

AMENDED IN SENATE AUGUST 7, 2020

AMENDED IN SENATE JUNE 29, 2020

AMENDED IN ASSEMBLY MAY 4, 2020

CALIFORNIA LEGISLATURE—2019–20 REGULAR SESSION

ASSEMBLY BILL

No. 2101

**Introduced by Committee on Public Employment and Retirement
(Assembly Members Rodriguez (Chair), Cooley, Cooper, and
O'Donnell)**

February 6, 2020

An act to amend Sections 22106.2, 22119.5, 22144.3, 22156.1, 22170.5, 22501, 22509, 22711, 22714, 22717, 22718, 24204, 25025, 26113, 26801, 26803, 26804, 26808, 26810, and 27204 of, to add Sections 23011 and 26303.7 to, and to repeal Section 22151 of, the Education Code, and to amend Sections 20230, 20731, 22772, 22960.95, 22970.85, 31465, 31627.1, 31627.2, 31631.5, 31641.45, 31646, 31662.2, 31670, 31672, 31672.1, 31672.2, 31672.3, 31706, 31760.1, 31760.2, 31765, 31765.1, 31776.3, 31781.1, 31781.2, 31785, 31785.1, 31786, 31786.1, 31787, 31787.5, 31855.3, and 75088.3 of, to add Sections 31454.7 and 31680.10 to, to repeal Sections 31649.5, 31649.6, 31650, and 31651 of, and to repeal and add Section 31649 of, the Government Code, relating to public employees' ~~retirement~~ *retirement, and making an appropriation therefor*.

LEGISLATIVE COUNSEL'S DIGEST

AB 2101, as amended, Committee on Public Employment and Retirement. Public employees' retirement.

(1) Existing law, the Teachers' Retirement Law, establishes the State Teachers' Retirement System (STRS) and creates the Defined Benefit

Program of the State Teachers' Retirement Plan, which provides a defined benefit to members of the program, based on final compensation, credited service, and age at retirement, subject to certain variations. STRS is administered by the Teachers' Retirement Board. The Defined Benefit Program is funded by employer and employee contributions, as well as investment returns and state appropriations, which are deposited or credited to the Teachers' Retirement Fund.

Existing law authorizes a member to elect continued defined benefit coverage in STRS when taking a position that provides a defined benefit in another public retirement system, and requires the election to be made in writing and to be filed with STRS and the other public retirement system.

This bill would remove the requirement that the election be filed with the other public retirement system, and would instead require the employer to retain a copy of the election form.

(2) Existing law defines creditable service for purposes of STRS to include, among other things, the work of audiometrists performed for a prekindergarten through grade 12 employer in a position requiring Commission on Teacher Credentialing certification qualifications, for a community college employer by a faculty member, or for a charter school employer, as provided. Existing law grants the Teachers' Retirement Board final authority for determining creditable service to cover any activities not specified.

This bill would instead include as creditable service activities performed for an employer by an audiometrist who holds a certificate of registration issued by the State Department of Health Care Services.

(3) *Existing law creates the Teachers' Retirement Fund, which is continuously appropriated for specified purposes, and into which employee contributions are deposited. Existing law requires employees to make contributions to the system based on their creditable compensation, as defined. Existing law defines "leave of absence" for purposes of the Teachers' Retirement Law as a period of leave to which a member is entitled that is expressly authorized or required pursuant to specified provisions. Among other things, these provisions provide for leaves of absence for military service, service as an elected member of the Legislature, and service on certain boards and commissions, subject to specified requirements.*

This bill would define "leave of absence" to also mean an employer-approved compensated leave taken on or after January 1, 2016, that is otherwise excluded from the definition of leave of absence

described above. The bill would require that remuneration that is paid for an employer-approved compensated leave be creditable compensation, as specified. Based on the increase in creditable compensation, the bill would increase employee contributions into continuously appropriated Teachers' Retirement Fund, thereby making an appropriation.

(3)

(4) Existing law grants a member of STRS service credit at retirement for accumulated and unused sick leave days, as specified. Existing law defines sick leave days for these purposes to mean the number of days of accumulated and unused leave of absence for illness or injury, and defines basic sick leave to mean the equivalent of one day's paid leave of absence per pay period due to illness or injury. Existing law also grants a member service credit during the time the member is serving as an elected officer of an employee organization and is on a compensated leave of absence.

This bill would instead define sick leave to be the number of days of accumulated and unused leave of absence for illness or injury granted by each employer, and would define basic sick leave to mean the days of paid leave of absence due to illness or injury granted by each employer, not to exceed 12 days per school year. The bill would specify that a member is prohibited from receiving service credit for accumulated, unused sick leave that the member receives service credit for in another public retirement system. The bill would grant a member who is an elected officer of an employee organization on a compensated leave of absence STRS benefits that the member would have received had the member not been on a compensated leave of absence.

(4)

(5) Existing law authorizes an employer, for purposes of STRS, to offer an additional 2 years of service credit to specified members if the member elects to retire in a defined period. Existing law requires a member to forfeit the additional 2 years of service credit if the retired member takes any job within the school district, community college district, or county office of education that granted the member the service credit less than 5 years after receiving the additional credit.

This bill would require a member to forfeit the additional 2 years of service credit if the member takes any job within the school district, community college district, or county office of education as an employee, an independent contractor, or an employee of a third party.

(5)

(6) Existing law establishes the Defined Benefit Supplement Program in STRS for the purpose of providing supplemental benefits to members whose earnings are in excess of specified amounts. Existing law establishes the Cash Balance Benefit Program, administered by the Teachers' Retirement Board, as a separate benefit program within the State Teachers' Retirement Plan in order to provide a retirement plan for persons employed to perform creditable service for less than 50% of full-time service. Existing law requires a termination benefit under the Defined Benefit Supplement Program and Cash Balance Benefit Program to be payable 6 months after the member terminates employment.

This bill would instead require the termination benefit to be payable 180 calendar days after the member terminates employment. The bill would make additional administrative changes to the Cash Balance Benefit Program to conform with the administration of the defined benefit program.

(6)

(7) Existing law authorizes the Teachers' Retirement Board to assess penalties and interest if an employer fails to make a payment of contributions to STRS.

The bill would require penalties and interest overpaid to STRS to be considered additional contributions, to be deposited in the Teachers' Retirement Fund, and to be treated in the same manner as other contributions paid to STRS.

(7)

(8) The Public Employees' Retirement Law (PERL) establishes the Public Employees' Retirement System (PERS) for the purpose of providing pension benefits to state employees and employees of contracting agencies. Existing law requires administration of PERS by the Board of Administration of PERS. Existing law creates the Public Employees' Retirement Fund as a trust fund to be expended only for purposes related to the system and its administration, as specified, and provides that the fund is continuously appropriated for these purposes. Existing law, the California Public Employees' Pension Reform Act of 2013 (PEPRA), on and after January 1, 2013, generally requires a public retirement system, as defined, to modify its plan or plans to comply with the act, as specified.

Under existing law, data filed with the board by any member, retired member, beneficiary, or annuitant is confidential. Existing law prohibits

system officials and employees from divulging the data except pursuant to specified parties and entities.

This bill would make various technical and clarifying changes to these provisions, including specifying that data filed on behalf of any member, retired member, beneficiary, or annuitant is also confidential and that data may be divulged to other retirement systems that provide reciprocal benefits to members of PERS.

Existing law authorizes a member of PERS, who is credited with less than a certain number of years of service and who enters employment as a member of another public retirement system supported by state funds, within 6 months of leaving state service, to elect to leave their accumulated contributions on deposit in the retirement fund. Existing law specifies that a member's failure to make an election to withdraw accumulated contributions is deemed an election to leave the member's accumulated contributions on deposit in the retirement fund. Existing law provides that a member may revoke their election to allow accumulated contributions to remain in the retirement system, except under specified circumstances. Existing law requires a member who is permanently separated from all PERS covered service, who meets specified conditions, and who attains 70 years of age, to be provided with an election to withdraw contributions, or, if vested, an election to either apply for service retirement or to withdraw contributions.

This bill would instead require a member permanently separated under the circumstances described above to attain 71 ½ years of age before being provided with those election options. This bill would also correct an obsolete cross reference.

(8)

(9) The PERL contains the State Peace Officers' and Firefighters' Defined Contribution Plan as a separate supplemental plan for certain peace officers and firefighters, and is administered by the board of PERS. Existing law establishes the State Peace Officers' and Firefighters' Defined Contribution Plan Fund as a trust fund, with moneys in the fund continuously appropriated to the board for purposes of administering the plan.

Under PERL, a participant, nonparticipant, spouse, or beneficiary is not permitted to elect a distribution under the plan that does not satisfy specified requirements of federal law related to being a qualified pension trust plan. Existing law requires the beginning date of distributions that reflect the entire interest of the participant, for a lump-sum distribution, to be made not later than April 1 of the calendar year following the later

of the calendar year in which the participant attains 70½ or the calendar year in which the participant terminates all employment subject to plan coverage. Existing law also requires, for a distribution to the participant in the form of installment payments or an annuity, that payment begin not later than April 1 of the calendar year following the later of the calendar year in which the participant attains 70½ years of age or the calendar year in which the participant terminates all employment subject to plan coverage. Existing law also requires, if a benefit is payable on account of the participant's death, and the beneficiary is the participant's spouse, the distributions to commence on or before the later of either December 31 of the calendar year immediately following the calendar year in which the participant dies, or December 31 of the calendar year in which the participant would have attained 70½ years of age.

This bill would raise the age for required distributions, in the circumstances described above, from 70½ years of age to 72 years of age.

(9)

(10) Existing law establishes the Supplemental Contributions Program as a defined contribution plan to supplement the benefits provided under PERL. Existing law establishes the Supplemental Contributions Program Fund as a special trust fund, with moneys in the fund continuously appropriated to the board of PERS, for purposes of the program. Under existing law, a participant, nonparticipant, spouse, or beneficiary is not permitted to elect a distribution under the plan that does not satisfy federal requirements related to being a qualified pension trust plan. Existing law requires the beginning date of distributions that reflect the entire interest of the participant, for a lump-sum distribution to the participant, to be made not later than April 1 of the calendar year following the later of the calendar year in which the participant attains 70½ years of age or the calendar year in which the participant terminates all employment. Existing law requires the beginning date of distributions, if provided in periodic payments, to begin not later than April 1 of the calendar year following the later of the calendar year in which the participant attains 70½ years of age or the calendar year in which the participant terminates all employment subject to plan coverage. Existing law also requires, if a benefit is payable on account of the participant's death, and the beneficiary is the participant's spouse, that distributions commence on or before the later of either December 31 of the calendar year immediately following the calendar year in

which the participant dies or December 31 of the calendar year in which the participant would have attained 70 ½ years of age.

This bill would raise the age for required distributions, in the circumstances described above, from 70 ½ years of age to 72 years of age.

~~(10)~~

(11) The Judges' Retirement Law prescribes retirement benefits for judges, as defined, who were first elected or appointed to judicial office before November 9, 1994. Existing law also establishes the Extended Service Incentive Program to provide enhanced retirement benefits for those judges who continue in service beyond retirement age, as specified, and directs the board of administration of PERS to implement the program. Existing law prescribes that the required beginning date of distributions that reflect the entire interest of the judge, for a lump-sum distribution, be made not later than April 1 of the calendar year following the later of the calendar year in which the judge attains 70 ½ years of age or the calendar year in which the judge terminates employment. Existing law also requires, if a benefit is payable on account of the judge's death, and the beneficiary is the judge's spouse, that distributions commence on or before the later of December 31 of the calendar year immediately following the calendar year in which the judge dies or December 31 of the calendar year in which the judge would have attained 70 ½ years of age.

This bill would raise the age for required distributions, in the circumstances described above, from 70 ½ years of age to 72 years of age.

~~(11)~~

(12) The County Employees Retirement Law of 1937 (CERL) authorizes counties to establish retirement systems pursuant to its provisions for the purpose of providing pension and death benefits to county and district employees.

This bill would correct several erroneous and obsolete cross-references within CERL.

~~(12)~~

(13) The California Constitution commits plenary authority for administration of public employee retirement systems, and for the provision of actuarial services for the systems, to their boards of administration. CERL prescribes actuarial requirements for CERL systems and, upon the basis of the investigation, valuation, and recommendation of the actuary, the retirement board is required to

recommend to the county board of supervisors the changes in rates of interest, in rates of member contributions, and in county and district appropriations that are necessary. A similar process is prescribed for districts within the system, but that are not governed by the board of supervisors.

This bill would make a statement of legislative affirmation regarding a ruling in a specified court case upholding a retirement board’s plenary authority to recommend adjustments to county and district contributions necessary to ensure the appropriate funding of the retirement system.

(13)

(14) CERL authorizes a member who returns to active service following an uncompensated leave of absence on account of illness to receive service credit for the period of the absence upon payment of the contributions that the member would have paid during that period, together with the interest that the contributions would have accrued.

