be operative until approved by voters at a statewide election. The bill is not likely to be taken up in its current form.

*Location: 4/1/2014- Assembly Public Employees, Retirement and Social Security Committee*

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<th>Bill Number/Author</th>
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<td>SB 912 (Mitchell)</td>
<td>Introduced: 1/23/2014</td>
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**State Property: Vending Machines: Nutrition.** Current law requires certain percentages of food and beverages offered by vending machines operated on State property to meet specified nutritional guidelines until January 1, 2015. This bill repeals the sunset clause on these requirements, in order to impose these nutritional percentages indefinitely.

Last year the Board supported AB 459 (Mitchell) that would have increased the percentages of nutritional food and beverages in vending machines operated on State property. AB 459 died in Assembly Appropriations.

*Location: 2/6/2014- Scheduled to be heard in Senate Governmental Organization Committee on April 8, 2014*

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<td>SB 1251 (Huff)</td>
<td>Amended: 4/2/2014</td>
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**PEPRA: Joint Powers Authorities.** This bill was amended from a “spot bill” on April 2 to allow a joint powers authority formed on or after January 1, 2013 to provide individuals who were employed by another public employer before that date and not otherwise considered “new members” under the Public Employees’ Pension Reform Act of 2013 (PEPRA), the same defined benefit plan offered by the public employers that formed the joint powers authority to their own similarly situated employees first hired on or after January 1, 2013.

*Location: 4/2/2014- Senate Rules Committee*
A – CalPERS-Sponsored Bills

Bill Number/Author

**AB 2472 (Committee on Public Employees, Retirement and Social Security)**  
Board Position: Sponsor  
Amended: 3/27/2014

**CalPERS 2014 Omnibus Bill.** Makes minor policy and technical changes to the Public Employees’ Retirement Law (PERL).

*Location: 4/2/2014- Scheduled to be heard in Assembly Appropriations Committee on April 9, 2014*
B – Other Bills

Bill Number/Author

AB 837 (Wieckowski)  Amended: 9/6/2013

PEPRA: New judges: Contribution rates. Exempts judges elected to office prior to January 1, 2013, and designated as new members under PEPRA from the equal sharing of normal costs requirement under PEPRA. The bill also makes changes to avoid chaptering out conflicts with other PEPRA-related legislation.

Location: 1/23/2014- Senate Public Employees and Retirement Committee

AB 1163 (Levine)  Amended: 1/14/2014

CalPERS Board of Administration: Education. Requires the CalPERS Board of Administration to adopt an education policy for Board Members that identifies appropriate topics and training opportunities related to pension fund administration and investments. The bill also requires each Board Member to receive at least 24 hours of education in each two-year period, and directs the Board to post its education policy and an annual report on Board Member compliance on the CalPERS Web site.

Location: 2/6/2014- Senate Public Employees and Retirement Committee

AB 1175 (Bocanegra)  Amended: 3/13/2014

Post-retirement Health Benefits: Dissolved Los Angeles Redevelopment Agency. Prior amended versions required the governing board of the dissolved Los Angeles Redevelopment Agency’s successor agency to designate the entity responsible for post-retirement health benefit costs of former redevelopment agency employees. This entity would be considered the employer of these employees for the purposes of making ongoing contributions for health premiums.

Per March 13, 2014 amendment, this bill no longer affects CalPERS.

AB 1448 (Mullin)  Amended: 3/6/2014

Prohibition on Lifetime Healthcare Benefits for Part-time Local Elected Officials. Prohibits the legislative or governing body of a city, county, city and county, school board, special district, or other local government entity from granting lifetime healthcare benefits to an elected official who serves on a part-time basis.

Location: 3/10/2014- Assembly Local Government Committee
Bill Number/Author

AB 1457 (Skinner)  Introduced: 1/9/2014


Location: 1/9/2014- Assembly Print

AB 2476 (Committee on Public Employees, Retirement and Social Security)  Introduced: 2/21/2014

State Exceptions to the Wait Period for Employment After Retirement. Changes the designation of the body responsible for certifying a critical need exception to the ban on returning to work for the State within 180 days of retirement contained in the Public Employees’ Pension Reform Act of 2013 (PEPRA), to the Assembly or Senate Rules Committees for annuitants employed by the Legislature, the Trustees of the California State University (CSU) for annuitants employed by the CSU, and the Administrative Office of the Courts (AOC) for annuitants employed by the State judiciary. It also requires the certification of such appointments made by these bodies to occur in a public meeting, and not be placed on a consent calendar.

Location: 3/13/2014- Assembly Public Employees, Retirement and Social Security Committee

AB 2483 (Allen)  Amended: 3/28/2014

CalPERS Board of Administration: Composition. Changes the composition of the CalPERS Board of Administration by adding an additional member who would be elected from the full membership of the System. This composition change would not be operative until approved by voters at a statewide election.

Location: 4/1/2014- Assembly Public Employees, Retirement and Social Security Committee

AB 2582 (Bonta)  Introduced: 2/21/2014

Post-employment Health Benefits: San Francisco Bay Area Regional Transit District. Provides an employer contribution towards annuitant health benefits for employees that are first hired on or after January 1, 2014 that work at least 10 years for the San Francisco Bay Area Rapid Transit District, with the full contribution amount determined in a Memorandum of Understanding agreed to by its employees’ exclusive representative. Annuitants would receive 50 percent of the full employer contribution after 10 years of service with the District, increasing 10 percent annually to 100 percent after 15 years of service with the District, with a specified exception for those employees who retire for disability.

