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Circular Letter

July 30, 2015

TO: **ALL CALPERS EMPLOYERS**

SUBJECT: **OPTIONAL MEMBERS OF CALPERS**

The purpose of this Circular Letter is to provide important information on optional membership and to inform you of the process of enrolling optional members.

The California Public Employees' Retirement Law (PERL) provides optional membership rights for certain public officers and employees, such as city council members, county board of supervisors, legislative employees, and persons directly appointed by the Governor. Those eligible optional members are excluded from membership unless a signed written election for membership is filed with CalPERS. Optional members are defined in Government Code(s) 20320-20325 of the PERL.

Types of Optional Members

The four different types of optional members are briefly explained below. Please refer to the CalPERS Public Agency & Schools Reference Guide or CalPERS State Reference Guide for further clarification.

- State Appointees under Government Code Section 20320. This applies to employees such as persons directly appointed by the Governor, without nomination of any officer or board.
- Elective Officers under Government Code Section 20322. This applies to employees such as city council members, county board supervisors, and city clerks.
- Legislative Employees under Government Code Section 20324. This section applies to employees of the Senate or the Assembly whose salaries are paid from the operating funds of the Senate or the Assembly.
- Part-Time Employees under Government Code Section 20325. This applies to public agencies and schools who contract for this section allowing their part-time employees that work less than a qualifying time base to elect "optional" membership.

Optional Member Enrollment Process

Your agency must offer eligible optional members the option of electing membership at the date of their appointment. Optional members must elect membership in writing by submitting a signed optional member election form to CalPERS. Your agency must retain the original signed election form for your personnel records and a copy of the signed election form must be submitted to CalPERS at the time of enrollment. Please visit our website at www.calpers.ca.gov to download the applicable optional member election forms.

Optional Member Enrollment Date

Optional members may elect membership at any time while in the eligible position, but membership is established on a prospective basis. The recommended membership effective date is the signature date on the optional member election form; however, the date must not be later than the first day of the pay period following the election signature date.

Public Agency Contract Exclusions

Optional members who are excluded by your agency's CalPERS retirement contract remain excluded from CalPERS membership even if a signed written election is filed. For example, if your agency has an exclusion in your contract excluding elective officers, your elective officers do not have any rights to elect CalPERS membership.

Additional Resources

For more information on optional members, please refer to the appropriate reference guides, which are located on the CalPERS website under Forms and Publications at www.calpers.ca.gov.

If you have any questions, please call the CalPERS Customer Contact Center at **888 CalPERS** (or **888-225-7377**).

RENEE OSTRANDER, Chief
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