This bill would similarly authorize a member who returns to active service following an uncompensated leave of absence on account of approved parental leave to receive service credit for the period upon payment of contributions and interest. The bill would prohibit service credit to be received for such a period of absence from exceeding 12 consecutive months and would prescribe requirements for payments. This provision would be operative in a county only if the board of supervisors elect to make it so, as specified, and would apply to parental leave that begins after the election.

(14)

(15) CERL authorizes a member who resigns or obtains a leave of absence to enter, and who does enter, the Armed Forces of the United States on a voluntary or involuntary basis, under prescribed circumstances, to obtain service credit for the period during which the member was out of county service.

This bill would recast these provisions and would generally require that CERL comply with the federal Uniformed Services Employment and Reemployment Rights Act of 1994, as it may be amended. The bill would also authorize a member who does not qualify for reemployment benefits due to the length of military service and who returns to county or district employment within one year of being honorably discharged from the Armed Forces of the United States, to receive credit for service for all or any part of the member’s military service upon making specified payments.

(15)

(16) CERL requires boards of retirement to provide for the retirement of members who meet age and service requirements.

This bill would authorize a system administrator or other personnel to exercise a board's power to retire members as described above. The bill would require that service retirements be reported to the board at its next public meeting after the retirement.

~~(16)~~

(17) CERL prescribes requirements for calculating the effective date of retirement under different membership conditions, generally providing that the date not be more than 60 days after the date of filing.

This bill would prescribe general requirements regarding the effective date of retirement to prohibit it from beginning earlier than the date the application is filed with the board or more than 60 days after the date of filing or more than a number of days that has been approved by the board.

~~(17)~~

(18) CERL and other existing laws prescribe requirements for reinstatement after retirement and for service without reinstatement. CERL prescribes different requirements, to be elected by a county, regarding member status in a retirement system upon reemployment, including how the rate of contributions and retirement allowance are to be calculated upon a subsequent retirement.

This bill would require that people who have retired under CERL following an involuntary termination of employment who are subsequently reinstated to that employment pursuant to a final administrative or judicial proceeding, as specified, be reinstated from retirement as if there were no intervening period of retirement. The bill would require the person to repay an allowance paid to the person to the retirement system from which they retired in accordance with the retirement system's repayment policy and that contributions be made for any period for which salary is awarded in the administrative or judicial proceedings in the amount that would have been contributed had the member's employment not been terminated. The bill would require that the person receive service credit for the period for which salary is awarded. The retirement system would be granted discretion regarding the timing of repayment.

~~(18)~~

(19) CERL prescribes requirements regarding notification of members who have left service and elected to leave accumulated contributions in the retirement fund or have been deemed to have elected deferred

retirement, as specified. Existing law requires the retirement system to start paying the member an unmodified retirement allowance in the year in which the member attains 70½ years of age, if the member can be located but does not make proper application for a deferred retirement allowance, as specified. Existing law prescribes alternate requirements if a member cannot be located. CERL establishes the Deferred Retirement Option Program, which a county or district may elect to offer and which provides an additional benefit on retirement to participating members.

This bill would require that members who have left service, as described above, in addition to notification regarding retirement allowances, also be notified regarding their eligibility for a one-time distribution of accumulated contributions and interest. The bill would revise the age at which the retirement system is required to provide the above-described notice, as well as when the retirement system must start payment of an unmodified retirement allowance, to 72 years of age. The bill would further require the retirement system at that time to make a one-time distribution of accumulated contributions if the member is ineligible for a deferred retirement allowance, as specified. The bill would change the age threshold from 70½ years of age to 72 years of age with regard to requirements that apply when members cannot be located and with reference to when distributions are to be made to members who are participating in a Deferred Retirement Option Program.

(19)

(20) CERL establishes various rights to benefits that accrue to children of members and their surviving spouses under specified circumstances. In these instances, generally, these benefits will accrue provided that the children are under 18 years of age and unmarried and they continue until every child dies, marries, or attains age 18. Existing law authorizes the continuance of the benefits, in specified instances, to children through the age of 21 if the children remain unmarried and are regularly enrolled as full-time students in an accredited school, as specified.

This bill would revise the above-described standard applicable to children through the age of 21 to instead be up to the 22nd birthdays of the children. The bill would make a related change with regard to a provision that provides an alternative to survivorship benefits under federal social security benefits.

Vote: majority. Appropriation: ~~no~~-yes. Fiscal committee: yes.
State-mandated local program: no.

The people of the State of California do enact as follows:

1 SECTION 1. Section 22106.2 of the Education Code is
2 amended to read:

3 22106.2. “Base days” means the number of days of creditable
4 service the employer requires the member’s class of employees to
5 perform in a school year during the member’s most recent year of
6 creditable service to earn one year of service credit. Base days
7 shall not include school and legal holidays and shall not be less
8 than the minimum standard specified in Section 22138.5. For those
9 standards identified in Section 22138.5 that are expressed only in
10 terms of hours, the number of hours shall be divided by six to
11 determine the number of base days. The number of base days shall
12 not be less than 175.

13 SEC. 2. Section 22119.5 of the Education Code is amended to
14 read:

15 22119.5. (a) “Creditable service” means any of the activities
16 described in subdivision (b) performed for any of the following
17 employers:

18 (1) A prekindergarten through grade 12 employer in a position
19 with certification qualifications authorized by the Commission on
20 Teacher Credentialing pursuant to Section 44001.

21 (2) A community college employer by a faculty member, as
22 defined in Section 87003, in an academic position, as defined in
23 subdivision (b) of Section 87001, or by an educational
24 administrator, as defined in subdivision (b) of Section 87002,
25 subject to the appropriate minimum standards adopted by the Board
26 of Governors of the California Community Colleges pursuant to
27 Section 87356, or pursuant to a contract between a community
28 college district and the United States Department of Defense to
29 provide vocational training.

30 (3) A charter school employer under the provisions of an
31 approved charter for the operation of a charter school for which
32 the charter school is eligible to receive state apportionment.

33 (b) The types of activities are any of the following:

34 (1) The work of teachers, instructors, district interns, and
35 academic employees employed in the instructional program for

1 pupils, including special programs such as adult education, regional
2 occupation programs, child care centers, and prekindergarten
3 programs pursuant to Section 22161.

4 (2) Education or vocational counseling, guidance, and placement
5 services.

6 (3) The work of employees who plan courses of study to be
7 used in California public schools, or research connected with the
8 evaluation or efficiency of the instructional program.

9 (4) The selection, collection, preparation, classification,
10 demonstration, or evaluation of instructional materials of any
11 course of study for use in the development of the instructional
12 program in California public schools, or other services related to
13 California public school curriculum.

14 (5) The examination, selection, in-service training, mentoring,
15 or assignment of teachers, principals, or other similar personnel
16 involved in the instructional program.

17 (6) The work of nurses, physicians, speech therapists,
18 psychologists, audiologists, and other California public school
19 health professionals.

20 (7) Services as a California public school librarian.

21 (8) Activities connected with the enforcement of the laws
22 relating to compulsory education, coordination of child welfare
23 activities involving the school and the home, and the school
24 adjustment of pupils.

25 (9) The work of employees who are responsible for the
26 supervision of persons or administration of the duties described
27 in this subdivision.

28 (c) “Creditable service” also means any of the activities
29 described in subdivision (b) when they are performed for an
30 employer by:

31 (1) Superintendents of California public schools, and presidents
32 and chancellors of community college employers.

33 (2) Consulting teachers employed by an employer to participate
34 in the California Peer Assistance and Review Program for Teachers
35 pursuant to Article 4.5 (commencing with Section 44500) of
36 Chapter 3 of Part 25 of Division 3 of Title 2.

37 (3) Audiometrists who hold a certificate of registration issued
38 by the State Department of Health Care Services.

39 (d) “Creditable service” also means the performance of
40 California public school activities related to, and an outgrowth of,

1 the instructional and guidance program of the California public
2 school when performed for the same employer for which the
3 member is performing any of the activities described in subdivision
4 (b) or (c).

5 (e) The board shall have final authority for determining
6 creditable service to cover any activities not already specified.

7 *SEC. 3. Section 22144.3 of the Education Code is amended to*
8 *read:*

9 22144.3. (a) “Leave of absence” means a period of leave to
10 which a member is entitled that is expressly authorized or required
11 by Chapter 4 (commencing with Section 44800) of Part 25 of
12 Division 3 of Title 2, or Chapter 1 (commencing with Section
13 87000) or Chapter 3 (commencing with Section 87400) of Part 51
14 of Division 7 of Title 3.

15 (b) “Leave of absence” also means employer-approved
16 compensated leave that is excluded under subdivision (a) that was
17 or is taken on or after January 1, 2016.

18 (c) Remuneration that is paid for an employer-approved
19 compensated leave is creditable compensation pursuant to Sections
20 22119.2 and 22119.3.

21 ~~SEC. 3.~~

22 *SEC. 4.* Section 22151 of the Education Code is repealed.

23 ~~SEC. 4.~~

24 *SEC. 5.* Section 22156.1 of the Education Code is amended to
25 read:

26 22156.1. “Present value,” for purposes of Section 22718, means
27 the amount of money needed on the effective date of retirement
28 to reimburse the system for the actuarially determined cost of the
29 portion of a member’s retirement allowance attributable to unused
30 excess sick leave days. The present value on the effective date of
31 retirement shall equal the number of unused excess sick leave days
32 divided by the number of base days, as defined in Section 22106.2,
33 multiplied by the prior year’s compensation earnable multiplied
34 by the present value factor.

35 ~~SEC. 5.~~

36 *SEC. 6.* Section 22170.5 of the Education Code is amended to
37 read:

38 22170.5. (a) “Sick leave days” means the number of days of
39 accumulated and unused leave of absence for illness or injury
40 granted by each employer.

1 (b) “Basic sick leave day” means the days of paid leave of
 2 absence due to illness or injury granted by each employer that are
 3 not excess sick leave days.

4 (c) “Excess sick leave days” means the day or total number of
 5 days of paid leave of absence due to illness or injury granted by
 6 each employer in excess of 12 days per school year.

7 (d) For those standards identified in Section 22138.5 that are
 8 expressed only in terms of hours, the number of hours shall be
 9 divided by six to determine the number of days pursuant to this
 10 section.

11 ~~SEC. 6.~~

12 *SEC. 7.* Section 22501 of the Education Code is amended to
 13 read:

14 22501. (a) Any person who is not already a member of the
 15 Defined Benefit Program and who is employed by a school district
 16 or county office of education to perform creditable service on a
 17 full-time basis shall become a member as of the first day of
 18 employment, unless excluded from membership pursuant to Section
 19 22601.

20 (b) Creditable service in more than one position shall not be
 21 aggregated for the purpose of determining mandatory membership
 22 under this section.

23 (c) This section shall be deemed to have become operative on
 24 July 1, 1996.

25 ~~SEC. 7.~~

26 *SEC. 8.* Section 22509 of the Education Code is amended to
 27 read:

28 22509. (a) Within 10 working days of the date of hire of an
 29 employee who has the right to make an election pursuant to Section
 30 22508 or 22508.5, the employer shall inform the employee of the
 31 right to make an election and shall make available to the employee
 32 written information provided by each retirement system concerning
 33 the benefits provided under that retirement system to assist the
 34 employee in making an election.

35 (b) Any election made pursuant to subdivision (a) of Section
 36 22508 or subdivision (a) of Section 22508.5 shall be made in
 37 writing on a properly executed form prescribed by the system
 38 within 60 calendar days from the date of hire in the position
 39 requiring membership in the other public retirement system and
 40 shall be received at the system’s headquarters office within 60

1 calendar days after the date of the employee's signature. The
2 employer shall retain a copy of the employee's signed election
3 form and submit the original signed election form to the system's
4 headquarters office.

5 (c) Any election made pursuant to subdivision (c) of Section
6 22508 or subdivision (b) of Section 22508.5 shall be filed with the
7 office of the Public Employees' Retirement System.

8 (d) Any election made pursuant to Section 22508 or Section
9 22508.5 shall become effective as of the first day of employment
10 in the position that qualified the employee to make an election.

11 ~~SEC. 8.~~

12 *SEC. 9.* Section 22711 of the Education Code is amended to
13 read:

14 22711. (a) An elected officer of an employee organization that
15 is on a compensated leave of absence pursuant to Section 44987
16 or 87768.5 shall be entitled to the service credit, compensation
17 earnable, interest, and additional earnings credits under this part
18 that they otherwise would have been due had the member not been
19 on the compensated leave of absence, if all of the following
20 conditions are met:

21 (1) The member was employed and performed creditable service
22 subject to coverage under this Defined Benefit Program in the
23 month prior to commencement of the leave of absence.

24 (2) The member makes contributions to the Teachers'
25 Retirement Fund in the amount that the member would have
26 contributed had the member performed creditable service during
27 the period the member served as an elected officer of the employee
28 organization.

