

**California Department of Human Resources  
Memorandum**

**TO: Personnel Management Liaisons (PML)**

<b>SUBJECT:</b> Retirement Contribution Increase for Excluded Employees Affiliated with Bargaining Unit 2	<b>REFERENCE NUMBER:</b> 2016-025
<b>DATE ISSUED:</b> September 30, 2016	<b>SUPERSEDES:</b> 2016-024

This memorandum should be forwarded to:

**Personnel Officers  
Employee Relations Officers  
Personnel Transaction Supervisors**

**FROM:** California Department of Human Resources  
Benefits Division

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Chapter 323, Statutes of 2016 (AB 1630) was signed into law on September 13, 2016. One of the provisions of this legislation provides an increase to the retirement contribution for excluded employees affiliated with Bargaining Unit 2.

The purpose of this memorandum is to inform you of the increased retirement contribution rate, effective date, and implementation process.

**Retirement Contribution Increase**

Effective with the October 2016 pay period, the following retirement contribution rates will apply:

- Miscellaneous and Industrial members who pay social security tax will see an increase from 8 percent to 9 percent.
- Miscellaneous and Industrial members who do not pay social security tax will see an increase from 9 percent to 10 percent.

**Implementation**

The State Controller's Office will implement the contribution increases for all excluded state employees affiliated with Bargaining Unit 2.

**Department's Responsibility**

Departments must notify eligible employees of the retirement contribution increases that will be reflected in the employee's pay warrant effective October 2016 pay period.

If you have questions related to this PML, please contact Desi Rodrigues, Retirement Program Manager.

/s/Belinda Collins

Belinda Collins, Chief  
Benefits Division