Location: 3/13/2014- Assembly Public Employees, Retirement and Social Security Committee
AB 2693 (Bloom)  Introduced: 2/21/2014

Judges: Post-retirement Employment. Prohibits a judge of a court of record, upon retirement from either the Judges’ Retirement System (JRS) or the Judges’ Retirement System II (JRS II), from accepting employment with any individual or entity for one year after his or her retirement date, if that individual or entity appeared before that judge with any contested matter less than one year prior to the judge’s retirement date.

Location: 3/17/2014- Assembly Judiciary Committee

SB 851 (Leno)  Introduced: 1/9/2014


Location: 1/9/2014- Senate Budget and Fiscal Review Committee

SB 912 (Mitchell)  Introduced: 1/23/2014

State Property: Vending Machines: Nutrition. Current law requires certain percentages of food and beverages offered by vending machines operated on State property to meet specified nutritional guidelines until January 1, 2015. This bill repeals the sunset clause on these requirements, in order to impose these nutritional percentages indefinitely.

Location: 2/6/2014- Scheduled to be heard in Senate Governmental Organization Committee on April 8, 2014

SB 1114 (Walters)  Introduced: 2/19/2014

Postemployment Health Benefits: State of California. Provides an employer contribution towards annuitant health benefits to State employees first hired on or after January 1, 2015 that work at least 15 years for the State. Annuitants would receive 50 percent of the full employer contribution after 15 years of service, increasing 5 percent annually to 100 percent after 25 years of service. It also specifies that an annuitant subject to its provisions shall not receive an employer contribution that is more generous than that provided to active State employees, and requires an annuitant to use Medicare benefits to the fullest extent possible.

Location: 2/27/2014- Senate Public Employees and Retirement Committee
**Bill Number/Author**

**SB 1182 (Leno)** Introduced: 2/20/2014  

*Large Group Health Market: Data Disclosure.* Among other things, requires a large group health service plan or health insurer to file specified rate information in filings to the Department of Managed Health Care or Department of Insurance, respectively, at least 60 days prior to implementing a rate change when a rate increases exceeds 5 percent of the prior year’s rate, instead of when the rate increase meets the definition of an unreasonable rate increase as specified in the federal Affordable Care Act. It also requires a plan or insurer to annually file specified aggregate data for all products sold in the large group market. In the event that a plan or insurer is unable to provide the specified data, it would be required to provide data that reasonably estimates year-to-year cost increases for specific service categories. The bill also requires a plan or insurer to annually provide claims data at no charge to a large group purchaser. If claims data is not available, it requires the plan to provide specified de-identified claims data to the purchaser.

*Location:* 3/6/2014- Scheduled to be heard in Senate Health Committee on April 9, 2014

**SB 1202 (Hueso)** Introduced: 2/20/2014  

*Post-employment Health Benefits: City of Indio.* Provides an employer contribution towards annuitant health benefits for employees first hired on or after October 1, 2013 that work at least 10 years for the City of Indio, with the full employer contribution amount determined in a Memorandum of Understanding (MOU) agreed to by its employees’ exclusive representative. Annuitants would receive 50 percent of the full employer contribution after 10 years of service with the City, increasing 5 percent annually to 100 percent after 20 years of service with the City.

*Location:* 3/6/2014- Senate Public Employees and Retirement Committee

**SB 1219 (Torres)** Amended: 4/1/2014  

*Post-Retirement Employment.* Recasts the post-retirement employment provisions of the Public Employees’ Retirement Law (PERL) to conform to the Public Employees’ Pension Reform Act of 2013 (PEPRA) by removing several conflicting employment exemptions, and incorporating various PEPRA requirements related to exceptions, waiting periods, and compensation.

*Location:* 4/1/2014- Senate Public Employees and Retirement Committee

**Calendar:**

**SB 1251 (Huff)** Amended: 4/2/2014  

*PEPRA: Joint Powers Authorities.* Allows a joint powers authority formed on or after January 1, 2013 to provide individuals who were employed by another public employer before that date and not otherwise considered “new members” under the Public Employees’ Pension Reform Act of 2013 (PEPRA), the same defined benefit plan offered by the public employers that formed the joint powers authority to their own similarly situated employees first hired on or after January 1, 2013.

*Location:* 4/2/2014- Senate Rules Committee
Bill Number/Author

SB 1340 (Hernandez)  Amended: 3/24/2014

Health Care Provider Contracts: Transparency. Currently, health plans and insurers are required to release information to subscribers, enrollees, policyholders or insureds regarding the cost range of medical procedures and quality of care for inpatient or ambulatory care services performed by a network hospital or affiliated licensed facility. SB 1340 expands disclosure requirements to include other contracted healthcare providers or suppliers, and compels a health plan or insurer to release cost and quality of care information to all individuals accessing care through their network, including self-funded health plan purchasers and their beneficiaries.

Location: 3/24/2014- Scheduled to be heard in Senate Health Committee on April 9, 2014