



July 8, 2022

TO: State Association of County Retirement Systems  
FROM: Edelstein Gilbert Robson & Smith, LLC  
RE: **Legislative Update – July 2022**

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### **General Update**

The Legislature adjourned for Summer Recess of July 1, and legislators will remain in their districts until August 1. After they return, the Legislature will turn to the fiscal committee deadline of August 12, where all bills that are keyed fiscal must pass out of the Appropriations Committee in the bill's second house.

After the fiscal committee deadline, Legislators must pass bills off the floor of their second house and if applicable, the floor of the house of origin for concurrence, before the Legislature adjourns for final recess on August 31.

The Governor will then have 30 days to consider the bills on his desk.

### **SACRS Sponsored Bills**

**AB 1824 (Committee on Public Employment and Retirement) – Committee Cleanup Bill.** The bill passed out of the Senate Labor, Public Employment and Retirement Committee on June 29 and will go to the Senate Appropriations Committee next.

**AB 1971 (Cooper) – CERL Policy Bill.** This bill passed out of the Senate Labor, Public Employment and Retirement Committee on June 29 and will go to the Senate floor for a vote next.

### **Other Bills of Interest**

**SB 1328 (McGuire) – Divestment.** This bill would prohibit public retirement boards from investing public employee retirement funds in a company with business operations in Russia or Belarus, among other requirements. Amendments from May narrowed the bill, which included narrowing restrictions on pension investments to companies domiciled in Russia and Belarus, supplying military equipment to Russia and Belarus or companies complicit with the invasion and eliminating requirements that pension funds survey all portfolio companies for compliance with the divestment requirements.

SACRS submitted a letter of concern on this bill.

The bill was set to be heard in the Assembly Public Employment and Retirement Committee in late June, with the Chair of the Committee pushing amendments that would have made the bill a reporting bill. The author was not willing to accept the amendments, so the bill was pulled from the Committee and is now dead for the year.

**AB 2493 (Chen) – Disallowed Compensation.** As initially amended, this bill would have allowed OCERS to adjust retirement payments based on disallowed compensation for peace officers and firefighters under certain circumstances. The bill was later amended to apply to all CERL systems.

When this bill had a hearing in the Senate Judiciary Committee in late June, CSAC was the lead opposition witness and discussed these cost concerns as well as how the bill differs from SB 278 (Leyva) from 2021.

The bill was amended substantially after the author and sponsors worked with committee staff. It is now eligible for a vote on the Senate floor.

**AB 1944 (Lee) – Public Meetings.** This bill would make changes to the Brown Act to add additional flexibility for board members to teleconference into meetings if certain requirements are met, including that a quorum of members of the body participate in person. SACRS supported this bill.

Before the bill's hearing in the Senate Governance and Finance Committee, the committee offered amendments that the author would not accept, so the author pulled the bill, and it was not heard in committee. This caused the bill to fail the policy committee deadline, so it won't move further this session.

**AB 2449 (Rubio) – Public Meetings.** This bill would allow a local agency to use teleconferencing for a public meeting if at least a quorum of members of the legislative body participate in person from a single location that is identified on the agenda and is open to the public within the local agency's jurisdiction, among other requirements. Recent amendments add more guardrails for when a board member can participate remotely and add a sunset date, among other changes.

The bill is now in the Senate Appropriations Committee.

**Compensation Earnable Bills** – Last session, two bills were introduced relating to compensation earnable - **AB 498 (Quirk-Silva)** and **AB 826 (Irwin)**. As reported in previous updates, AB 826 was gutted and amended in June of 2021 with the CERL provisions currently contained in the bill. The bill was placed on the Senate Inactive File in September, where it remains. AB 498 (Quirk Silva) was similarly amended at the end of session last year in September.

In late June, AB 498 was gutted and amended again, this time with provisions unrelated to county retirement systems, so it is no longer of interest to SACRS. AB 826 remains on the Senate Inactive File.