



**BLANNING & BAKER**

Associates, Inc.

**ACSS Legislative Report  
4/14/2017**

**Support**

**AB 183**

**(Lackey R) Bill of Rights for State Excluded Employees.**

**Current Text:** Introduced: 1/19/2017 [Text](#)

**Introduced:** 1/19/2017

**Status:** 3/27/2017-In committee: Set, first hearing. Hearing canceled at the request of author.

**Location:** 1/30/2017-A. P.E.,R. & S.S.

**Calendar:** 4/19/2017 9 a.m. - State Capitol, Room 444 ASSEMBLY PUBLIC EMPLOYEES, RETIREMENT AND SOCIAL SECURITY, RODRIGUEZ, Chair

**Summary:** The existing Bill of Rights for State Excluded Employees (bill of rights) prescribes various rights and terms and conditions of employment for excluded employees, defined as certain supervisory, managerial, and confidential state employees, among other specified employees. This bill would amend the bill of rights to require the management of each state entity, as specified, by January 1, 2019, to develop policies for their supervisory employees regarding shift assignments, vacations, and overtime, and to meet with the supervisory employee organizations that represent the excluded employees.

**Memo:**

Support letter sent to Author -- 2/28/17

Support letter sent to Asm. PER&SS Committee -- 3/27/17

**AB 241**

**(Dababneh D) Personal information: privacy: state and local agency breach.**

**Current Text:** Introduced: 1/30/2017 [Text](#)

**Introduced:** 1/30/2017

**Status:** 4/5/2017-In committee: Set, first hearing. Referred to suspense file.

**Location:** 3/15/2017-A. APPR.

**Summary:** Existing law requires a person or business conducting business in California and any state or local agency, as defined, that owns or licenses computerized data that includes personal information, as defined, to disclose a breach in the security of the data to a resident of California whose unencrypted personal information was, or is reasonably believed to have been, acquired by an unauthorized person in the most expedient time possible and without unreasonable delay, as specified. Existing law requires a person or business, if it was the source of the breach, to offer to provide appropriate identity theft prevention and mitigation services at no cost to the person whose information was or may have been breached if the breach exposed or may have exposed the person's social security number, driver's license number, or California identification card number. This bill also would require a state or local agency, if it was the source of the breach, to offer to provide appropriate identity theft prevention and mitigation services at no cost to a person whose information was or may have been breached if the breach exposed or may have exposed the person's social security number, driver's license number, or California identification card number. This bill contains other related provisions.

**Memo:**

Support letter sent to Asm. APPR Committee -- 4/3/17

**ACA 5**

**(Frazier D) Motor vehicle fees and taxes: restriction on expenditures: appropriations limit.**

**Current Text:** Enrolled: 4/7/2017 [Text](#)

**Introduced:** 2/17/2017

**Last Amend:** 4/4/2017

**Status:** 4/6/2017-Assembly Rule 96 suspended. Assembly Rule 63 suspended. Joint Rules suspended. NULL Withdrawn from committee. Ordered to third reading. Adopted and to Senate. In Senate. Read first time. Joint Rules suspended. (Ayes 28. Noes 10.) Ordered to third reading. Adopted and to Assembly. (Ayes 28. Noes 10.) In Assembly. Ordered to Engrossing and Enrolling.

**Location:** 4/6/2017-A. ENROLLMENT

**Summary:** (1)Article XIX of the California Constitution restricts the expenditure of revenues from taxes imposed by the state on fuels used in motor vehicles upon public streets and highways to street and highway and certain mass transit purposes, and restricts the expenditure of revenues from fees and

taxes imposed by the state upon vehicles or their use or operation to state administration and enforcement of laws regulating the use, operation, or registration of vehicles used upon the public streets and highways, as well as to street and highway and certain mass transit purposes. These restrictions do not apply to revenues from taxes or fees imposed under the Sales and Use Tax Law or the Vehicle License Fee Law. This measure would add Article XIXD to the California Constitution to require revenues derived from vehicle fees imposed under a specified chapter of the Vehicle License Fee Law to be used solely for transportation purposes, as defined. The measure would prohibit these revenues from being used for the payment of principal and interest on state transportation general obligation bonds that were authorized by the voters on or before November 8, 2016. The measure would prohibit the revenues from being used for the payment of principal and interest on state transportation general obligation bonds issued after that date unless the bond act submitted to the voters expressly authorizes that use. The measure would also prohibit the Legislature from borrowing these revenues, except as specified, or using them for purposes other than transportation purposes. This bill contains other related provisions and other existing laws.

**Memo:**

Support letter sent to all legislators -- 4/4/17

**SB 1**

**(Beall D) Transportation funding.**

**Current Text:** Enrolled: 4/6/2017 [Text](#)

**Introduced:** 12/5/2016

**Last Amend:** 4/3/2017

**Status:** 4/6/2017-Read third time. Urgency clause adopted. Passed. (Ayes 27. Noes 11.) Ordered to the Assembly. In Assembly. Read first time. Held at Desk. Art. IV. Sec. 8(b)(1) of the Constitution dispensed with. (Ayes 54. Noes 25.) Assembly Rule 63 suspended. (Ayes 54. Noes 25.) Read third time. Urgency clause adopted. Passed. (Ayes 54. Noes 26.) Ordered to the Senate. In Senate. Held at Desk.