29 (3) The member's employer contributes to the Teachers'
30 Retirement Fund at a rate adopted by the board as a plan
31 amendment with respect to the Defined Benefit Program an amount
32 based upon the creditable compensation that would have been paid
33 to the member had the member performed creditable service during
34 the period the member served as an elected officer of the employee
35 organization.

36 (b) The maximum service credit a member may receive pursuant
37 to this section shall not exceed 12 years.

38 ~~SEC. 9.~~

39 *SEC. 10.* Section 22714 of the Education Code is amended to
40 read:

1 22714. (a) Whenever the governing board of a school district
2 or a community college district or a county office of education,
3 by formal action, determines pursuant to Section 44929 or 87488
4 that, because of impending curtailment of, or changes in, the
5 manner of performing services, the best interests of the district or
6 county office of education would be served by encouraging
7 certificated employees or academic employees to retire for service
8 and that the retirement will result in a net savings to the district or
9 county office of education, an additional two years of service credit
10 shall be granted under this part to a member of the Defined Benefit
11 Program if all of the following conditions exist:

12 (1) The member is credited with five or more years of service
13 credit and retires for service under Chapter 27 (commencing with
14 Section 24201) during a period of not more than 120 days or less
15 than 60 days, commencing no sooner than the effective date of the
16 formal action of the employer that shall specify the period.

17 (2) The documentation required by this section is received by
18 the system no later than 30 calendar days after the last day of the
19 window period established in paragraph (1).

20 (3) (A) The employer transfers to the retirement fund an amount
21 determined by the Teachers' Retirement Board to equal the
22 actuarial equivalent of the difference between the allowance the
23 member receives after receipt of service credit pursuant to this
24 section and the amount the member would have received without
25 the service credit and an amount determined by the Teachers'
26 Retirement Board to equal the actuarial equivalent of the difference
27 between the purchasing power protection supplemental payment
28 the member receives after receipt of service credit pursuant to this
29 section and the amount the member would have received without
30 the service credit. The payment for purchasing power shall be
31 deposited in the Supplemental Benefit Maintenance Account
32 established by Section 22400 and shall be subject to Section 24415.
33 The transfer to the retirement fund shall be made in a manner and
34 a time period, not to exceed eight years, that is acceptable to the
35 Teachers' Retirement Board. The employer shall transfer the
36 required amount for all eligible employees who retire pursuant to
37 this section.

38 (B) Regular interest shall be charged on the unpaid balance if
39 the employer makes the transfer to the retirement fund in
40 installments.

1 (4) The employer transmits to the retirement fund the
2 administrative costs incurred by the system in implementing this
3 section, as determined by the Teachers' Retirement Board.

4 (5) The employer has considered the availability of teachers or
5 academic employees to fill the positions that would be vacated
6 pursuant to this section.

7 (b) (1) The school district shall demonstrate and certify to the
8 county superintendent that the formal action taken would result in
9 a net savings to the district.

10 (2) The county superintendent shall certify to the Teachers'
11 Retirement Board that the result specified in paragraph (1) can be
12 demonstrated. The certification shall include, but not be limited
13 to, the information specified in subdivision (c) of Section 14502.1.

14 (3) The school district shall reimburse the county superintendent
15 for all costs to the county superintendent that result from the
16 certification.

17 (c) (1) The county office of education shall demonstrate and
18 certify to the Superintendent of Public Instruction that the formal
19 action taken would result in a net savings to the county office of
20 education.

21 (2) The Superintendent of Public Instruction shall certify to the
22 Teachers' Retirement Board that the result specified in paragraph
23 (1) can be demonstrated. The certification shall include, but not
24 be limited to, the information specified in subdivision (c) of Section
25 14502.1.

26 (3) The Superintendent of Public Instruction may request
27 reimbursement from the county office of education for all
28 administrative costs that result from the certification.

29 (d) (1) The community college district shall demonstrate and
30 certify to the chancellor's office that the formal action taken would
31 result in a net savings to the district.

32 (2) The chancellor shall certify to the Teachers' Retirement
33 Board that the result specified in paragraph (1) can be
34 demonstrated. The certification shall include, but not be limited
35 to, the information specified in subdivision (c) of Section 84040.5.

36 (3) The chancellor may request reimbursement from the
37 community college district for all administrative costs that result
38 from the certification.

39 (e) The opportunity to be granted service credit pursuant to this
40 section shall be available to all members employed by the school

1 district, community college district, or county office of education
2 who meet the conditions set forth in this section.

3 (f) The amount of service credit shall be two years.

4 (g) Any member of the Defined Benefit Program who retires
5 under this part for service under Chapter 27 (commencing with
6 Section 24201) with service credit granted under this section and
7 who subsequently reinstates shall forfeit the service credit granted
8 under this section.

9 (h) Any member of the Defined Benefit Program who retires
10 under this part for service under Chapter 27 (commencing with
11 Section 24201) with service credit granted under this section and
12 who takes any job as an employee, independent contractor, or as
13 an employee of a third party with the school district, community
14 college district, or county office of education that granted the
15 member the service credit less than five years after receiving the
16 credit shall forfeit the ongoing benefit the member receives from
17 the additional service credit granted under this section.

18 (i) This section does not apply to any member otherwise eligible
19 if the member receives any unemployment insurance payments
20 arising out of employment with an employer subject to this part
21 within one year following the effective date of the formal action
22 under subdivision (a), or if the member is not otherwise eligible
23 to retire for service.

24 ~~SEC. 10.~~

25 *SEC. 11.* Section 22717 of the Education Code is amended to
26 read:

27 22717. (a) Upon certification by the employer or employers,
28 a member shall be granted credit at service retirement for each day
29 of accumulated and unused sick leave days for which full salary
30 is allowed and to which the member was entitled on the member's
31 final day of employment with the employer or employers subject
32 to coverage by the Defined Benefit Program during the last school
33 term in which the member earned creditable compensation pursuant
34 to Section 22119.2 or 22119.3. The system shall accept certification
35 from each employer with which the member has accumulated sick
36 leave days for that period, provided this leave has not been
37 transferred to another employer.

38 (b) The amount of service credit to be granted shall be
39 determined by dividing the number of accumulated, unused sick

1 leave days by the number of base days, as defined in Section
2 22106.2.

3 (c) For members who are last employed with the state in a
4 position in which there are no contracted base service days, the
5 amount of service credit to be granted shall be 0.004 years of
6 service for each day of unused sick leave certified to the board by
7 the employer. The certification shall report only those days of
8 unused sick leave that were accrued by the member during the
9 normal course of the member's employment subject to coverage
10 by the Defined Benefit Program.

11 (d) When the member has made application for service
12 retirement under this part, the employer shall certify to the board,
13 within 30 days following the effective date of the member's service
14 retirement or the date the application for retirement is received by
15 the system's headquarters office, whichever is later, the number
16 of days of accumulated and unused sick leave days that the member
17 was entitled to on the final day of employment. The board may
18 assess a penalty on delinquent reports.

19 (e) The member shall not receive credit for accumulated unused
20 sick leave days if the member receives service credit in another
21 public retirement system for the same unused sick leave days.

22 (f) This section shall be applicable to any person who retires on
23 or after January 1, 1999.

24 ~~SEC. 11.~~

25 *SEC. 12.* Section 22718 of the Education Code is amended to
26 read:

27 22718. (a) The Teachers' Retirement Board shall bill school
28 employers for service credit granted for unused excess sick leave
29 under this part, subject to the following provisions:

30 (1) (A) In addition to the certification of unused basic sick leave
31 days, the employer shall also certify the number of unused excess
32 sick leave days.

33 (B) Excess sick leave days granted by an employer other than
34 the member's last employer shall be deemed to be granted by the
35 last employer and shall be included in the certification if the
36 member was eligible to use those excess sick leave days while the
37 member was employed by the last employer. If, during the last
38 year a member is employed to perform creditable service subject
39 to coverage by the Defined Benefit Program, that member is
40 employed by more than one employer, unused excess sick leave

1 days shall be certified and paid for by the employer for the period
2 in which the member was eligible to use those excess sick leave
3 days.

4 (2) The employer shall be billed only for the present value of
5 the unused excess sick leave days and any subsequent adjustments
6 to the billing shall be billed or returned, as appropriate, to the
7 employer.

8 (3) (A) The employer shall remit the amount billed to the system
9 with the certification required by Section 22717 within 30 days
10 after the effective date of the member's retirement or within 30
11 days after the date the system has notified the employer that a
12 certification must be made, whichever is later.

13 (B) If payment is not received within 30 calendar days, the
14 present value shall be recalculated to include regular interest from
15 the due date to the date full payment is received.

16 (C) If the system has billed the employer for an additional
17 amount, the employer shall remit the additional amount within 30
18 calendar days after the date of the billing. If payment is not received
19 for the additional amount within 30 calendar days, the present
20 value shall be recalculated to include regular interest from the due
21 date to the date full payment is received.

22 (b) If a school employer fails to pay a bill charged according to
23 subdivision (a), the Teachers' Retirement Board may request the
24 Superintendent of Public Instruction or the Chancellor of the
25 California Community Colleges, as appropriate, to reduce state
26 apportionments to the school employer by an amount equal to the
27 amount billed. The Superintendent or chancellor shall make the
28 reduction, and if requested by the board, direct the Controller to
29 reduce the amount transferred from the General Fund to Section
30 A or Section B, as appropriate, of the State School Fund by an
31 equal amount, which shall instead be transferred to the Teachers'
32 Retirement Fund.

33 ~~SEC. 12.~~

34 *SEC. 13.* Section 23011 is added to the Education Code, to
35 read:

36 23011. Penalties and interest due to the system pursuant to
37 Section 23003, 23006, or 23008 are additional required
38 contributions that, when received, shall be deposited to the
39 Teachers' Retirement Fund and treated in the same manner as
40 other contributions.

1 ~~SEC. 13.~~

2 *SEC. 14.* Section 24204 of the Education Code is amended to
3 read:

4 24204. (a) A service retirement allowance under this part shall
5 become effective upon any date designated by the member,
6 provided all of the following conditions are met:

7 (1) An application for service retirement allowance is filed on
8 a form provided by the system, which is executed no earlier than
9 six months before the effective date of retirement allowance.

10 (2) The effective date is later than the last day the member
11 earned creditable compensation pursuant to Section 22119.2 or
12 22119.3.

13 (3) The effective date is no earlier than one day after the date
14 on which the retirement allowance was terminated under Section
15 24208.

16 (4) The effective date is no earlier than one year following the
17 date on which the retirement allowance was terminated under
18 subdivision (a) of Section 24117.

19 (5) The effective date is no earlier than the date upon and
20 continuously after which the member is determined to the
21 satisfaction of the board to have been mentally incompetent.

22 (6) The effective date is no earlier than one day after the date
23 upon which the member completes payment of a service credit
24 purchase pursuant to Section 22801, 22820, or 22826, or payment
25 of a redeposit of contributions pursuant to Section 23200, except
26 as provided in Section 22801 or 22829.

27 (b) A member who files an application for service retirement
28 may change or cancel their retirement application if all of the
29 following are met:

30 (1) The form provided by the system is received in the system's
31 headquarters office no later than 30 days from the date the
32 member's initial benefit payment for the member's most recent
33 retirement under the Defined Benefit Program is paid by the
34 system.

35 (2) The member returns the total gross distribution amount of
36 all payments for any canceled retirement benefit, including a
37 lump-sum payment being changed to an annuity, to the system's
38 headquarters office no later than 45 days from the date of the
39 member's initial benefit payment. The member shall be liable for
40 any adverse tax consequences that may result from these actions.

1 (c) The retirement date of a member who files an application
 2 for retirement pursuant to Section 24201 on or after January 1,
 3 2012, shall be no earlier than January 1, 2012.

4 (d) Nothing in this section shall be construed to allow a member
 5 to receive more than one type of retirement or disability allowance
 6 for the same period of time by virtue of the member’s own
 7 membership.

8 ~~SEC. 14.~~

9 *SEC. 15.* Section 25025 of the Education Code is amended to
 10 read:

11 25025. (a) A termination benefit under the Defined Benefit
 12 Supplement Program shall be payable after 180 calendar days have
 13 elapsed following the date the member terminated employment as
 14 specified in Section 25024.

15 (b) Except as provided in subdivision (c), the application for
 16 the termination benefit shall be automatically canceled if the
 17 member performs creditable service within 180 calendar days
 18 following the date of termination of employment.

19 (c) Subdivision (b) does not apply if the member has reached
 20 that age at which the Internal Revenue Code of 1986 requires a
 21 distribution of benefits. A member who has reached this age shall
 22 receive a distribution commencing on the earlier of the date that
 23 the member has met the conditions of subdivision (a) or the
 24 conditions of subdivision (h) of Section 24600.

25 ~~SEC. 15.~~

26 *SEC. 16.* Section 26113 of the Education Code is amended to
 27 read:

28 26113. (a) “Creditable service” means any of the activities
 29 described in subdivision (b) performed for any of the following
 30 employers:

31 (1) A prekindergarten through grade 12 employer in a position
 32 with certification qualifications authorized by the Commission on
 33 Teacher Credentialing pursuant to Section 44001.

