



September 3, 2021

TO: State Association of County Retirement Systems
FROM: Edelstein Gilbert Robson & Smith, LLC
RE: **Legislative Update – September 2021**

General Update

The Legislature has returned from summer recess for the final few weeks of session.

Last week, the Legislature passed the fiscal committee deadline, where the Appropriations Committee in each house heard hundreds of bills for the biannual “suspense file” hearing. It is at this point in the legislative process that the number of viable bills dwindles further, as many bills are held in this committee due to costs to the state.

Now that the fiscal deadline has passed, legislators have until September 10 to pass all remaining active bills out of the Legislature. They are spending the final weeks holding floor session every day to get through the bill load on their desks before bills are sent to the Governor for his consideration.

Legislation of Interest

SB 634 (Committee on Labor, Public Employment, and Retirement) - SACRS Sponsored Bill. This bill makes a few clarifying changes to the CERL, including clarifying that a 37 Act Retirement board may contract with a private physician to provide medical advice to the board to process disability claims and changing an obsolete code reference related to when a 37 Act system member may opt to continue as a member of the 37 Act system instead of enrolling in CalSTRS.

The bill passed out of the Legislature and will be considered by the Governor.

AB 361 (Rivas) - Virtual Meetings for Declared Emergencies. This bill is sponsored by the CA Special Districts Association and would codify the Governor’s Executive Order allowing for teleconference for declared emergencies. The bill would require local agencies to re-declare an emergency every 30 days that would then allow them to continue meeting remotely.

Recent amendments add an urgency clause so the bill will go into effect immediately after it is signed.

The bill is currently on the Senate floor.

AB 339 (Lee) – Large City Council and Board of Supervisor Public Meetings – This bill would require until December 31, 2023 that city councils and boards of supervisors in jurisdictions over 250,000 residents provide both in person and teleconference options for the public to attend their meetings.

The bill is currently on the Senate floor.

AB 826 (Irwin) - Compensation Earnable. This bill was recently amended into a bill that prescribes that the definition of compensation earnable in CERL includes any form of remuneration, whether paid in cash or as in-kind benefits, if certain requirements are met.

The bill is co-sponsored by SEIU and the Ventura County Board of Supervisors. They argue that some pay items, like their Flexible Benefit Allowance was not clearly addressed in the *Alameda* decision and should not be excluded, because members receive the full cash value, it is a regular, set amount paid every pay period, and it isn't subject to pension spiking or any other manipulation.

SACRS does not have a position on the bill.

Recent amendments to the bill clarify that the provisions of the bill only apply to Ventura County.

The bill is currently on the Senate Floor.

AB 845 (Rodriguez) - COVID-19 Presumption. This bill creates a rebuttable presumption for members that a COVID-19 related illness contracted on the job must be eligible for an in-service disability retirement. The provisions sunset January 1, 2023. The bill is sponsored by SEIU. The co-chairs of the Legislative Committee have been closely engaged with the sponsor and committee staff working on the legislation to ensure smooth implementation in CERL Systems.

This bill was signed into law by the Governor on July 23.