

SACRS SPRING CONFERENCE 2025

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Legislative Update

- Eric Stern, Legislative Committee Chair
- David Nelsen, Legislative Committee Vice-Chair
- Cara Martinson and Laurie Johnson, SACRS Legislative Advocates

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Legislative Committee Members

Eric Stern, Chair, Sacramento
County Employees' Retirement System

David Nelsen, Vice Chair, Alameda
County Employees' Retirement Association

Arthur Goulet, Ventura County
Employees' Retirement System

David Lantzer, San Bernardino County
Employees' Retirement Association

Barry Lew, Los Angeles County
Employees' Retirement Association

Skip Murphy, San Diego County
Employees' Retirement Association

Chanda Bassett, San Joaquin County
Employees' Retirement System

Julie Wyne, Sonoma County
Employees' Retirement Association

Andy Yeung, Segal Consulting

Karen Levy, Contra Costa County
Employees' Retirement Association

Adele Tagaloa, Orange County Employees'
Retirement System

Cara Martinson, Public House Consulting

Laurie Johnson, LJ Consulting & Advocacy

Sulema Peterson, SACRS Executive Director

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Capitol Update

- Where We Are Now?
- Key Deadlines
- Policy Hot Topics

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Capitol Update (cont.)

- Budget Update
 - May Revision
 - Race to the June 15 Deadline

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SACRS-Sponsored Legislation

- **SB 853 (Committee on Labor, Public Employment & Retirement) – OMNIBUS** This bill includes clarifying changes to the CERL:
 - Clarifies that for members subject to PEPRA, the retirement association shall compute absences using the member's pensionable compensation at the beginning of the member's absence.
 - Clarifies that where a member's service through reclassification, has been converted from general to safety member service, service converted after PEPRA's effective date is subject to PEPRA's prohibition of retroactive benefits. Thus, clarifies that conversion shall apply only to service after the operative date of the reclassification and not to all prior service.
 - Clarifies how CERL employers should report retired annuitants to their retirement association.

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CERL Bills

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MAY 13-16 • OMNI HOTELS & RESORTS, RANCHO LAS PALMAS • RANCHO MIRAGE, CA



AB 569 (Stefani) – Supplemental Defined Benefit Plans

- **Amends the California Public Employees' Pension Reform Act (PEPRA) relating to supplemental defined benefit plan exceptions.**
 - Authorizes a public employer to bargain over contributions for supplemental retirement benefits administered by, or on behalf of, an exclusive bargaining representative of one or more of the public employer's bargaining units and maintain consistency with the existing PEPRA prohibitions and limitations.
 - Status: This bill will be heard in the ASM Appropriations Committee on 5/14.

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AB 1323 – County Employee's Retirement: Administration: Orange County

- This bill would increase the compensation rate for certain members of the Orange County Board of Retirement to not more than \$320 per meeting.
- Status: This bill was set for hearing on 4/22 in the Assembly PERS Committee, but that hearing was cancelled by the request of the author.

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AB 1383 (McKinnor) – Public Employees Retirement Benefits

This bill amends the PEPRA, effective January 1, 2026. Key changes include:

- 1. Pensionable Compensation Limits:** Retirement systems must adjust pensionable compensation caps to align with federal Defined Benefit limits.
- 2. Defined Benefit (DB) Formulas:**
 - Allows employers and unions to negotiate prospective (non-retroactive) increases to DB formulas.
 - Current safety retirement formulas apply only to service from 2013–2025.
 - New safety retirement formulas (2.5% at age 55, 2.7% at age 55, or 3% at age 55) apply prospectively from 2026, with restrictions on retroactivity and unilateral employer changes.
- 3. Contribution Sharing:** Employers and unions may agree through collective bargaining to have employers cover a portion of employee contribution costs.
- 4. Timing:** All changes are prospective and do not impact previously earned pension benefits.

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AB 1439 (Garcia) – Retirement Systems – Labor Standards

- This bill would prohibit the board of a public pension or retirement system from making any additional or new investments of public employee pension or retirement funds in development projects in California or providing financing for those projects with public employee pension or retirement funds unless those projects include labor standards protections.
- Status: This bill was not heard in Committee at the request of the author and was made a two-year bill.

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SB 301 (Grayson) – CERL: Employees

- This bill would, beginning on or after January 1, 2026, prohibit a city or district that contracts with a retirement system under the CERL from amending their contract with the system in a manner that provides for the exclusion of some, but not all, employees.
- This bill passed out of the Senate PERS Committee and is awaiting action on the Senate Floor.