34 (2) A community college employer by a faculty member, as
 35 defined in Section 87003, in an academic position, as defined in
 36 subdivision (b) of Section 87001, or by an educational
 37 administrator, as defined in subdivision (b) of Section 87002,
 38 subject to the appropriate minimum standards adopted by the Board
 39 of Governors of the California Community Colleges pursuant to
 40 Section 87356, or pursuant to a contract between a community

1 college district and the United States Department of Defense to
2 provide vocational training.

3 (3) A charter school employer under the provisions of an
4 approved charter for the operation of a charter school for which
5 the charter school is eligible to receive state apportionment.

6 (b) The types of activities are any of the following:

7 (1) The work of teachers, instructors, district interns, and
8 academic employees employed in the instructional program for
9 pupils, including special programs such as adult education, regional
10 occupational programs, child care centers, and prekindergarten
11 programs pursuant to Section 22161.

12 (2) Education or vocational counseling, guidance, and placement
13 services.

14 (3) The work of employees who plan courses of study to be
15 used in California public schools, or research connected with the
16 evaluation or efficiency of the instructional program.

17 (4) The selection, collection, preparation, classification,
18 demonstration, or evaluation of instructional materials of any
19 course of study for use in the development of the instructional
20 program in California public schools, or other services related to
21 California public school curriculum.

22 (5) The examination, selection, in-service training, mentoring,
23 or assignment of teachers, principals, or other similar personnel
24 involved in the instructional program.

25 (6) The work of nurses, physicians, speech therapists,
26 psychologists, audiologists, and other California public school
27 health professionals.

28 (7) Services as a California public school librarian.

29 (8) Activities connected with the enforcement of the laws
30 relating to compulsory education, coordination of child welfare
31 activities involving the school and the home, and the school
32 adjustment of pupils.

33 (9) The work of employees who are responsible for the
34 supervision of persons or administration of the duties described
35 in this subdivision.

36 (10) Trustee service as described in Section 26403.

37 (c) "Creditable service" also means any of the activities
38 described in subdivision (b) when they are performed for an
39 employer by:

1 (1) Superintendents of California public schools, and presidents
2 and chancellors of community college employers.

3 (2) Consulting teachers employed by an employer to participate
4 in the California Peer Assistance and Review Program for Teachers
5 pursuant to Article 4.5 (commencing with Section 44500) of
6 Chapter 3 of Part 25 of Division 3 of Title 2.

7 (3) Audiometrists who hold a certificate of registration issued
8 by the State Department of Health Care Services.

9 (d) “Creditable service” also means the performance of
10 California public school activities related to, and an outgrowth of,
11 the instructional and guidance program of the California public
12 school when performed for the same employer for which the
13 member is performing any of the activities described in subdivision
14 (b) or (c).

15 (e) The board shall have final authority for determining
16 creditable service to cover activities not already specified.

17 ~~SEC. 16.~~

18 *SEC. 17.* Section 26303.7 is added to the Education Code, to
19 read:

20 26303.7. Penalties and interest due to the system pursuant to
21 Section 26301 or 26303 are additional required contributions that,
22 when received, shall be deposited to the Teachers’ Retirement
23 Fund and treated in the same manner as other contributions.

24 ~~SEC. 17.~~

25 *SEC. 18.* Section 26801 of the Education Code is amended to
26 read:

27 26801. Except as provided under Section 26802, a participant’s
28 retirement date shall not be earlier than either the date on which
29 the participant attains 55 years of age or the first day of the month
30 in which an application is received at the system’s headquarters
31 office, whichever is later.

32 ~~SEC. 18.~~

33 *SEC. 19.* Section 26803 of the Education Code is amended to
34 read:

35 26803. (a) All creditable service subject to coverage by the
36 Cash Balance Benefit Program and all service with the participant’s
37 last employer or employers that is creditable under the Defined
38 Benefit Program shall be terminated prior to the retirement date.

39 (b) All employers with which the participant is employed to
40 perform creditable service subject to coverage by the plan shall

1 certify in a format prescribed by the system that the participant's
2 employment has been terminated unless the employment was
3 terminated 12 months or more prior to the participant's retirement
4 date.

5 ~~SEC. 19.~~

6 *SEC. 20.* Section 26804 of the Education Code is amended to
7 read:

8 26804. Application for a retirement benefit under this part shall
9 be made on a form prescribed by the system. A participant who
10 files an application for a retirement benefit may change or cancel
11 the retirement application if all of the following are met:

12 (a) The form provided by the system is received in the system's
13 headquarters office no later than 30 days from the date of the
14 member's initial benefit payment.

15 (b) The participant returns the total gross distribution amount
16 for any canceled retirement benefit, including a lump-sum payment
17 being changed to an annuity, to the system's headquarters office
18 no later than 45 days from the date of the participants's initial
19 benefit payment. The participant shall be liable for any adverse
20 tax consequences that may result from these actions.

21 ~~SEC. 20.~~

22 *SEC. 21.* Section 26808 of the Education Code is amended to
23 read:

24 26808. (a) The annuity elected under this chapter shall be
25 determined as a value actuarially equivalent to the sum of the
26 employee account and the employer account as of the retirement
27 date. The annuity shall be calculated using the age of the participant
28 and, if the participant elected a joint and survivor option, the age
29 of the beneficiary on the retirement date.

30 (b) In the case of a participant who previously received an
31 annuity that was terminated pursuant to Section 26810, the portion
32 of the annuity derived from the amounts credited to the employee
33 account and employer account as of the date the participant
34 terminates the annuity shall be calculated using the actuarial
35 assumptions in effect on the previous retirement date using the
36 age of the participant and, if the participant elected a joint and
37 survivor option, the age of the beneficiary on the current retirement
38 date.

1 ~~SEC. 21.~~

2 *SEC. 22.* Section 26810 of the Education Code is amended to
3 read:

4 26810. (a) A participant who is employed to perform creditable
5 service subject to coverage by the Cash Balance Benefit Program
6 while receiving an annuity under the program may terminate the
7 annuity upon written request to the system, effective upon a date
8 designated by the participant, and make contributions to the
9 program based on salary paid by the employer for the employment,
10 subject to the following conditions:

11 (1) The request for termination of the annuity is filed on a form
12 prescribed by the system, and the form is executed no earlier than
13 six months before the effective date of the termination.

14 (2) The effective date of the termination of the annuity shall be
15 no earlier than the first day of the month in which the request for
16 termination is received in the system's headquarters office.

17 (b) A participant who files a request for termination of the
18 annuity may cancel or change the termination upon written request
19 to the system. The request for cancellation or change must be on
20 a form provided by the system and shall be received in the system's
21 headquarters office no later than the last day of the month in which
22 the request for termination to be canceled or changed is effective.

23 (c) Upon termination of the annuity, the employee and employer
24 account of the participant shall be credited with respective balances
25 that reflect the actuarial equivalent of the participant's retirement
26 benefit as of the date the participant terminates the annuity and
27 the Annuitant Reserve shall be reduced by the amount of the
28 credits.

29 (d) Upon election of a subsequent annuity, the credits in the
30 participant's employee account and employer account shall be
31 transferred to the Annuitant Reserve.

32 ~~SEC. 22.~~

33 *SEC. 23.* Section 27204 of the Education Code is amended to
34 read:

35 27204. (a) The termination benefit under this part shall not be
36 payable before 180 calendar days have elapsed following the date
37 of termination of employment.

38 (b) Except as provided in subdivision (c), the application for
39 the termination benefit shall be automatically canceled if the

1 participant performs creditable service within 180 calendar days
2 following the date of termination of employment.

3 (c) Subdivision (b) does not apply if the participant has reached
4 that age at which the Internal Revenue Code of 1986 requires a
5 distribution of benefits. A participant who has reached this age
6 shall receive a distribution commencing on the earlier of the date
7 that the participant has met the conditions of subdivision (a) or the
8 conditions of subdivision (c) of Section 26004.

9 ~~SEC. 23.~~

10 *SEC. 24.* Section 20230 of the Government Code is amended
11 to read:

12 20230. (a) Data filed with the board by or on behalf of any
13 member, retired member, beneficiary, or annuitant is confidential,
14 and an individual record shall not be divulged by any official or
15 employee having access to it to any person other than the
16 following:

17 (1) The member, retired member, beneficiary, or annuitant to
18 whom the information relates; their authorized representative; or
19 upon written authorization by the member, retired member,
20 beneficiary, or annuitant to whom the information relates.

21 (2) A contracting agency, county office of education, school
22 district, community college district, the California State University,
23 or the university, if the member, retired member, beneficiary, or
24 annuitant is or was employed by that entity. A contracting agency,
25 county office of education, school district, community college
26 district, the California State University, or the university may also
27 be provided with records that relate to the beneficiary of a member
28 or retired member who is or was employed by the entity.

29 (3) Any state department or agency.

30 (4) Any other California public retirement system that either by
31 statute or agreement provides reciprocal benefits to members of
32 the system.

33 (b) The information shall be used by the board for the sole
34 purpose of carrying into effect the provisions of this part and Part
35 5 (commencing with Section 22750). Any information that is
36 requested to which this section applies shall be treated as
37 confidential and shall be used solely for retirement purposes,
38 including, but not limited to, the administration and funding of
39 retirement and health benefits, and related reporting and notice
40 obligations.

1 (c) The gross amount of any benefit or any refund of a PERS
2 contribution due to a member, retired member, or beneficiary under
3 this part is not confidential and may be released upon request to
4 the board.

5 (d) The board may seek reimbursement for reasonable
6 administrative expenses incurred when providing information.
7 Unless otherwise required by law, pursuant to a court order of
8 competent jurisdiction, or except as provided by this section, a
9 member's, retired member's, beneficiary's, or annuitant's address,
10 home telephone number, or other personal information shall not
11 be released.

12 (e) For purposes of this section:

13 (1) "Annuitant" has the meaning provided in Section 22760.

14 (2) "Authorized representative" includes a spouse or a
15 beneficiary if a contrary appointment has not been made and when,
16 in the opinion of the board, the member, retired member,
17 beneficiary, or annuitant is prevented from appointing an
18 authorized representative because of mental or physical incapacity
19 or death.

20 ~~SEC. 24.~~

21 *SEC. 25.* Section 20731 of the Government Code is amended
22 to read:

23 20731. (a) Notwithstanding any other provision of this part,
24 a member who is credited with less than the years of service
25 specified in Article 1 (commencing with Section 21060) of Chapter
26 12 who enters employment as a member of a public retirement
27 system supported, in whole or in part, by state funds, including
28 the University of California Retirement System, or as a member
29 of a county retirement system, within six months of leaving state
30 service, shall have the right to elect to leave accumulated
31 contributions on deposit in the retirement fund. Failure to make
32 an election to withdraw accumulated contributions shall be deemed
33 an election to leave accumulated contributions on deposit in the
34 retirement fund. This section shall also apply to a member who is
35 subject to Section 21076 or 21076.5.

36 (b) (1) An election to allow accumulated contributions to remain
37 in the retirement fund may be revoked by the member at any time,
38 except any of the following:

1 (A) While the member is employed in state service in a position
2 in which the member is not excluded from membership with respect
3 to that service.

4 (B) While the member is in service as a member of a public
5 retirement system supported, in whole or in part, by state funds,
6 including the University of California Retirement System.

7 (C) While the member is in service, entered within six months
8 after discontinuing state service, as a member of a county
9 retirement system.

10 (2) All accumulated contributions in a member's account up to
11 the time of revocation shall be distributed in accordance with an
12 election pursuant to Section 20735.

13 (3) A member who is permanently separated from all service
14 covered by the system, who is not subject to paragraph (1), and
15 who attains 71 ½ years of age shall be provided with an election
16 to withdraw contributions or, if vested, an election to either apply
17 for service retirement or to withdraw contributions. Failure to apply
18 for service retirement or to make an election to withdraw
19 contributions within 90 days shall be deemed an election to
20 withdraw contributions. If the person fails to either apply for
21 service retirement or elect to withdraw contributions, or cannot,
22 with reasonable diligence, be located, the accumulated
23 contributions shall be distributed in accordance with Section 21500.

24 (c) A member whose membership continues under this section
25 is subject to the same age and disability requirements as apply to
26 other members for service or for disability retirement. After the
27 qualification of the member for retirement by reason of age, which
28 shall be the lowest age applicable to any membership category in
29 which the member has credited service, or disability, the member
30 shall be entitled to receive a retirement allowance based upon the
31 amount of the member's accumulated contributions and service
32 standing to the member's credit at the time of retirement and on
33 the employer contributions held for the member and calculated in
34 the same manner as for other members, except that the provisions
35 in this part for minimum service and disability retirement
36 allowances shall not apply to the member, unless the member
37 meets the minimum service requirements. If a basic death benefit
38 becomes payable under Article 1 (commencing with Section
39 21490), Article 2 (commencing with Section 21530), and Article
40 5 (commencing with Section 21620) of Chapter 14 because of

1 death before retirement of a member, the average annual
2 compensation earnable in the year preceding the date of termination
3 of that service, rather than in the year preceding death, shall be
4 used in computing the benefit under Articles 1, 2, and 5 of Chapter
5 14.