**Location:** 4/6/2017-S. ENROLLMENT

**Summary:** (1) Existing law provides various sources of funding for transportation purposes, including funding for the state highway system and the local street and road system. These funding sources include, among others, fuel excise taxes, commercial vehicle weight fees, local transactions and use taxes, and federal funds. Existing law imposes certain registration fees on vehicles, with revenues from these fees deposited in the Motor Vehicle Account and used to fund the Department of Motor Vehicles and the Department of the California Highway Patrol. Existing law provides for the monthly transfer of excess balances in the Motor Vehicle Account to the State Highway Account. This bill would create the Road Maintenance and Rehabilitation Program to address deferred maintenance on the state highway system and the local street and road system. The bill would require the California Transportation Commission to adopt performance criteria, consistent with a specified asset management plan, to ensure efficient use of certain funds available for the program. The bill would provide for the deposit of various funds for the program in the Road Maintenance and Rehabilitation Account, which the bill would create in the State Transportation Fund, including revenues attributable to a \$0.12 per gallon increase in the motor vehicle fuel (gasoline) tax imposed by the bill with an inflation adjustment, as provided, 50% of a \$0.20 per gallon increase in the diesel excise tax, with an inflation adjustment, as provided, a portion of a new transportation improvement fee imposed under the Vehicle License Fee Law with a varying fee between \$25 and \$175 based on vehicle value and with an inflation adjustment, as provided, and a new \$100 annual vehicle registration fee applicable only to zero-emission vehicles model year 2020 and later, with an inflation adjustment, as provided. The bill would provide that the fuel excise tax increases take effect on November 1, 2017, the transportation improvement fee takes effect on January 1, 2018, and the zero-emission vehicle registration fee takes effect on July 1, 2020. This bill contains other related provisions and other existing laws.

**Memo:**

Support letter sent to all legislators -- 4/4/17

**SB 76**

**(Nielsen R) Excluded employees: arbitration.**

**Current Text:** Amended: 3/22/2017 [Text](#)

**Introduced:** 1/10/2017

**Last Amend:** 3/22/2017

**Status:** 3/28/2017-From committee: Do pass and re-refer to Com. on JUD. (Ayes 5. Noes 0.) (March 27). Re-referred to Com. on JUD.

**Location:** 3/27/2017-S. JUD.

**Calendar:** 4/18/2017 1:30 p.m. - Room 112 SENATE JUDICIARY, JACKSON, Chair

**Summary:** The Bill of Rights for State Excluded Employees permits, among other things, excluded employee organizations to represent their excluded members in their employment relations, including grievances, with the state. That law defines excluded employees as all managerial employees, confidential employees, supervisory employees, as well as specified employees of the Department of Personnel Administration, the Department of Finance, the Controller's office, the Legislative Counsel Bureau, the Bureau of State Audits, the Public Employment Relations Board, the Department of

**Memo:**

Co-Sponsor letter sent to Author -- 2/24/17

Co-Sponsor letter sent to Sen. JUD Committee -- 4/14/17

**SB 646**

**(Galgiani D) State Civil Service Act: adverse action: notice.**

**Current Text:** Introduced: 2/17/2017 [Text](#)

**Introduced:** 2/17/2017

**Status:** 3/17/2017-Set for hearing May 8.

**Location:** 3/2/2017-S. P.E. & R.

**Calendar:** 5/8/2017 2 p.m. or upon adjournment of Session - Rose Ann Vuich Hearing Room (2040)  
SENATE PUBLIC EMPLOYMENT AND RETIREMENT, PAN, Chair

**Summary:** The State Civil Service Act requires notice of any adverse action against any state employee for any cause for discipline based on any civil service law to be served within 3 years after the cause for discipline, upon which the notice is based, first arose. That act provides that an adverse action based on fraud, embezzlement, or the falsification of records is valid if notice of the adverse action is served within 3 years after the discovery of the fraud, embezzlement, or falsification. This bill would instead provide that for any adverse action not based on fraud, embezzlement, or falsification of records, if the cause for discipline was discovered on or after January 1, 2018, notice would be required to be served within one year of the discovery of the cause for discipline.

**SCA 2**

**(Newman D) Motor vehicle fees and taxes: restriction on expenditures: appropriations limit.**

**Current Text:** Amended: 3/30/2017 [Text](#)

**Introduced:** 1/18/2017

**Last Amend:** 3/30/2017

**Status:** 4/4/2017-Read second time. Ordered to third reading.

**Location:** 4/4/2017-S. THIRD READING

**Calendar:** 4/17/2017 #33 SENATE SEN THIRD READING FILE - SEN BILLS

**Summary:** (1)Article XIX of the California Constitution restricts the expenditure of revenues from taxes imposed by the state on fuels used in motor vehicles upon public streets and highways to street and highway and certain mass transit purposes, and restricts the expenditure of revenues from fees and taxes imposed by the state upon vehicles or their use or operation to state administration and enforcement of laws regulating the use, operation, or registration of vehicles used upon the public streets and highways, as well as to street and highway and certain mass transit purposes. These restrictions do not apply to revenues from taxes or fees imposed under the Sales and Use Tax Law or the Vehicle License Fee Law. This measure would add Article XIXD to the California Constitution to require revenues derived from vehicle fees imposed under a specified chapter of the Vehicle License Fee Law to be used solely for transportation purposes. The measure would prohibit these revenues from being used for the payment of principal and interest on state transportation general obligation bonds that were authorized by the voters on or before November 8, 2016. The measure would prohibit the revenues from being used for the payment of principal and interest on state transportation general obligation bonds issued after that date unless the bond act submitted to the voters expressly authorizes that use. The measure would also prohibit the Legislature from borrowing these revenues, except as specified, or using them for purposes other than transportation purposes, as defined. This bill contains other related provisions and other existing laws.

