

**PUBLIC EMPLOYEES' RETIREMENT SYSTEM
BOARD OF ADMINISTRATION
2017 Legislative Year**

Status as of February 1, 2017

B – Other Bills

Bill Number/Author

AB 20 (Kalra) Introduced: 12/5/2016

Dakota Access Pipeline: Divestment. Among other things, prohibits CalPERS and CalSTRS from renewing or making any additional investments in any company constructing, or funding the construction of, the Dakota Access Pipeline on and after January 1, 2018. It also requires CalPERS and CalSTRS to liquidate any existing investments in such companies on or before July 1, 2018.

Location: 1/19/2017 – Assembly Public Employees, Retirement, and Social Security Committee

AB 29 (Nazarian) Introduced: 12/5/2016

Pharmacy Benefit Managers. Expresses legislative intent to enact legislation relating to pharmacy benefit managers.

Location: 12/5/2016 – Assembly Print

AB 161 (Levine) Introduced: 1/13/2017

Investment Return Guarantees for CalPERS Investments in California Infrastructure Projects. Authorizes the Department of Finance to identify infrastructure projects in California for which the Department will guarantee a rate of return for investments made by CalPERS, subject to the availability of special fund moneys deposited into a newly-established Reinvesting in California Special Fund.

Location: 1/30/2017 – Assembly Public Employees, Retirement, and Social Security Committee

SB 17 (Hernandez) Introduced: 12/5/2016

Prescription Drug Cost Transparency. Expresses legislative intent to enact legislation requiring public and private purchasers of health care and health care coverage receive advance notice of price increases for prescription drugs, and also requires the public receive information justifying the prices of new prescription drugs and price increases for existing prescription drugs.

Location: 12/5/2016 – Senate Rules Committee

B – Other Bills
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Bill Number/Author

SB 28 (Pan) Amended: 1/30/2017

State Public Employment: Memoranda of Understanding. Ratifies the memoranda of understanding (MOUs) for State Bargaining Units (BUs) 1, 3, 4, 8, 11, 12, 13, 14, 15, 17, 18, 19, 20 and 21. Among other things, it requires prefunding for retiree health care coverage, under the CalPERS Annuitant's Health Care Coverage Fund, for all employees represented by, or associated with BUs 8, 13, and 18 with the goal of reaching a 50 percent cost sharing of normal costs by July 1, 2019 and for all employees represented by, or associated with BUs 1, 3, 4, 11, 12, 14, 15, 17, 20, and 21, with the goal of reaching a 50 percent cost sharing of normal costs by July 1, 2020. For employees represented by, or associated with, BUs 8, 13, 18, and 19, first hired by the state on and after January 1, 2017, the bill eliminates employer contributions for Medicare Part B premiums, establishes a longer retiree dental and health care vesting schedule that requires 15 years of service for a 50 percent employer contribution and 25 years for a 100 percent employer contribution, and reduces the maximum employer contribution for annuitants and their family members to either 80 percent of the weighted average of premiums for active state employees enrolled in a basic plan, or 80 percent of the weighted average of premiums for state annuitants enrolled in a Medicare plan.

Location: 1/26/2017 – Scheduled to be heard in the Senate Public Employment and Retirement Committee on February 6, 2017

SB 32 (Moorlach) Introduced: 12/5/2016

Pension Reform. Expresses legislative intent to enact legislation to resume public employee pension reform, begun by the Public Employees' Pension Reform Act of 2013 (PEPRA).

Location: 12/5/2016 – Senate Rules Committee

SB 48 (Committee on Budget and Fiscal Review)

Amended: 1/30/2017

Annuitant Health Care Coverage: State Bargaining Units 1, 3, 4, 11, 14, 15, 17, 20, and 21. For employees represented by, or associated with, State Bargaining Units (BUs) 1, 3, 4, 11, 14, 15, 17, 20, and 21, first hired by the state on and after January 1, 2017, the bill eliminates employer contributions for Medicare Part B premiums, establishes a longer retiree dental and health care vesting schedule that requires 15 years of service for a 50 percent employer contribution and 25 years for a 100 percent employer contribution, and reduces the maximum employer contribution for annuitants and their family members to either 80 percent of the weighted average of premiums for active state employees enrolled in a basic plan, or 80 percent of the weighted average of premiums for state annuitants enrolled in a Medicare plan.

Location: 1/31/2017 – Scheduled to be heard in the Senate Public Employment and Retirement Committee on February 6, 2017

**B – Other Bills
February 1, 2017**

Bill Number/Author

SB 172 (Portantino) Introduced: 1/23/2017

Health Care Coverage: Fertility Preservation. Requires an individual or group health care service plan contract or insurance policy issued, amended, or renewed on and after January 1, 2018, that covers hospital, medical, or surgical expenses, to provide coverage for standard fertility preservation services when a necessary medical treatment may directly or indirectly cause iatrogenic infertility.

Location: 1/23/2017 – Senate Rules Committee

SCA 1 (Moorlach) Introduced: 12/5/2016

Secure Choice Retirement Savings Program. Amends the State Constitution to prohibit the state from incurring any liability for payment of the retirement savings benefit earned by program participants in the California Secure Choice Retirement Savings Program. It also prohibits the appropriation, transfer, or encumbrance of General Fund moneys for the Program, except to fund its startup and first-year administrative costs.

Location: 1/12/2017 – Senate Public Employment and Retirement Committee