6 The provisions of this section, as it read prior to June 21, 1971,
7 shall continue with respect to a member whose membership
8 continued under this section on that date.

9 ~~SEC. 25.~~

10 *SEC. 26.* Section 22772 of the Government Code is amended
11 to read:

12 22772. (a) “Employee” means:

13 (1) An officer or employee of the state or of any agency,
14 department, authority, or instrumentality of the state, including
15 the University of California.

16 (2) An employee who is employed by a contracting agency and
17 participates in a publicly funded retirement system provided by
18 the contracting agency, or an officer or official of a contracting
19 agency.

20 (3) An annuitant receiving a retirement allowance pursuant to
21 Section 21232 who is employed by a contracting agency.

22 (4) A teaching associate, lecturer, coach, or interpreter employed
23 by the California State University who is appointed to work in an
24 academic year classification for at least six weighted teaching units
25 for one semester, or for at least six weighted teaching units for two
26 or more consecutive quarter terms. This paragraph does not apply
27 to a state member employed by the California State University,
28 unless provided for in a memorandum of understanding reached
29 pursuant to Chapter 12 (commencing with Section 3560) of
30 Division 4 of Title 1 or authorized by the Trustees of the California
31 State University for employees excluded from collective
32 bargaining.

33 (5) All employees in job classes specified in subdivision (a) of
34 Section 14876.

35 (6) An individual not described in paragraphs (1) to (5),
36 inclusive, who is both of the following:

37 (A) A “full-time employee” of the state or a contracting agency
38 within the meaning of Section 4980H of Title 26 of the United
39 States Code and applicable United States Treasury Department
40 regulations and interpretive guidance.

1 (B) Designated in writing as an employee for purposes of this
2 section by the state or the contracting agency, as applicable.

3 (b) Except as otherwise provided by this part, “employee” does
4 not include any of the following:

5 (1) A person employed on an intermittent, irregular, or less than
6 half-time basis, or an employee similarly situated.

7 (2) A National Guard member described in Section 20380.5.

8 ~~SEC. 26.~~

9 ~~SEC. 27.~~ Section 22960.95 of the Government Code is amended
10 to read:

11 22960.95. Notwithstanding any other provision of this part, a
12 participant, nonparticipant spouse, or beneficiary shall not be
13 permitted to elect a distribution under this part that does not satisfy
14 the requirements of Section 401(a)(9) of Title 26 of the United
15 States Code, including the incidental death benefit requirements
16 of Section 401(a)(9)G and the regulations thereunder. The required
17 beginning date of distributions that reflect the entire interest of the
18 participant shall be as follows:

19 (a) In the case of a lump-sum distribution to the participant, the
20 lump-sum payment shall be made not later than April 1 of the
21 calendar year following the later of the calendar year in which the
22 participant attains the age of 72 years or the calendar year in which
23 the participant terminates all employment for the employer.

24 (b) In the case of a distribution to the participant in the form of
25 installment payments or an annuity, payment shall begin not later
26 than April 1 of the calendar year following the later of the calendar
27 year in which the participant attains the age of 72 years or the
28 calendar year in which the participant terminates all employment
29 subject to coverage by the plan.

30 (c) In the case of a benefit payable on account of the
31 participant’s death, distributions shall be paid no later than
32 December 31 of the calendar year in which the fifth anniversary
33 of the participant’s date of death occurs unless the beneficiary is
34 the participant’s spouse in which case distributions must commence
35 on or before the later of either:

36 (1) December 31 of the calendar year immediately following
37 the calendar year in which the participant dies.

38 (2) December 31 of the calendar year in which the participant
39 would have attained the age of 72 years.

1 ~~SEC. 27.~~

2 SEC. 28. Section 22970.85 of the Government Code is amended
3 to read:

4 22970.85. Notwithstanding any other provision of this part, a
5 participant or beneficiary shall not be permitted to elect a
6 distribution under this part that does not satisfy the requirements
7 of paragraph (9) of subsection (a) Section 401 of Title 26 of the
8 United States Code, including the incidental death benefit
9 requirements of subparagraph (G) of paragraph (9) of subsection
10 (a) of Section 401 and the regulations thereunder. The required
11 beginning date of distributions that reflect the entire interest of the
12 participant shall be as follows:

13 (a) In the case of a lump sum distribution to the participant, the
14 lump sum payment shall be made not later than April 1 of the
15 calendar year following the later of the calendar year in which the
16 participant attains the age of 72 years or the calendar year in which
17 the participant terminates employment.

18 (b) In the case of a distribution to the participant in the form of
19 periodic payments, payment shall begin not later than April 1 of
20 the calendar year following the later of the calendar year in which
21 the participant attains the age of 72 years or the calendar year in
22 which the participant terminates employment.

23 (c) In the case of a benefit payable on account of the
24 participant's death after distributions to the participant have
25 commenced in the form of periodic payments, the remainder of
26 the participant's account shall be distributed at least as rapidly as
27 if the participant had not died.

28 (d) In the case of a benefit payable on account of the
29 participant's death before distributions to the participant have
30 commenced, distributions shall be paid no later than December 31
31 of the calendar year in which the fifth anniversary of the
32 participant's date of death occurs unless the benefit is paid over a
33 period not extending beyond the life expectancy of the beneficiary
34 and distributions commence not later than December 31 of the
35 calendar year immediately following the calendar year in which
36 the participant died, or in the event that the beneficiary is the
37 participant's spouse, distributions must commence on or before
38 the later of either:

39 (1) December 31 of the calendar year immediately following
40 the calendar year in which the participant dies.

1 (2) December 31 of the calendar year in which the participant
2 would have attained the age of 72 years.

3 ~~SEC. 28.~~

4 *SEC. 29.* Section 31454.7 is added to the Government Code,
5 to read:

6 31454.7. The Legislature affirms the ruling of *Mijares v.*
7 *Orange County Employees' Retirement System* (2019) 32
8 Cal.App.5th 316, with respect to a board's plenary authority to
9 recommend adjustments to county and district contributions as
10 necessary to ensure the appropriate funding of the system, and
11 with respect to the mandate of Section 31454 that the county and
12 districts adjust the rates of contributions of members and
13 appropriations in accordance with the board's recommendations.
14 Under all circumstances, the county and districts shall each remain
15 liable to the retirement system for their respective share of any
16 unfunded actuarial liability of the system, as determined by the
17 board.

18 ~~SEC. 29.~~

19 *SEC. 30.* Section 31465 of the Government Code is amended
20 to read:

21 31465. "Additional contributions" means contributions made
22 by members in addition to normal contributions under Section
23 31627.

24 ~~SEC. 30.~~

25 *SEC. 31.* Section 31627.1 of the Government Code is amended
26 to read:

27 31627.1. A member who has additional contributions under
28 Section 31627 may, within 30 days prior to retirement, elect in
29 writing to have all or any part of the member's accumulated
30 additional contributions returned to the member. The portion
31 returned shall not be included in the calculation of the member's
32 annuity.

33 ~~SEC. 31.~~

34 *SEC. 32.* Section 31627.2 of the Government Code is amended
35 to read:

36 31627.2. In any county in which the provisions of Section
37 31676.1 apply, any member who has additional contributions under
38 Section 31627 may elect in writing to have all or any part of the
39 member's accumulated additional contributions returned to the
40 member. The portion returned shall not be included in the

1 calculation of the member’s annuity. The board may order payment
 2 in whole or in part withheld for a period not to exceed 90 days
 3 after receipt of such written election.

4 ~~SEC. 32.~~

5 *SEC. 33.* Section 31631.5 of the Government Code is amended
 6 to read:

7 31631.5. (a) (1) Notwithstanding any other provision of this
 8 chapter, a board of supervisors or the governing body of a district
 9 may require that members pay 50 percent of the normal cost of
 10 benefits. However, that contribution shall be no more than 14
 11 percent above the applicable normal rate of contribution of
 12 members established pursuant to this article for local general
 13 members, no more than 33 percent above the applicable normal
 14 rate of contribution of members established pursuant to Article
 15 6.8 (commencing with Section 31639) for local police officers,
 16 local firefighters, county peace officers, and no more than 37
 17 percent above the applicable normal rate of contribution of
 18 members established pursuant to Article 6.8 (commencing with
 19 Section 31639) for all local safety members other than police
 20 officers, firefighters, and county peace officers.

21 (2) Before implementing any change pursuant to this subdivision
 22 for any represented employees, the public employer shall complete
 23 the good faith bargaining process as required by law, including
 24 any impasse procedures requiring mediation and factfinding. This
 25 subdivision shall become operative on January 1, 2018. This
 26 subdivision shall not apply to any bargaining unit when the
 27 members of that unit are paying at least 50 percent of the normal
 28 cost of their pension benefit or are subject to an agreement reached
 29 pursuant to paragraph (1). Applicable normal rate of contribution
 30 of members means the statutorily authorized rate applicable to the
 31 member group as the statutes read on December 31, 2012.

32 (b) Nothing in this section shall modify a board of supervisors’
 33 or the governing body of a district’s authority under law as it
 34 existed on December 31, 2012, including any restrictions on that
 35 authority, to change the amount of member contributions.

36 ~~SEC. 33.~~

37 *SEC. 34.* Section 31641.45 of the Government Code is amended
 38 to read:

39 31641.45. Whenever a member is entitled to redeposit funds
 40 previously withdrawn from a retirement system and thereby

1 becomes eligible to receive a pension or retirement allowance for
2 the service for which the member was granted public service credit
3 as authorized in Section 31641.1, regardless of whether or not the
4 member elects to exercise such entitlement, the member shall be
5 refunded the amount deposited by the member in accordance with
6 Section 31641.2 plus interest which has been credited to such
7 amount and shall receive no credit in the system for such service.

8 This section applies only to a member who would be eligible to
9 receive the benefit of Section 31835 or 20638 on making the
10 redeposit.

11 ~~SEC. 34.~~

12 *SEC. 35.* Section 31646 of the Government Code is amended
13 to read:

14 31646. (a) A member who returns to active service following
15 an uncompensated leave of absence on account of illness may
16 receive service credit for the period of the absence upon the
17 payment of the contributions that the member would have paid
18 during that period, together with the interest that the contributions
19 would have earned had they been on deposit, if the member was
20 not absent. The contributions may be paid in a lump sum or may
21 be paid on a monthly basis for a period of not more than the length
22 of the period for which service credit is claimed. Credit shall not
23 be received for any period of such an absence in excess of 12
24 consecutive months.

25 (b) (1) A member who returns to active service following an
26 uncompensated leave of absence on account of parental leave may
27 receive service credit for the period of the absence upon the
28 payment of the contributions that the member and the employer
29 would have paid during that period, together with the interest that
30 the contributions would have earned had they been on deposit, if
31 the member was not absent. For purposes of this subdivision,
32 parental leave is defined as any time, up to one year, during which
33 a member is granted an approved maternity or paternity leave and
34 returns to employment at the end of the approved leave for a period
35 of time at least equal to that leave. The contributions may be paid
36 in a lump sum or may be paid on a monthly basis for a period of
37 not more than the length of the period for which service credit is
38 claimed. Credit shall not be received for any period of such an
39 absence in excess of 12 consecutive months.

1 (2) This subdivision shall not be operative until the board of
 2 supervisors, by resolution adopted by majority vote, makes the
 3 provisions applicable to that county and applies it to parental leave
 4 that commences after the adoption by the board of supervisors.

5 ~~SEC. 35.~~

6 *SEC. 36.* Section 31649 of the Government Code is repealed.

7 ~~SEC. 36.~~

8 *SEC. 37.* Section 31649 is added to the Government Code, to
 9 read:

10 31649. (a) This chapter shall comply with the Uniformed
 11 Services Employment and Reemployment Rights Act of 1994
 12 (USERRA) Chapter 43 (commencing with Section 4301) of Title
 13 38 of the United States Code, as amended from time to time. Any
 14 member who was absent from county or district employment for
 15 military service and is eligible for reemployment benefits pursuant
 16 to USERRA, may, as provided in USERRA, make contributions
 17 and receive service credit for the time absent.

18 (b) Any member who does not qualify for reemployment
 19 benefits under subdivision (a) due to the length of the military
 20 service, and who returns to county or district employment within
 21 one year of being honorably discharged from the Armed Forces
 22 of the United States, shall receive credit for service for all or any
 23 part of the member's military service, if, before retirement from
 24 the county or district, the member contributes what they would
 25 have paid to the fund for that period based on the member's
 26 compensation earnable, as defined by Section 31461, or
 27 pensionable compensation, as defined in Section 7522.34,
 28 whichever is applicable, at the time of the beginning of the absence
 29 together with applicable interest on that amount.

30 (c) Nothing in this section shall affect any arrangement to pay
 31 contributions pursuant to Section 31653.