**Memo:**

Support letter sent to all legislators - 4/4/17

**Oppose**

**AB 1310**

**(Allen, Travis R) Public retirement systems: member statements: unfunded liability disclosure.**

**Current Text:** Introduced: 2/17/2017 [Text](#)

**Introduced:** 2/17/2017

**Status:** 3/13/2017-Referred to Com. on P.E., R., & S.S.

**Location:** 3/13/2017-A. P.E., R. & S.S.

**Calendar:** 4/19/2017 9 a.m. - State Capitol, Room 444 ASSEMBLY PUBLIC EMPLOYEES, RETIREMENT AND SOCIAL SECURITY, RODRIGUEZ, Chair

**Summary:** Existing law establishes various public agency retirement systems, including the Public Employees' Retirement System, the State Teachers' Retirement System, the Judges' Retirement System II, and various county retirement systems pursuant to the County Employees Retirement Law of 1937, among others, and these systems provide defined benefits to public employees based on age, service credit, and amount of final compensation. Under existing law, benefits provided to members of those

systems are generally funded by employer contributions, employee contributions, and investment returns. This bill would require the retirement board of a public retirement system, as defined, to disclose the unfunded liability and healthcare debt of the system on each member statement provided to members of the system.

#### **AB 1311**

##### **(Allen, Travis R) Public Employees' Retirement System: board.**

**Current Text:** Introduced: 2/17/2017 [Text](#)

**Introduced:** 2/17/2017

**Status:** 3/13/2017-Referred to Com. on P.E., R., & S.S.

**Location:** 3/13/2017-A. P.E., R. & S.S.

**Calendar:** 4/19/2017 9 a.m. - State Capitol, Room 444 ASSEMBLY PUBLIC EMPLOYEES, RETIREMENT AND SOCIAL SECURITY, RODRIGUEZ, Chair

**Summary:** The Public Employees' Retirement Law (PERL) establishes the Public Employees' Retirement System (PERS), which provides a defined benefit to members of the system, based on final compensation, credited service, and age at retirement, subject to certain variations. Existing law creates the Board of Administration of PERS for the purpose of governing the system and prescribes the composition of the board. Existing law requires that one member of the board be a member of the public chosen jointly by the Speaker of the Assembly and the Senate Committee on Rules. Existing law further requires that an official of a life insurer be appointed to the board by the Governor. This bill would revise the composition of the board. The bill would add to the board 2 persons, appointed at the pleasure of the Governor, who represent the public, have financial expertise, and are not interested in the system, as specified. The bill would replace the official of a life insurer, whom the Governor is currently authorized to appoint, with a gubernatorial appointee who has expertise in health insurance and is not interested in the system. The bill also would require the board member representing the public, appointed by the Speaker of the Assembly and Senate Committee on Rules, to have financial expertise and not be interested in the system. This bill contains other related provisions and other existing laws.

#### **SB 32**

##### **(Moorlach R) California Public Employees' Pension Reform Act of 2018.**

**Current Text:** Amended: 3/2/2017 [Text](#)

**Introduced:** 12/5/2016

**Last Amend:** 3/2/2017

**Status:** 3/17/2017-Set for hearing April 24.

**Location:** 3/8/2017-S. P.E. & R.

**Calendar:** 4/24/2017 2 p.m. or upon adjournment of Session - Rose Ann Vuich Hearing Room (2040) SENATE PUBLIC EMPLOYMENT AND RETIREMENT, PAN, Chair

