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Announcements Circular Letter

November 28, 2018 Circular Letter: 200-066-18 Distribution: IV, V, VI, X, XII, XVI

To:All CalPERS EmployersSubject:Governor's Executive Order B-57-18

Purpose

The purpose of this Circular Letter is to inform you of the impact of Executive Order B-57-18 on CalPERS retirees employed as retired annuitants with a CalPERS contracting employer.

Work Hour Limitations

Governor Edmund G. Brown Jr. declared a state of emergency for the counties of Butte, Los Angeles, and Ventura due to the impacts of wildfires. Governor Brown issued Executive Order B-57-18 to help streamline and expedite recovery efforts in communities impacted by the devastating wildfires. Consistent with applicable federal law and to ensure adequate state staffing to expedite disaster response and recovery, the work hour limitations for retired annuitants were suspended from the date the state of emergency was declared for the county where the retired annuitant is deployed until the state of emergency for each of the impacted counties is lifted. The intent of the executive order is to suspend reinstatement and the retired annuitant work hour limitation of 960 hours per fiscal year. Any hours worked as a retired annuitant in an impacted county to expedite disaster recovery efforts during the state of emergency will not be counted toward the 960-hour limit for the fiscal year. CalPERS will continue to monitor the work hours for retired annuitants covered by this order and send communication to confirm when a violation is found and if it is accepted under the exception.

Wait Period Exceptions

Under Executive Order B-57-18, the 180-day break in service requirement under Government (Gov.) Code 7522.56(f) is also suspended for retired annuitants hired to expedite disaster recovery during the state of emergency. In addition, under the California Code of Regulations Section 586.2(c), the state of emergency exemption will apply and exempt retired annuitants from the 60-day bona fide separation in service requirement under Gov. Code section 21220.5.

Start Dates

The start date for the state of emergency in the county of Butte is November 8, 2018. The start date for the state of emergency in the counties of Los Angeles and Ventura is November 9, 2018. The suspension of the retired annuitant work hour limitation will remain in place until the state of emergency is lifted. Executive Orders B-43-17, B-46-18, and B-53-18 have not been lifted and are still in effect. Please see Circular Letter 200-004-18 (PDF) and 200-057-18 (PDF) for more details.

Continued Compliance

Agencies must continue to enroll and report retired annuitants to CalPERS. The remaining working after retirement provisions in Gov. Code sections 21221(h), 21224(a), and 7522.56(b) will continue to apply. The compensation for the appointment shall not exceed the maximum monthly base salary paid to other employees performing comparable duties as listed on a publicly available pay schedule divided by 173.333 to equal an hourly rate. Also, a retired annuitant shall not receive any benefit, incentive, compensation in lieu of benefits, or other form of compensation in addition to the hourly pay rate.

The executive order applies to work performed by a retired annuitant helping to expedite recovery efforts in one of the impacted counties. The director of the California Department of Human Resources must be notified of any individual employed pursuant to these waivers. Notification should be sent to <u>wildfirerecovery@calhr.ca.gov</u>.

Questions

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

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