32 ~~SEC. 37.~~

33 *SEC. 38.* Section 31649.5 of the Government Code is repealed.

34 ~~SEC. 38.~~

35 *SEC. 39.* Section 31649.6 of the Government Code is repealed.

36 ~~SEC. 39.~~

37 *SEC. 40.* Section 31650 of the Government Code is repealed.

38 ~~SEC. 40.~~

39 *SEC. 41.* Section 31651 of the Government Code is repealed.

1 ~~SEC. 41.~~

2 *SEC. 42.* Section 31662.2 of the Government Code is amended
3 to read:

4 31662.2. (a) Retirement of a safety member in a county subject
5 to the provisions of Section 31676.1, or of Section 31695.1, if
6 applicable, who has met the requirements for age and service shall
7 be made by the board pursuant to this article or pursuant to the
8 California Public Employees' Pension Reform Act of 2013,
9 whichever is applicable.

10 (b) The board may authorize the system administrator or other
11 personnel to exercise the board's power and perform its duty to
12 retire members under this section. The system administrator or
13 other personnel shall report service retirements to the board at the
14 next public meeting of the board after the retirement.

15 ~~SEC. 42.~~

16 *SEC. 43.* Section 31670 of the Government Code is amended
17 to read:

18 31670. (a) Retirement of a member who has met the
19 requirements for age and service shall be made by the board
20 pursuant to this article or pursuant to the California Public
21 Employees' Pension Reform Act of 2013, whichever is applicable.

22 (b) The board may authorize the system administrator or other
23 personnel to exercise the board's power and perform its duty to
24 retire members under this section. The system administrator or
25 other personnel shall report service retirements to the board at the
26 next public meeting of the board after the retirement.

27 ~~SEC. 43.~~

28 *SEC. 44.* Section 31672 of the Government Code is amended
29 to read:

30 31672. (a) A member who has reached 70 years of age or a
31 member who has completed 10 years of service and who has
32 reached 55 years of age, or a member who has completed 30 years
33 of service regardless of age, may be retired upon filing with the
34 board a written application, setting forth the date upon which the
35 member desires the member's retirement to become effective.
36 Fifty-five years of age in the preceding sentence may be reduced
37 to 50 years of age in a county by resolution of the board of
38 supervisors. The effective retirement date shall not be either of the
39 following:

40 (1) Earlier than the date the application is filed with the board.

1 (2) More than 60 days after the date of filing the application or
2 more than a number of days that has been approved by the board.

3 (b) This section shall not apply to any member who is subject
4 to the provisions of the California Public Employees' Pension
5 Reform Act of 2013 (Article 4 (commencing with Section 7522)
6 of Chapter 21 of Division 7 of Title 1) for all or any portion of that
7 member's membership in the county retirement system.

8 ~~SEC. 44.~~

9 *SEC. 45.* Section 31672.1 of the Government Code is amended
10 to read:

11 31672.1. (a) An employee who has reached 55 years of age
12 has held a position in the county service for 10 years, and on the
13 date of retirement is employed in a temporary, seasonal,
14 intermittent, or part-time position in which the employee has
15 received credit for five full years of service, may be retired upon
16 filing with the board a written application, setting forth the date
17 upon which the employee desires the employee's retirement to
18 become effective. Fifty-five years of age in the preceding sentence
19 may be reduced to 50 years of age in any county by resolution of
20 the board of supervisors if such reduction has also been made under
21 Section 31672. The effective retirement date shall not be either of
22 the following:

23 (1) Earlier than the date the application is filed with the board.

24 (2) More than 60 days after the date of filing the application or
25 more than a number of days that has been approved by the board.

26 (b) This section shall not apply to a member who is subject to
27 the provisions of the California Public Employees' Pension Reform
28 Act of 2013 for all or any portion of their membership in the county
29 retirement system.

30 ~~SEC. 45.~~

31 *SEC. 46.* Section 31672.2 of the Government Code is amended
32 to read:

33 31672.2. (a) An elective officer who filed a declaration with
34 the board to become a member, pursuant to Section 31553, who
35 has served two complete consecutive terms in an elective office,
36 and who has reached the minimum age for retirement provided in
37 Section 31672, may be retired upon filing with the board a written
38 application setting forth the date upon which the member desires
39 the member's retirement to become effective. The effective
40 retirement date shall not be either of the following:

1 (1) Earlier than the date the application is filed with the board.

2 (2) More than 60 days after the date of filing the application or
3 more than a number of days that has been approved by the board.

4 (b) This section shall become operative only in any county of
5 the 16th class, as defined by Section 28020 and 28037, as amended
6 by Chapter 1204 of the Statutes of 1971, and on the first day of
7 the calendar month after the board of supervisors adopts a
8 resolution making it operative in the county.

9 (c) This section shall not apply to an elective officer who is
10 subject to the provisions of the California Public Employees'
11 Pension Reform Act of 2013 for all or any portion of the elective
12 officer's membership in the county retirement system.

13 ~~SEC. 46.~~

14 *SEC. 47.* Section 31672.3 of the Government Code is amended
15 to read:

16 31672.3. A member of a county retirement system who is
17 subject to the California Public Employees' Pension Reform Act
18 of 2013 (Article 4 (commencing with Section 7522) of Chapter
19 21 of Division 7 of Title 1) for all or a portion of the member's
20 membership in the county retirement system who has completed
21 five years of service and has reached the minimum retirement age
22 applicable to that member under the act, or has reached 70 years
23 of age, may be retired upon filing with the board a written
24 application, setting forth the date upon which the member desires
25 the member's retirement to become effective. The effective
26 retirement date shall not be either of the following:

27 (1) Earlier than the date the application is filed with the board.

28 (2) More than 60 days after the date of filing the application or
29 more than a number of days that has been approved by the board.

30 ~~SEC. 47.~~

31 *SEC. 48.* Section 31680.10 is added to the Government Code,
32 to read:

33 31680.10. (a) A person who has been retired under this chapter
34 for service following an involuntary termination of their
35 employment, and who is subsequently reinstated to that
36 employment pursuant to an administrative or judicial proceeding
37 that is final and not subject to appeal, shall be reinstated from
38 retirement as if there were no intervening period of retirement.
39 Except as provided in subdivision (b), the requirements of Sections
40 31680.4, 31680.5, and 31680.7 shall not apply to that reinstatement.

1 (b) The allowance received by the person during retirement
 2 shall be repaid by the person to the retirement system from which
 3 they retired in accordance with the retirement system’s repayment
 4 policy.

5 (1) Member contributions shall be made for any period for which
 6 salary is awarded in the administrative or judicial proceedings in
 7 the amount that would have been contributed had the member’s
 8 employment not been terminated, and the person shall receive
 9 credit for the period for which salary is awarded. If the person fails
 10 to repay the allowance received during retirement, then the person’s
 11 contributions and allowance upon retirement subsequent to
 12 reinstatement shall be calculated under Sections 31680.5 or
 13 31680.7, as applicable.

14 (2) The retirement system shall have discretion regarding the
 15 timing of repayment of employer contributions for the period
 16 described in paragraph (1).

17 (c) As used in this section, “administrative proceeding” means
 18 the process for appeal of an involuntary termination established
 19 by county or district ordinance or charter.

20 (d) This section shall only apply to persons reinstated to
 21 employment by final action as described in subdivision (a), on or
 22 after the effective date of this section, pursuant to an administrative
 23 or judicial proceeding.

24 ~~SEC. 48.~~

25 *SEC. 49.* Section 31706 of the Government Code is amended
 26 to read:

27 31706. Any member who has left county service and has
 28 elected to leave accumulated contributions in the retirement fund,
 29 or who is deemed to have elected a deferred retirement pursuant
 30 to subdivision (b) of Section 31700, and who has attained 70 years
 31 of age but has not yet applied for a deferred retirement allowance,
 32 and who is not a reciprocal member of a retirement system
 33 established pursuant to this chapter or the Public Employees’
 34 Retirement Law, shall be notified in writing by the treasurer, or
 35 other entity authorized by the board, that the member is eligible
 36 to apply for, and shall begin receiving, either a deferred retirement
 37 allowance by April 1 of the year following the year in which the
 38 member attains 72 years of age or a one-time distribution of all
 39 accumulated contributions and interest. The notification shall be
 40 made at the time the deferred member attains 70 years of age and

1 shall be sent by certified mail to the member's last known address,
2 or to the member's last known employer, as shown by the records
3 of the retirement system. If the member can be located but does
4 not make proper application for a deferred retirement allowance
5 with retirement to be effective by April 1 of the year following the
6 year in which the member attains 72 years of age, the retirement
7 system shall commence paying either an unmodified allowance to
8 the member, if the member was eligible to begin receiving a
9 deferred retirement allowance under the provisions of 31485.22,
10 or a one-time distribution of all accumulated contributions and
11 interest if the member is otherwise ineligible for a deferred
12 retirement allowance. If the member cannot be located by April 1
13 of the year following the year in which the member attains 72 years
14 of age, all of the member's accumulated contributions and interest
15 thereon shall be deposited in, and become a part of, the current
16 pension reserve fund of the retirement system. The board may at
17 any time after transfer of proceeds to the reserve fund upon receipt
18 of proper information satisfactory to it, redeposit the proceeds to
19 the credit of the claimant, to be administered in the manner
20 provided under this law. This section shall not apply to a member
21 while the member is actively employed past mandatory retirement
22 age in a retirement system established under the provisions of this
23 chapter or the Public Employees' Retirement Law.

24 ~~SEC. 49.~~

25 *SEC. 50.* Section 31760.1 of the Government Code is amended
26 to read:

27 31760.1. Upon the death of any member after retirement for
28 service or non-service-connected disability from a retirement
29 system established in a county subject to the provisions of Section
30 31676.1, 60 percent of the member's retirement allowance, if not
31 modified in accordance with one of the optional settlements
32 specified in this article, shall be continued throughout life to the
33 member's surviving spouse. If there is no surviving spouse entitled
34 to an allowance hereunder or if the surviving spouse dies before
35 every natural or adopted child of the deceased member attains the
36 age of 18 years, then the allowance which the surviving spouse
37 would have received had the surviving spouse lived, shall be paid
38 to the surviving spouse's natural or adopted child or children under
39 that age collectively, to continue until every child dies or attains
40 that age; provided, that no child shall receive any allowance after

1 marrying or attaining the age of 18 years. No allowance, however,
2 shall be paid under this section to a surviving spouse unless the
3 surviving spouse was married to the member at least one year prior
4 to the date of the member's retirement. The right of a child or
5 children of a deceased member to receive an allowance under this
6 section, in the absence of an eligible surviving spouse, shall not
7 be dependent on whether the child or children were nominated by
8 the deceased member as the beneficiary of any benefits payable
9 upon or by reason of the member's death, and shall be superior to
10 and shall supersede the rights and claims of any other beneficiary
11 so nominated.

12 Notwithstanding any other provisions of this section, the benefits
13 otherwise payable to the children of the member shall be paid to
14 those children up to the 22nd birthdays of the children if the
15 children remain unmarried and are regularly enrolled as full-time
16 students in an accredited school as determined by the board.

17 If at the death of any retired member there is no surviving spouse
18 or minor children eligible for the 60-percent continuance provided
19 in this section, and the total retirement allowance income received
20 by the member during the member's lifetime did not equal or
21 exceed the member's accumulated normal contributions, the
22 member's designated beneficiary shall be paid an amount equal
23 to the excess of the member's accumulated normal contributions
24 over the member's total retirement allowance income.

25 The superseding rights pursuant to this section shall not affect
26 benefits payable to a named beneficiary as provided under Section
27 31789, 31789.01, 31789.1, 31789.12, 31789.13, 31789.2, 31789.3,
28 31789.5, or 31790.

29 ~~SEC. 50.~~

30 *SEC. 51.* Section 31760.2 of the Government Code is amended
31 to read:

32 31760.2. (a) Notwithstanding Section 31481 or 31760.1, upon
33 the death of any member after retirement for service or
34 non-service-connected disability from a retirement system
35 established in a county pursuant to this chapter, 60 percent of the
36 member's retirement allowance, if not modified in accordance
37 with one of the optional settlements specified in this article, shall
38 be continued to the member's surviving spouse for life. If there is
39 no surviving spouse entitled to an allowance under this section or
40 if the surviving spouse dies before every child of the deceased

1 member attains the age of 18 years, then the allowance that the
2 surviving spouse would have received had the surviving spouse
3 lived, shall be paid to the surviving spouse's child or children
4 under that age collectively, to continue until each child dies or
5 attains that age. However, no child may receive any allowance
6 after marrying or attaining the age of 18 years.

7 (b) No allowance may be paid under this section to a surviving
8 spouse unless the surviving spouse was married to the member at
9 least two years prior to the date of death and has attained the age
10 of 55 years on or prior to the date of death.

11 (c) Notwithstanding any other provisions of this section, the
12 benefits otherwise payable to the children of the member shall be
13 paid to the children up to the 22nd birthdays of the children if the
14 children remain unmarried and are regularly enrolled as full-time
15 students in an accredited school, as determined by the board.