**Summary:** (1) The Public Employees' Retirement Law creates the Public Employees' Retirement System (PERS), and the Teachers' Retirement Law creates the State Teachers' Retirement System (STRS), for the provision of service, disability, and other benefits to members. Existing law vests the Teachers' Retirement Board, which administers STRS, and the Board of Administration of PERS with fiduciary responsibility over the assets of their respective retirement systems and requires the boards to, among other things, employ public accountants who are not in public employment to audit the financial statements of the systems, as specified. This bill would create the Citizens' Pension Oversight Committee to serve in an advisory role to the Teachers' Retirement Board and the Board of Administration of PERS. The bill would require the committee, on or before January 1, 2019, and annually thereafter, to review the actual pension costs and obligations of PERS and STRS and report on these costs and obligations to the public and would require reports of audits of STRS and PERS conducted by the public accountants described above to be filed with the committee for this purpose. (2) Under the Public Employees' Retirement Law, benefits provided by PERS are funded by employer and employee contributions and investment returns. Existing law requires the Board of Administration of PERS to set and adjust employer contribution rates in relation to the system's actuarial liability and provides for the deposit of employer contributions into the Public Employees' Retirement Fund, a continuously appropriated fund. Existing law authorizes the board to adopt a funding period of 30 years to amortize unfunded accrued actuarial obligations for current and prior service for the purpose of determining employer contribution rates for contracting agencies and school employers and to adopt an amortization period of 40 years for any unfunded actuarial liability for the benefits applicable to all state miscellaneous members and all state peace officer/firefighter members. This bill would require the board to determine what the level of the unfunded liability of PERS was in 1980 and would further require the board to reduce the unfunded liability of PERS to that level, to be achieved by 2030, with the goal of fully funding PERS. The bill, in any year in which the unfunded actuarial liability of PERS is greater than zero, would require the board to increase the employer contribution rate otherwise provided by law for the state, contracting agencies, and school employers by 10 percent. By increasing deposits into a continuously appropriated fund, the bill would make an appropriation. (3) Existing law prescribes different benefit formulas for members of PERS depending on a member's classification and date of entry into the system, among other factors. This bill would require the Board of Administration of PERS, on or before January 1, 2019, to develop and submit to the Legislature for approval a hybrid plan consisting of defined benefit and defined contribution components, as specified, and would require the plan to be applied to members who elect to be subject to the plan or who are first employed by the

state, a contracting agency, or a school employer and become members of the system on or after the approval of the plan by the Legislature. The bill would further require the board, on or before January 1, 2019, to review the duties of officers and employees in positions included in the safety member classification pursuant to certain provisions of the Public Employees' Retirement Law and reclassify the positions according to specified criteria. The bill would apply this reclassification to persons who are first employed by the state and become state members of PERS on or after January 1, 2018.(4)The California Public Employees' Pension Reform Act of 2013 (PEPRA), on and after January 1, 2013, requires a public retirement system, as defined, to modify its plan or plans to comply with the act and, among other provisions, provides that the pensionable compensation of a new member of the system is the normal monthly rate of pay or base pay of the member paid in cash to similarly situated members, as specified. PEPRA also requires the final compensation used to determine a retirement benefit to be paid to the new member to be the highest average annual pensionable compensation earned by the member during a period of at least 36 consecutive months, or at least 3 consecutive school years if applicable, as specified. This bill would prohibit a public retirement board from deeming certain forms of pay to be pensionable compensation and would make related legislative findings and declarations. This bill would enact the California Public Employees' Pension Reform Act of 2018 (PEPRA 2018). The bill, for an individual who becomes a member of any public retirement system, as defined, for the first time on or after January 1, 2018, and who was not a member of any other public retirement system prior to that date, would require the final compensation used to determine the member's retirement benefits to be the highest annual pensionable compensation earned by the member during a period of at least 60 consecutive months, or at least 5 consecutive school years if applicable, as specified. The bill would also provide that if the member leaves the employment of a public employer participating in a public retirement system for other employment, as specified, and is subsequently reemployed by the public employer at least one year later, the member will be subject to the same benefits, contributions, and other terms and conditions applicable to an individual who becomes a member of the public retirement system for the first time on the date of the member's return, for service rendered on or after that date. (5)Existing law provides for the application of cost of living adjustments to allowances paid to persons retired under, or survivors or beneficiaries of members or persons retired under, various public retirement systems. The bill, as part of PEPRA 2018, would prohibit a public retirement system from making a cost of living adjustment to any allowance payable to, or on behalf of, a person retired under the system, or to any survivor or beneficiary of a member or person retired under the system, for any year beginning on or after January 1, 2018, in which PERS or STRS is not fully funded.

#### **SB 601**

##### **(Morrell R) Public employee retirement systems: asset valuation: reporting.**

**Current Text:** Introduced: 2/17/2017 [Text](#)

**Introduced:** 2/17/2017

**Status:** 3/27/2017-March 27 set for first hearing. Failed passage in committee. (Ayes 2. Noes 3.)

**Location:** 3/27/2017-S. P.E. & R.

**Summary:** Existing law requires the Board of Administration of the Public Employees' Retirement System and the Teachers' Retirement Board to provide annual reports to the Legislature and the Governor with regard to investment returns on assets of the Public Employees' Retirement System and the State Teachers' Retirement System, respectively. As part of these reports, the boards are required to calculate and report on the rate of return on investments based on different assumptions. This bill would require the Board of Administration of the Public Employees' Retirement System to report a calculation of liabilities based on a discount rate equal to the yield on a 10-year United States Treasury note in the year prior to the report. The bill would require the Teachers' Retirement Board to provide a description of the discount rate the board uses for reporting liabilities calculations, a calculation of liabilities based on a discount rate that is 2% below the long-term rate of return assumed by the board, and a calculation of liabilities based on a discount rate equal to the yield on a 10-year United States Treasury note in the year prior to the report. This bill contains other related provisions and other existing laws.