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Non 37' Act Bills

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ACA 2 (Jackson) –Legislature Retirement

- This bill seeks to reinstate retirement for State Legislators. ACA 2 would establish a retirement system specifically for legislators elected or serving from November 1, 2010 onward. To qualify, legislators would be required to serve at least 10 years. If their service is less than 10 years, legislators could transfer their accumulated service credits to another public pension or retirement system they are a part of.
- Status: This bill has not yet been referred to a policy committee.

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MAY 13-16 • OMNI HOTELS & RESORTS, RANCHO LAS PALMAS • RANCHO MIRAGE, CA



AB 259 (Rubio) – Open Meetings: Teleconferences

- This bill would extend the 2026 sunset on existing laws governing teleconferencing procedures for public meetings of legislative bodies and local agencies to 2030. This bill is sponsored the CA Special District's Association (CSDA).
- Status: This bill passed off the Assembly Floor and is awaiting committee referral in the Senate.

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AB 339 (Ortega) – Notice Requirements

- This bill requires a local agency to give a recognized employee organization written notice at least 120 days before issuing a request for a contract to perform similar services and provides a process to reopen the parties' memorandum of understanding (MOU) in response to the contract.
- Status: This bill passed out of Assembly PERS Committee and is awaiting action in the Assembly Appropriations Committee.

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MAY 13-16 • OMNI HOTELS & RESORTS, RANCHO LAS PALMAS • RANCHO MIRAGE, CA



AB 409 (Arambula) – Open Meetings: Community Colleges

- This bill would extend the 2026 sunset on existing laws governing teleconferencing procedures for California Community College student body associations and student-run community college organizations to 2030.
- Status: This bill passed out of the Local Government and Higher Educations Committees and is awaiting action on the Assembly Floor.

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AB 467 (Fong) – Open Meetings: Neighborhood Councils

- This bill would extend the sunset date from 2026 to 2030 (as opposed to 2031) for teleconferencing procedures for neighborhood councils, defined as an advisory body with the purpose to promote more citizen participation in government and make government.
- Status: This bill passed off the Assembly Floor and is awaiting Committee Assignment in the Senate.

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MAY 13-16 • OMNI HOTELS & RESORTS, RANCHO LAS PALMAS • RANCHO MIRAGE, CA



SB 239 (Arreguin) – Open Meetings: Subsidiary Body

- This bill allows flexibility for remote meetings of local advisory bodies (“subsidiary bodies”). Specifically, this bill would allow the subsidiary body of a local agency to meet via teleconferencing without providing notice of all remote locations, making the remote locations accessible to the public, or requiring an in-person quorum of the members of the subsidiary body, if certain conditions are met. The bill does not apply to a subsidiary body that has subject matter jurisdiction over police oversight, elections, or budgets.
- The bill would sunset on January 1, 2030.
- Status: The bill passed out of the Senate Judiciary Committee and is awaiting action on the floor.

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MAY 13-16 • OMNI HOTELS & RESORTS, RANCHO LAS PALMAS • RANCHO MIRAGE, CA



SB 470 (Laird) – Bagley-Keene Open Meeting Act: Teleconferencing

- This bill would delete the 2026 sunset on existing laws governing teleconferencing procedures for state agencies relative to the Bagley-Keene Open Meeting Act and extend the sunset provision to 2030.
- Status: This bill passed out of the Senate Governmental Organization and is awaiting action on the Senate Floor.

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MAY 13-16 • OMNI HOTELS & RESORTS, RANCHO LAS PALMAS • RANCHO MIRAGE, CA



SB 707 (Durazo) – Open Meetings: Meeting and Teleconferencing Requirements

- This bill would revise the existing teleconferencing laws for local agencies, subsidiary bodies, multi-jurisdictional bodies and neighborhood councils to apply specified noticing, accessibility, and public commenting requirements and makes various other changes to the Brown Act until 2030. For local agencies, this bill would allow for ongoing teleconferencing of meetings without having to publicly notice all remote locations and make them available to the public if a number of conditions are met, including:
 - Allowing for two-way public conferencing capabilities allowing for public comment
 - Translation requirements for teleconferencing of an agenda and instruction in all other languages spoken jointly by 20 percent or more of the population in the county.
- This bill passed out of the Senate Judiciary Committee and is awaiting action on the Senate Floor.

SACRS SPRING CONFERENCE 2025

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Discussion