16 (d) If at the death of any retired member there is no surviving
17 spouse or minor children eligible for the 60-percent continuance
18 provided in this section and the total retirement allowance income
19 received by the retired member during the member's lifetime did
20 not equal or exceed the member's accumulated normal
21 contributions, the retired member's designated beneficiary shall
22 be paid an amount equal to the excess of the member's accumulated
23 normal contributions over the member's total retirement allowance
24 income.

25 (e) No allowance may be paid pursuant to this section to any
26 person who is entitled to an allowance pursuant to Section 31760.1.

27 (f) The superseding rights pursuant to this section do not affect
28 benefits payable to a named beneficiary as provided under Section
29 31789, 31789.01, 31789.1, 31789.12, 31789.13, 31789.2, 31789.3,
30 31789.5, or 31790.

31 (g) This section is not applicable in any county until the board
32 of retirement, by resolution adopted by a majority vote, makes this
33 section applicable in the county. The board's resolution may
34 designate a date, which may be prior or subsequent to the date of
35 the resolution, as of which the resolution and this section shall be
36 operative in the county.

37 ~~SEC. 51.~~

38 *SEC. 52.* Section 31765 of the Government Code is amended
39 to read:

1 31765. Upon the death of a member who was eligible to retire,
2 in circumstances in which a death benefit is payable under Article
3 12, if the deceased member has designated as beneficiary the
4 member's spouse who survives the member by not less than 30
5 days, such surviving spouse may elect, at any time before
6 acceptance of any benefits from the retirement system, to receive,
7 in lieu of the death benefit otherwise payable under Article 12, the
8 same retirement allowance as that to which such spouse would
9 have been entitled had such member retired on the day of the
10 member's death and selected Optional Settlement 3. Such surviving
11 spouse may elect in writing, before the first payment of any
12 allowance is made, to receive in a lump sum payment all or any
13 part of the member's accumulated additional contributions. The
14 sum so paid shall not be included in the calculation of the annuity
15 of the surviving spouse.

16 If, at the death of such spouse, the spouse is survived by one or
17 more unmarried children of such member, under the age of 18,
18 such retirement allowance shall continue to such child or children,
19 collectively, until every child dies, marries, or attains age 18. If
20 such spouse dies, either before or after the death of such member
21 without either making such election or receiving any portion of
22 the death benefit, and no part of the death benefit has been paid to
23 any person, prior to the payment of any benefits, the legally
24 appointed guardian of such children shall make the election herein
25 provided for on behalf of such surviving children as in the
26 guardian's judgment may appear to be in their interest and
27 advantage and the election so made shall be binding and conclusive
28 upon all parties in interest.

29 Notwithstanding any other provisions of this section, the benefits
30 otherwise payable to the children of the member shall be paid to
31 those children up to the 22nd birthdays of the children if the
32 children remain unmarried and are regularly enrolled as full-time
33 students in an accredited school as determined by the board.

34 ~~SEC. 52.~~

35 *SEC. 53.* Section 31765.1 of the Government Code is amended
36 to read:

37 31765.1. Upon the death of any member of a retirement system
38 established in a county subject to the provisions of Section 31676.1
39 or Section 31695.1, eligible for retirement pursuant to Article 7.5,
40 8, or 8.7 who leaves a spouse designated as beneficiary, such

1 surviving spouse may, in lieu of the death benefit provided for in
2 Article 12, elect to receive a retirement allowance equal to 60
3 percent of the amount to which the member would have been
4 entitled had the member retired on the date of the member's death
5 with a retirement allowance not modified in accordance with one
6 of the optional settlements specified in Article 11. Such surviving
7 spouse may elect in writing, before the first payment of any
8 allowance is made, to receive in a lump sum payment all or any
9 part of the member's accumulated additional contributions. The
10 sum so paid shall not be included in the calculations of the annuity
11 of the surviving spouse.

12 If, at the death of such spouse, the spouse is survived by one or
13 more unmarried children of such member, under the age of 18,
14 such retirement allowance shall continue to such child or children,
15 collectively, until every child dies, marries, or attains age 18. If
16 such spouse dies, either before or after the death of such member
17 without either making such election or receiving any portion of
18 the death benefit, and no part of the death benefit has been paid to
19 any person, prior to the payment of any benefits, the legally
20 appointed guardian of such children shall make the election herein
21 provided for on behalf of such surviving children as in the
22 guardian's judgment may appear to be in their interest and
23 advantage and the election so made shall be binding and conclusive
24 upon all parties in interest.

25 Notwithstanding any other provisions of this section, the benefits
26 otherwise payable to the children of the member shall be paid to
27 those children up to the 22nd birthdays of the children if the
28 children remain unmarried and are regularly enrolled as full-time
29 students in an accredited school as determined by the board.

30 ~~SEC. 53.~~

31 *SEC. 54.* Section 31776.3 of the Government Code is amended
32 to read:

33 31776.3. (a) Unless the implementing ordinance otherwise
34 provides, the balance in the participant's program account shall
35 be distributed to the participant in a single lump-sum payment at
36 the time of retirement. If requested by the participant, the payment
37 may be immediately deposited into a qualified tax-deferred account
38 established by the participant.

1 (b) The implementing ordinance may provide one or more of
2 the following optional forms of distribution for a participant's
3 account:

4 (1) Substantially level installment payments over 240 months
5 starting with the date that the member leaves DROP. The balance
6 in the participant's account during the installment payout period
7 shall be credited with interest at the same rate, if any, as is being
8 credited to program accounts for currently active members. A
9 cost-of-living adjustment may not be made to the monthly amount
10 being paid pursuant to this paragraph.

11 (2) An annuity in a form established by the board and subject
12 to the applicable provisions of the Internal Revenue Code that shall
13 be the actuarial equivalent of the balance in the participant's
14 program account on the retirement date. The "actuarial equivalent"
15 under this paragraph shall be determined on the same basis as is
16 used for determining optional settlements at retirement for a
17 member's monthly retirement allowance.

18 (c) Notwithstanding any other provision of this article, a
19 participant, nonparticipant spouse, or beneficiary may not be
20 permitted to elect a distribution under this article that does not
21 satisfy the requirements of Section 401(a)(9) of Title 26 of the
22 United States Code, including the incidental death benefit
23 requirements of Section 401(a)(9)(G) and the regulations
24 thereunder.

25 (d) The required beginning date of distributions that reflect the
26 entire interest of the participant shall be as follows:

27 (1) In the case of a lump-sum distribution to the participant, the
28 lump-sum payment shall be made, at the participant's option, not
29 later than April 1 of the calendar year following the later of the
30 calendar year in which the participant attains 72 years of age, or
31 an age determined by the Internal Revenue Service, or the calendar
32 year in which the participant terminates all employment for the
33 employer.

34 (2) In the case of a distribution to the participant in the form of
35 installment payments or an annuity, payment shall begin, at the
36 participant's option, not later than April 1 of the calendar year
37 following the later of the calendar year in which the participant
38 attains 72 years of age, or an age determined by the Internal
39 Revenue Service, or the calendar year in which the participant
40 terminates all employment subject to coverage by the plan.

1 (3) In the case of a benefit payable on account of the
2 participant's death, distribution shall be paid at the option of the
3 beneficiary, no later than December 31 of the calendar year in
4 which the first anniversary of the participant's date of death occurs
5 unless the beneficiary is the participant's spouse in which case
6 distributions shall commence on or before the later of either of the
7 following:

8 (A) December 31 of the calendar year immediately following
9 the calendar year in which the participant dies.

10 (B) December 31 of the calendar year in which the participant
11 would have attained 72 years of age or an age determined by the
12 Internal Revenue Service.

13 ~~SEC. 54.~~

14 *SEC. 55.* Section 31781.1 of the Government Code is amended
15 to read:

16 31781.1. (a) If a member of a retirement system established
17 in a county subject to the provisions of Section 31676.1 would
18 have been entitled to retirement in the event of a
19 non-service-connected disability, but dies as the result of an injury
20 or illness prior to retirement, the surviving spouse of the member
21 shall have the right to elect, by written notice filed with the board,
22 to receive and be paid in lieu of the death benefit provided in
23 Sections 31780 and 31781, an "optional death allowance."

24 (b) The allowance shall consist of a monthly payment equal to
25 60 percent of the monthly retirement allowance to which the
26 deceased member would have been entitled if the member had
27 retired by reason of non-service-connected disability as of the date
28 of the member's death.

29 (c) If the surviving spouse elects to receive the "optional death
30 allowance" the payments due for this allowance shall be retroactive
31 to the date of the deceased member's death, and shall continue
32 throughout the life of the spouse.

33 (d) If the surviving spouse elects to receive the "optional death
34 allowance," and thereafter dies leaving an unmarried surviving
35 child or unmarried children of the deceased member under the age
36 of 18 years, the "optional death allowance" shall thereafter be paid
37 to those surviving children collectively until each child dies,
38 marries, or reaches the age of 18 years. The right of any child to
39 the allowance shall cease upon the child's death or marriage, or
40 upon reaching the age of 18 years, and the entire amount of the

1 allowance shall thereafter be paid collectively to each of the other
2 qualified children.

3 (e) If the deceased member leaves no surviving spouse but leaves
4 an unmarried child or children under the age of 18 years, the legally
5 appointed guardian of the child or children shall make the election
6 provided in this section on behalf of the surviving child or children
7 that, in the guardian's judgment, is in the best interests of the
8 surviving child or children. The election made shall be binding
9 and conclusive upon all parties in interest.

10 (f) The rights and privileges conferred by this section upon the
11 surviving spouse and each child of the deceased member are not
12 dependent upon whether any of these persons have been nominated
13 by the deceased member as the beneficiary of any death benefits
14 and shall supersede the rights and claims of any other beneficiary
15 so nominated.

16 (g) Notwithstanding any other provisions of this section, the
17 benefits otherwise payable to each child of the member shall be
18 paid to each child up to the 22nd birthday of the child if the child
19 remains unmarried and is regularly enrolled as a full-time student
20 in an accredited school as determined by the board.

21 (h) For purposes of this section, "child" means a natural or
22 adopted child of the deceased member, or a stepchild living or
23 domiciled with the deceased member at the time of the member's
24 death.

25 ~~SEC. 55.~~

26 *SEC. 56.* Section 31781.2 of the Government Code is amended
27 to read:

28 31781.2. In lieu of accepting in cash the death benefit payable
29 under Section 31781 or 31781.01, the surviving spouse of a
30 member who dies prior to reaching the minimum retirement age
31 and who at the date of the member's death has 10 or more years
32 of service to the member's credit, shall have the option to leave
33 the amount of the death benefit on deposit in the retirement system
34 until the earliest date when the deceased member could have retired
35 had the member lived, and at that time receive the retirement
36 allowance provided for in Section 31765, 31765.1, or 31765.11,
37 whichever is applicable.

38 If, at the death of the spouse, the spouse is survived by one or
39 more unmarried children of the member, under the age of 18 years,
40 the retirement allowance shall continue to the child or children,

1 collectively, until every child dies, marries, or attains the age of
2 18 years. If the spouse dies, either before or after the death of the
3 member, without either making the election or receiving any
4 portion of the death benefit, and no part of the death benefit had
5 been paid to any person, prior to the payment of any benefits, the
6 legally appointed guardian of the children shall make the election
7 herein provided for on behalf of the surviving children as, in
8 guardian's judgment, may appear to be in their interest and
9 advantage, and the election so made shall be binding and
10 conclusive upon all parties in interest.

11 Notwithstanding any other provisions of this section, the benefits
12 otherwise payable to the children of the member shall be paid to
13 those children up to the 22nd birthdays of the children if the
14 children remain unmarried and are regularly enrolled as full-time
15 students in an accredited school as determined by the board.

16 ~~SEC. 56.~~

17 *SEC. 57.* Section 31785 of the Government Code is amended
18 to read:

19 31785. Upon the death of any safety member, after retirement
20 for service or non-service-connected disability from a retirement
21 system established in a county subject to the provisions of Section
22 31676.1 or 31695.1, 60 percent of the member's retirement
23 allowance if not modified in accordance with one of the optional
24 settlements specified in Article 11 (commencing with Section
25 31760), shall be continued throughout life to the member's
26 surviving spouse. If there is no surviving spouse entitled to an
27 allowance hereunder or if the surviving spouse dies before every
28 child of the deceased safety member attains the age of 18 years,
29 then the allowance which the surviving spouse would have received
30 had the surviving spouse lived, shall be paid to the surviving
31 spouse's child or children under that age, collectively, to continue
32 until every child dies or attains that age; provided, that no child
33 shall receive any allowance after marrying or attaining the age of
34 18 years. No allowance, however, shall be paid under this section
35 to a surviving spouse unless the surviving spouse was married to
36 the safety member at least one year prior to the date of the
37 member's retirement.