#### **SCA 8**

##### **(Moorlach R) Public employee retirement benefits.**

**Current Text:** Introduced: 2/15/2017 [Text](#)

**Introduced:** 2/15/2017

**Status:** 2/23/2017-Referred to Coms. on P.E. & R. and E. & C.A.

**Location:** 2/23/2017-S. P.E. & R.

**Summary:** Existing statutory law establishes various public agency retirement systems, including, among others, the Public Employees' Retirement System, the State Teachers' Retirement System, the Judges' Retirement System II, and various county retirement systems pursuant to the County Employees Retirement Law of 1937, and these systems provide defined pension benefits to public employees based on age, service credit, and amount of final compensation. The California Constitution permits a city or county to adopt a charter for purposes of its governance that supersedes general laws of the state in regard to specified subjects, including compensation of city or county employees. The California Constitution establishes the University of California as a public trust with full powers of organization and government, subject only to specified limitations. Under their respective independent constitutional authority, charter cities and counties and the University of California may and have established retirement systems. The California Public Employees' Pension Reform Act of 2013 (PEPRA)



generally requires the retirement systems to which it applies to modify their provisions to conform with its requirements. PEPPRA excepts from its provisions retirement systems established by charter cities and counties and the University of California. PEPPRA requires the retirement systems that it regulates and that offer defined benefit plans to provide specified defined benefit formulas and prescribes requirements regarding employer and employee contributions to defined benefit pension plans. This measure would permit a government employer to reduce retirement benefits that are based on work not yet performed by an employee regardless of the date that the employee was first hired, notwithstanding other provisions of the California Constitution or any other law. The measure would prohibit it from being interpreted to permit the reduction of retirement benefits that a public employee has earned based on work that has been performed, as specified. The measure would define government employer and retirement benefits for the purposes of its provisions.

## [SCA 10](#)

### **(Moorlach R) Public employee retirement benefits.**

**Current Text:** Introduced: 2/17/2017 [Text](#)

**Introduced:** 2/17/2017

**Status:** 3/2/2017-Referred to Coms. on P.E. & R. and E. & C.A.

**Location:** 3/2/2017-S. P.E. & R.

**Summary:** Existing statutory law establishes various public agency retirement systems, including, among others, the Public Employees' Retirement System, the State Teachers' Retirement System, the Judges' Retirement System II, and various county retirement systems pursuant to the County Employees Retirement Law of 1937, and these systems provide defined pension benefits to public employees based on age, service credit, and amount of final compensation. The California Constitution permits a city or county to adopt a charter for purposes of its governance that supersedes general laws of the state in regard to specified subjects, including compensation of city or county employees. The California Constitution establishes the University of California as a public trust with full powers of organization and government, subject only to specified limitations. Under their respective independent constitutional authority, charter cities and counties and the University of California may and have established retirement systems. The California Public Employees' Pension Reform Act of 2013 (PEPPRA) generally requires the retirement systems to which it applies to modify their provisions to conform with its requirements. PEPPRA excepts from its provisions the retirement systems established by charter cities and counties and the University of California. PEPPRA requires the retirement systems that it regulates and that offer defined benefit plans to provide specified defined benefit formulas, and prescribes requirements regarding employer and employee contributions to defined benefit pension plans. This measure would prohibit a government employer from providing public employees any retirement benefit increase until that increase is approved by a 2/3 vote of the electorate of the applicable jurisdiction and that vote is certified. The measure would define retirement benefit to mean any postemployment benefit and would define benefit increase as any change that increases the value of an employee's retirement benefit. The measure would define a government employer to include, among others, the state and any of its subdivisions, cities, counties, school districts, special districts, the Regents of the University of California, and the California State University.

## **Watch**

## [AB 1](#)

### **(Frazier D) Transportation funding.**

**Current Text:** Introduced: 12/5/2016 [Text](#)

**Introduced:** 12/5/2016

**Status:** 1/19/2017-Referred to Coms. on TRANS. and NAT. RES.

**Location:** 1/19/2017-A. TRANS.

**Summary:** (1) Existing law provides various sources of funding for transportation purposes, including funding for the state highway system and the local street and road system. These funding sources include, among others, fuel excise taxes, commercial vehicle weight fees, local transactions and use taxes, and federal funds. Existing law imposes certain registration fees on vehicles, with revenues from these fees deposited in the Motor Vehicle Account and used to fund the Department of Motor Vehicles and the Department of the California Highway Patrol. Existing law provides for the monthly transfer of excess balances in the Motor Vehicle Account to the State Highway Account. This bill would create the Road Maintenance and Rehabilitation Program to address deferred maintenance on the state highway system and the local street and road system. The bill would require the California Transportation Commission to adopt performance criteria, consistent with a specified asset management plan, to ensure efficient use of certain funds available for the program. The bill would provide for the deposit of various funds for the program in the Road Maintenance and Rehabilitation Account, which the bill would create in the State Transportation Fund, including revenues attributable to a \$0.012 per gallon increase in the motor vehicle fuel (gasoline) tax imposed by the bill with an inflation adjustment, as provided, an increase of \$38 in the annual vehicle registration fee with an inflation adjustment, as provided, a new \$165 annual vehicle registration fee with an inflation adjustment, as provided, applicable to zero-emission motor vehicles, as defined, and certain miscellaneous revenues described in (7) below that are not restricted as to expenditure by Article XIX of the California Constitution. This bill contains other related provisions and other existing laws.