38 Any qualified surviving spouse or children of a member of a
39 pension system established pursuant to either Chapter 4
40 (commencing with Section 31900) or Chapter 5 (commencing with

1 Section 32200), who shall have been retired on or before December
2 31, 1951, shall be paid a retirement allowance pursuant to the
3 provisions of this section. In cases where the death of a member
4 occurred prior to January 1, 1952, the payment of the retirement
5 allowance to the qualified surviving spouse or children shall be
6 made effective on January 1, 1952.

7 Notwithstanding any other provisions of this section, the benefits
8 otherwise payable to the children of the member shall be paid to
9 those children up to the 22nd birthdays of the children if the
10 children remain unmarried and are regularly enrolled as full-time
11 students in an accredited school as determined by the board.

12 The superseding rights pursuant to this section shall not affect
13 benefits payable to a named beneficiary as provided under Section
14 31789, 31789.01, 31789.1, 31789.12, 31789.13, 31789.2, 31789.3,
15 31789.5, or 31790.

16 ~~SEC. 57.~~

17 *SEC. 58.* Section 31785.1 of the Government Code is amended
18 to read:

19 31785.1. (a) Notwithstanding Section 31481 or 31785, upon
20 the death of any safety member, after retirement for service or
21 non-service-connected disability from a retirement system
22 established in a county pursuant to this chapter, 60 percent of the
23 safety member's retirement allowance if not modified in
24 accordance with one of the optional settlements specified in Article
25 11 (commencing with Section 31760), shall be continued to the
26 member's surviving spouse for life. If there is no surviving spouse
27 entitled to an allowance under this section or if the surviving spouse
28 dies before every child of the deceased safety member attains the
29 age of 18 years, then the allowance that the surviving spouse would
30 have received had the surviving spouse lived, shall be paid to the
31 surviving spouse's child or children under that age, collectively,
32 to continue until each child dies or attains that age. However, no
33 child may receive any allowance after marrying or attaining the
34 age of 18 years.

35 (b) No allowance may be paid under this section to a surviving
36 spouse unless the surviving spouse was married to the safety
37 member at least two years prior to the date of death and has attained
38 the age of 55 years on or prior to the date of death.

39 (c) Notwithstanding any other provisions of this section, the
40 benefits otherwise payable to the children of the member shall be

1 paid to the children up to the 22nd birthdays of the children if the
2 children remain unmarried and are regularly enrolled as full-time
3 students in an accredited school as determined by the board.

4 (d) No allowance may be paid pursuant to this section to any
5 person who is entitled to an allowance pursuant to Section 31785.

6 (e) The superseding rights pursuant to this section do not affect
7 benefits payable to a named beneficiary as provided under Section
8 31789, 31789.01, 31789.1, 31789.12, 31789.13, 31789.2, 31789.3,
9 31789.5, or 31790.

10 (f) This section is not applicable in any county until the board
11 of retirement, by resolution adopted by a majority vote, makes this
12 section applicable in the county. The board's resolution may
13 designate a date, which may be prior or subsequent to the date of
14 the resolution, as of which the resolution and this section shall be
15 operative in the county.

16 ~~SEC. 58.~~

17 *SEC. 59.* Section 31786 of the Government Code is amended
18 to read:

19 31786. Upon the death of any member after retirement for
20 service-connected disability, the member's retirement allowance
21 as it was at the member's death if not modified in accordance with
22 one of the optional settlements specified in Article 11 (commencing
23 with Section 31760), shall be continued throughout life to the
24 member's surviving spouse. If there is no surviving spouse entitled
25 to an allowance hereunder or if the surviving spouse dies before
26 every child of such deceased member attains the age of 18 years,
27 then the allowance which the surviving spouse would have received
28 had the surviving spouse lived, shall be paid to the surviving
29 spouse's child or children under said age, collectively, to continue
30 until every such child dies or attains said age; provided, that no
31 child shall receive any allowance after marrying or attaining the
32 age of 18 years. No allowance, however, shall be paid under this
33 section to a surviving spouse unless the surviving spouse was
34 married to the member prior to the date of the member's retirement.

35 Notwithstanding any other provisions of this section, the benefits
36 otherwise payable to the children of the member shall be paid to
37 those children up to the 22nd birthdays of the children if the
38 children remain unmarried and are regularly enrolled as full-time
39 students in an accredited school as determined by the board.

1 ~~SEC. 59.~~

2 *SEC. 60.* Section 31786.1 of the Government Code is amended
3 to read:

4 31786.1. (a) Notwithstanding Section 31481 or 31786, upon
5 the death of any member after retirement for service-connected
6 disability, the member's retirement allowance as it was at the
7 member's death if not modified in accordance with one of the
8 optional settlements specified in Article 11 (commencing with
9 Section 31760), shall be continued to the member's surviving
10 spouse for life. If there is no surviving spouse entitled to an
11 allowance under this section or if the surviving spouse dies before
12 every child of the deceased member attains the age of 18 years,
13 then the allowance that the surviving spouse would have received
14 had the surviving spouse lived, shall be paid to the surviving
15 spouse's child or children under that age, collectively, to continue
16 until each child dies or attains that age. However, no child may
17 receive any allowance after marrying or attaining the age of 18
18 years.

19 (b) No allowance may be paid under this section to a surviving
20 spouse unless the surviving spouse was married to the member at
21 least two years prior to the date of death and has attained the age
22 of 55 years on or prior to the date of death.

23 (c) Notwithstanding any other provisions of this section, the
24 benefits otherwise payable to the children of the member shall be
25 paid to the children up to the 22nd birthdays of the children if the
26 children remain unmarried and are regularly enrolled as full-time
27 students in an accredited school as determined by the board.

28 (d) No allowance may be paid pursuant to this section to any
29 person who is entitled to an allowance pursuant to Section 31786.

30 (e) The superseding rights pursuant to this section do not affect
31 benefits payable to a named beneficiary as provided under Section
32 31789, 31789.01, 31789.1, 31789.12, 31789.13, 31789.2, 31789.3,
33 31789.5, or 31790.

34 (f) This section is not applicable in any county until the board
35 of retirement, by resolution adopted by a majority vote, makes this
36 section applicable in the county. The board's resolution may
37 designate a date, which may be prior or subsequent to the date of
38 the resolution, as of which the resolution and this section shall be
39 operative in the county.

1 ~~SEC. 60.~~

2 *SEC. 61.* Section 31787 of the Government Code is amended
3 to read:

4 31787. (a) If a member would have been entitled to retirement
5 in the event of a service-connected disability, but dies prior to
6 retirement as the result of injury or disease arising out of and in
7 the course of the member's employment, the surviving spouse of
8 the member shall have the right to elect, by written notice filed
9 with the board, to receive and be paid in lieu of the death benefit
10 provided for in Sections 31780 and 31781, an optional death
11 allowance.

12 (b) The optional death allowance shall consist of a monthly
13 payment equal to the monthly retirement allowance to which the
14 deceased member would have been entitled if the member had
15 retired by reason of a service-connected disability as of the date
16 of the member's death.

17 (c) If the surviving spouse elects to receive the optional death
18 allowance, the payments due for this allowance shall be retroactive
19 to the date of the deceased member's death, and shall continue
20 throughout the life of the spouse.

21 (d) If the surviving spouse elects to receive the optional death
22 allowance, and thereafter dies leaving an unmarried surviving child
23 or unmarried children of the deceased member under the age of
24 18 years, the optional death allowance shall thereafter be paid to
25 those surviving children collectively until each child dies, marries,
26 or reaches the age of 18 years. The right of any child to the
27 allowance shall cease upon the child's death or marriage, or upon
28 reaching the age of 18 years, and the entire amount of the allowance
29 shall thereafter be paid collectively to each of the other qualified
30 children.

31 (e) If the deceased member leaves no surviving spouse but leaves
32 an unmarried child or children under the age of 18 years, the legally
33 appointed guardian of the child or children shall make the election
34 provided in this section on behalf of the surviving child or children
35 that, in the guardian's judgment, is in the best interests of the
36 surviving child or children. The election made shall be binding
37 and conclusive upon all parties in interest.

38 (f) The rights and privileges conferred by this section upon the
39 surviving spouse and each child of the deceased member are not
40 dependent upon whether any of those persons have been nominated

1 by the deceased member as the beneficiary of any death benefits
 2 and shall supersede the rights and claims of any other beneficiary
 3 so nominated.

4 (g) Notwithstanding any other provision of this section, the
 5 benefits otherwise payable to each child of the member shall be
 6 paid to each child up to the 22nd birthday of the child if the child
 7 remains unmarried and is regularly enrolled as a full-time student
 8 in an accredited school as determined by the board.

9 (h) For purposes of this section, “child” means a natural or
 10 adopted child of the deceased member, or a stepchild living or
 11 domiciled with the deceased member at the time of the member’s
 12 death.

13 ~~SEC. 61.~~

14 *SEC. 62.* Section 31787.5 of the Government Code is amended
 15 to read:

16 31787.5. (a) A surviving spouse of a member who is killed in
 17 the performance of duty or who dies as the result of an accident
 18 or an injury caused by external violence or physical force, incurred
 19 in the performance of the member’s duty, now or hereafter entitled
 20 to receive a death allowance under Section 31787, shall be paid
 21 an additional amount for each of the member’s children during the
 22 lifetime of the child, or until the child marries or reaches the age
 23 of 18 years, as follows, subject to the limitation in subdivision (b):

24 (1) For one child, 25 percent of the allowance provided in
 25 Section 31787.

26 (2) For two children, 40 percent of the allowance provided in
 27 Section 31787.

28 (3) For three or more children, 50 percent of the allowance
 29 provided in Section 31787.

30 (b) If a benefit payable under this section, when added to a
 31 benefit payable under Section 31787, exceeds the maximum benefit
 32 payable by a tax-qualified pension plan under the Internal Revenue
 33 Code (26 U.S.C.A. Sec. 401 et. seq.), the benefit payable under
 34 this section shall be reduced to the amount required to meet that
 35 benefit limit.

36 (c) If the surviving spouse does not have legal custody of the
 37 member’s children, the allowance provided by this section shall
 38 be payable to the person to whom custody of the children has been
 39 awarded by a court of competent jurisdiction for each child during

1 the lifetime of the child, or until the child marries or reaches the
2 age of 18 years.

3 (d) The allowance provided by this section shall be payable to
4 the surviving spouses of members whose duties consist of active
5 law enforcement or active fire suppression or any other class or
6 group of members as the retirement board shall fix. The allowance
7 provided by this section is not payable to the surviving spouses of
8 members described in Section 31469.2.

9 (e) Any child whose eligibility for an allowance pursuant to this
10 section commenced on or after October 1, 1965, shall lose that
11 eligibility effective on the date of the child's adoption.

12 (f) This section shall become operative in any county, which
13 has adopted the provisions of this chapter but which has not
14 previously adopted the provisions of this section on October 1,
15 1965. Each surviving spouse of a member or other person having
16 legal custody of a member's child or children who is paid an
17 additional amount for each of the member's children because of
18 the amendments to this section enacted at the 1965 or 1967 Regular
19 Session shall receive those payments as they accrue from and after
20 October 1 of the year during which this section was amended to
21 provide for the payment to the member's child or children of that
22 allowance, but the surviving spouse or other person shall not be
23 given a claim for any increase in those benefits for a time prior to
24 that date.

25 (g) Notwithstanding any other provisions of this section, the
26 benefits otherwise payable to the children of the member shall be
27 paid to those children up to the 22nd birthdays of the children if
28 the children remain unmarried and are regularly enrolled as
29 full-time students in an accredited school as determined by the
30 board.

31 ~~SEC. 62.~~

32 *SEC. 63.* Section 31855.3 of the Government Code is amended
33 to read:

34 31855.3. As used in this article "child" means a member's
35 child who, when the member dies, is both dependent on the
36 member and unmarried, as well as any of the following:

37 (a) Under 18 years of age.

38 (b) Any age, totally disabled, and became totally disabled before
39 reaching 18 years of age.

1 (c) Age 18 years or over, but under 22 years of age, and enrolled
2 as a full-time student in an accredited school, as determined by
3 the board.

4 ~~SEC. 63.~~

5 *SEC. 64.* Section 75088.3 of the Government Code is amended
6 to read:

7 75088.3. The required beginning date of distributions that
8 reflect the entire interest of the judge shall be as follows:

9 (a) In the case of a lump-sum distribution to the judge, the
10 lump-sum payment shall be made not later than April 1 of the
11 calendar year following the later of the calendar year in which the
12 judge attains the age of 72 years or the calendar year in which the
13 judge terminates employment.

14 (b) In the case of a program payment payable on account of the
15 judge's death, the distribution shall be made no later than
16 December 31 of the calendar year in which the fifth anniversary
17 of the judge's date of death occurs unless the beneficiary is the
18 judge's spouse in which case distributions shall commence on or
19 before the later of either:

20 (1) December 31 of the calendar year immediately following
21 the calendar year in which the judge dies.

22 (2) December 31 of the calendar year in which the judge would
23 have attained the age of 72 years.