**AB 20**

**(Kalra D) Public employee retirement systems: divestment: Dakota Access Pipeline.**

**Current Text:** Introduced: 12/5/2016 [Text](#)

**Introduced:** 12/5/2016

**Status:** 1/19/2017-Referred to Com. on P.E., R., & S.S.

**Location:** 1/19/2017-A. P.E.,R. & S.S.

**Calendar:** 4/19/2017 9 a.m. - State Capitol, Room 444 ASSEMBLY PUBLIC EMPLOYEES, RETIREMENT AND SOCIAL SECURITY, RODRIGUEZ, Chair

**Summary:** The California Constitution authorizes the Legislature to prohibit, by statute, investments of a retirement board if it is in the public interest to do so and if the prohibition satisfies the board's standards of fiduciary care and loyalty. This bill would prohibit the boards of administration of the Public Employees' Retirement System and the State Teachers' Retirement System, on and after January 1, 2018, from making additional investments or renewing investments in a company constructing, or funding the construction of, the Dakota Access Pipeline, as defined. This bill would require the boards, on or before July 1, 2018, to liquidate their investments in a company constructing, or funding the construction of, the Dakota Access Pipeline. The bill would provide that it does not require a board to take any action unless the board determines in good faith that the action is consistent with the board's fiduciary responsibilities established in the constitution. The bill would make related legislative findings and declarations. This bill contains other existing laws.

**AB 22**

**(Bonta D) State employees: memorandum of understanding.**

**Current Text:** Introduced: 12/5/2016 [Text](#)

**Introduced:** 12/5/2016

**Status:** 1/19/2017-Referred to Com. on P.E., R., & S.S.

**Location:** 1/19/2017-A. P.E.,R. & S.S.

**Calendar:** 4/19/2017 9 a.m. - State Capitol, Room 444 ASSEMBLY PUBLIC EMPLOYEES, RETIREMENT AND SOCIAL SECURITY, RODRIGUEZ, Chair

**Summary:** Existing law provides that a provision of a memorandum of understanding reached between the state employer and a recognized employee organization representing state civil service employees that requires the expenditure of funds does not become effective unless approved by the Legislature in the annual Budget Act. This bill would approve provisions of a memorandum of understanding entered into between the state employer and an unspecified bargaining unit that require the expenditure of funds, and would provide that these provisions will become effective even if these provisions are approved by the Legislature in legislation other than the annual Budget Act. This bill contains other related provisions.

**AB 31**

**(Rodriguez D) Whistleblowers: California State Auditor.**

**Current Text:** Amended: 4/6/2017 [Text](#)

**Introduced:** 12/5/2016

**Last Amend:** 4/6/2017

**Status:** 4/6/2017-Read second time and amended.

**Location:** 4/6/2017-A. RLS.

**Summary:** Existing law creates the California State Auditor's Office, which is independent of the executive branch and legislative control, to examine and report annually upon the financial statements prepared by the executive branch. Existing law exempts the California State Auditor from specific provisions of existing law relating to oversight by state control agencies, including specific provisions relating to employment, administration, contracting, fiscal matters, and the adoption of regulations. This bill would require the California State Auditor to create the means for employees of the California State Auditor's Office to submit confidential allegations of improper governmental activity engaged or participated in by employees of the office to an independent investigator. The bill would define "improper governmental activity" and "independent investigator" for its purposes. The bill would require the independent investigator to conduct investigations in a manner consistent with the act relating to other state civil service employees. The bill would require the independent investigator, if he or she finds that an employee may have engaged or participated in improper governmental activities, to prepare a confidential investigative report and, subject to specific limitations, send a copy of the report and gathered evidence to the California State Auditor and certain other persons within the California State Auditor's Office. The bill would require the independent investigator, if the California State Auditor elects not to take adverse action, to notify the Joint Legislative Audit Committee (JLAC) and the Milton Marks "Little Hoover" Commission on California State Government Organization and Economy of the report and provide JLAC and the commission a copy as prescribed. The bill would authorize the independent investigator to take adverse action if the California State Auditor's Office does not. This bill contains other existing laws.

**AB 47**

**(Ting D) Budget Act of 2016.**

**Current Text:** Introduced: 12/5/2016 [Text](#)

**Introduced:** 12/5/2016

**Status:** 1/19/2017-Referred to Com. on BUDGET.

**Location:** 1/19/2017-A. BUDGET

**Summary:** This bill would express the intent of the Legislature to enact legislation that would amend the Budget Act of 2016.

**AB 52**

**(Cooper D) Public employees: orientation and informational programs: exclusive representatives.**

**Current Text:** Introduced: 12/5/2016 [Text](#)

**Introduced:** 12/5/2016

**Status:** 1/19/2017-Referred to Com. on P.E., R., & S.S.

**Location:** 1/19/2017-A. P.E.,R. & S.S.

**Calendar:** 4/19/2017 9 a.m. - State Capitol, Room 444 ASSEMBLY PUBLIC EMPLOYEES, RETIREMENT AND SOCIAL SECURITY, RODRIGUEZ, Chair

**Summary:** (1)Existing law, including the Meyers-Milias-Brown Act, the Ralph C. Dills Act, the Trial Court Employment Protection and Governance Act, the Trial Court Interpreter Employment and Labor Relations Act, and the Los Angeles County Metropolitan Transportation Authority Transit Employer-Employee Relations Act, as well as provisions commonly referred to as the Educational Employment Relations Act and the Higher Education Employer-Employee Relations Act, regulates the labor relations of the state, the courts, and specified local public agencies and their employees. Existing law establishes the Public Employment Relations Board and prescribes its powers and duties, in relation to these acts. These acts grant specified public employees of these entities the right to form, join, and participate in the activities of employee organizations of their choosing and require public agency employers, among other things, to meet and confer with representatives of recognized employee organizations and exclusive representatives on terms and conditions of employment. This bill would require the public employers regulated by the acts described above to provide all employees an orientation. The bill would also require these public employers to permit the exclusive representative, if applicable, to participate. By creating new duties for various local agencies, this bill would impose a state-mandated local program. This bill contains other related provisions and other existing laws.

**AB 83**

**(Santiago D) Collective bargaining: Judicial Council.**

**Current Text:** Introduced: 1/5/2017 [Text](#)

**Introduced:** 1/5/2017

**Status:** 3/29/2017-Action From P.E.,R. & S.S.: Do pass.To APPR..

**Location:** 3/30/2017-A. APPR.

**Summary:** Existing law, the Ralph C. Dills Act (Dills Act), governs collective bargaining between the state and recognized state public employee organizations. Existing law excludes certain employees from coverage under the Dills Act, including, among others, managerial employees, supervisory employees, and confidential employees, as defined. Existing law creates the Public Employment Relations Board and authorizes it, among other things, to determine appropriate state employee bargaining units, as specified. The California Constitution prescribes the membership of the California Supreme Court and requires the Legislature to create appellate court districts, all of which are vested with the judicial power of the state. The California Constitution prescribes the membership and duties of the Judicial Council and authorizes the council to appoint an Administrative Director of the Courts. Existing law creates the Habeas Corpus Resource Center for the purpose of providing representation to people who are convicted and sentenced to death in this state and who are without counsel. This bill would apply the Dills Act to employees of the Judicial Council, except for managerial, confidential, or supervisory employees, judicial officers, employees of the Supreme Court, the courts of appeal, or the Habeas Corpus Resource Center, and employees in positions designated by the Judicial Council in its sole authority and discretion as excluded positions, as specified. The bill would prohibit exempted managerial, supervisory, confidential, and excluded positions from exceeding 1/3 of the total authorized Judicial Council positions as stated in the Department of Finance Salaries and Wages Supplement. The bill would define the employer, for purposes of bargaining or meeting and conferring, as the Administrative Director of the Courts, or his or her designated representatives, acting with the authorization of the Chairperson of the Judicial Council. The bill would provide that references in the Dills Act to actions or decisions by the Governor, or his or her designated representative, mean actions or decisions by the Administrative Director of the Courts. The bill would prohibit the Public Employment Relations Board from including Judicial Council employees in a bargaining unit that includes employees other than those of the Judicial Council.

**AB 86**

**(Calderon D) Entrepreneur-in-Residence Act of 2017.**

**Current Text:** Amended: 4/5/2017 [Text](#)

**Introduced:** 1/5/2017

**Last Amend:** 4/5/2017

**Status:** 4/6/2017-Re-referred to Com. on APPR.

**Location:** 4/5/2017-A. APPR.

**Summary:** Existing law establishes within the Governor's office the Government Operations Agency, which consists of several state agencies, including the Department of General Services and the Department of Technology, and is governed by the Secretary of Government Operations. This bill would enact the Entrepreneur-in-Residence Act of 2017, which would establish the state entrepreneur-in-



residence program within the Government Operations Agency for the purpose of utilizing the expertise of private sector entrepreneurs to help make state governmental activities and practices more streamlined and accessible. The program would authorize the Secretary of Government Operations to appoint a maximum of 10 persons each year to serve within a state agency as an entrepreneur-in-residence, with duties as established in the bill, on a voluntary basis. The bill would require the secretary to accept the first appointment applications for the position of an entrepreneur-in-residence on or before August 1, 2018, and to establish prescribed procedures for complying with the bill no later than May 1, 2018. The bill would also require, to the extent funding is available the secretary to establish a working group of entrepreneurs-in-residence to discuss best practices, experiences, obstacles, opportunities, and recommendations, and to report on the program to the Governor and the Assembly Committee on Jobs, Economic Development, and the Economy, as specified.

#### **AB 96**

##### **(Ting D) Budget Act of 2017.**

**Current Text:** Introduced: 1/10/2017 [Text](#)

**Introduced:** 1/10/2017

**Status:** 1/19/2017-Referred to Com. on BUDGET.

**Location:** 1/19/2017-A. BUDGET

**Summary:** This bill would make appropriations for the support of state government for the 2017-18 fiscal year. This bill contains other related provisions.

#### **AB 156**

##### **(Wood D) Individual market: single risk pool: index rate.**

**Current Text:** Introduced: 1/12/2017 [Text](#)

**Introduced:** 1/12/2017

**Status:** 1/30/2017-Referred to Com. on HEALTH.

**Location:** 1/30/2017-A. HEALTH

**Calendar:** 4/25/2017 1:30 p.m. - State Capitol, Room 4202 ASSEMBLY HEALTH, WOOD, Chair

**Summary:** Existing federal law, the federal Patient Protection and Affordable Care Act, creates various premium stabilization programs, such as the transitional reinsurance program and the risk adjustment program, to stabilize premiums in the individual market inside and outside of the Exchanges. Under the transitional reinsurance program, contributions are collected from contributing entities to fund reinsurance payments to issuers of nongrandfathered reinsurance-eligible individual market plans and the administrative costs of operating the reinsurance program for the 2014, 2015, and 2016 benefit years. This bill would delete the reference to the federal transitional reinsurance program in these provisions. This bill contains other existing laws.

#### **AB 157**

##### **(Wood D) Small group market: single risk pool: index rate.**

**Current Text:** Introduced: 1/12/2017 [Text](#)

**Introduced:** 1/12/2017

**Status:** 1/30/2017-Referred to Com. on HEALTH.

**Location:** 1/30/2017-A. HEALTH

**Calendar:** 4/25/2017 1:30 p.m. - State Capitol, Room 4202 ASSEMBLY HEALTH, WOOD, Chair

**Summary:** Existing federal law, the federal Patient Protection and Affordable Care Act, creates various premium stabilization programs, such as the transitional reinsurance program and the risk adjustment program, to stabilize premiums in the individual market inside and outside of the Exchanges. Under the transitional reinsurance program, contributions are collected from contributing entities to fund reinsurance payments to issuers of nongrandfathered reinsurance-eligible individual and small group market plans and the administrative costs of operating the reinsurance program for the 2014, 2015, and 2016 benefit years. This bill would delete the reference to the federal transitional reinsurance program in these provisions. This bill contains other existing laws.

#### **AB 161**

##### **(Levine D) Department of Finance: infrastructure investment.**

**Current Text:** Introduced: 1/13/2017 [Text](#)

**Introduced:** 1/13/2017

**Status:** 3/29/2017-Action From P.E.,R. & S.S.: Do pass.To APPR..

**Location:** 3/29/2017-A. APPR.

**Summary:** Existing law creates the Department of Finance and provides that the department has general powers of supervision over all matters concerning the financial and business policies of the state. This bill would authorize the Department of Finance to identify infrastructure projects in the state for which the department will guarantee a rate of return on investment for an investment made in that infrastructure project by the Public Employees' Retirement System. The bill would create the Reinvesting in California Special Fund as a continuously appropriated fund and would require the moneys in the fund to be used to pay the rate of return on investment. The bill would require the rate of return on investment to be subject to the availability of moneys in the fund. The bill would also state the intent of the Legislature to identify special funds to be transferred into the fund for the purposes of these provisions. By creating a new continuously appropriated fund, this bill would make an appropriation. This bill contains other existing laws.

**AB 496****(Fong R) Transportation funding.****Current Text:** Amended: 2/28/2017 [Text](#)**Introduced:** 2/13/2017**Last Amend:** 2/28/2017**Status:** 3/1/2017-Re-referred to Com. on TRANS.**Location:** 2/27/2017-A. TRANS.

**Summary:** (1)Existing law provides various sources of funding for transportation purposes, including funding for the state highway system and the local street and road system. These funding sources include, among others, fuel excise taxes, commercial vehicle weight fees, local transactions and use taxes, and federal funds. Existing law imposes certain registration fees on vehicles, with revenues from these fees deposited in the Motor Vehicle Account and used to fund the Department of Motor Vehicles and the Department of the California Highway Patrol. Existing law provides for the monthly transfer of excess balances in the Motor Vehicle Account to the State Highway Account. This bill would create the Traffic Relief and Road Improvement Program to address traffic congestion and deferred maintenance on the state highway system and the local street and road system. The bill would provide for the deposit of various existing sources of revenue in the Traffic Relief and Road Improvement Account, which the bill would create in the State Transportation Fund, including revenues attributable to the sales and use tax on motor vehicles, revenues attributable to automobile and motor vehicle insurance policies from the insurer gross premiums tax, revenues from certain diesel fuel sales and use taxes, revenues from certain vehicle registration fees, and certain miscellaneous State Highway Account revenues. This bill contains other related provisions and other existing laws.

**AB 512****(Rodriguez D) Public employees' retirement: safety members: industrial disability retirement.****Current Text:** Introduced: 2/13/2017 [Text](#)**Introduced:** 2/13/2017**Status:** 3/29/2017-Action From P.E., R. & S.S.: Do pass. To APPR..**Location:** 3/29/2017-A. APPR.

**Summary:** The Public Employees' Retirement Law, until January 1, 2018, provides a state safety member of the Public Employees' Retirement System who retires for industrial disability a retirement benefit equal to the greatest amount resulting from 3 possible calculations. In this regard, the benefit amount is based on an actuarially reduced service retirement, a service retirement allowance, if the member is qualified, or 50% of his or her final compensation, plus an annuity purchased with his or her accumulated contributions, if any. Existing law establishes the Public Employees' Retirement Fund, which is appropriated continuously for various purposes, including the payment of benefits. This bill would delete the repeal of these provisions, thereby extending them indefinitely. By providing that a continuously appropriated fund may be spent for a new purpose, this bill would make an appropriation. The bill would also make a statement of legislative findings.

**AB 526****(Cooper D) County employees' retirement: districts: retirement system governance.****Current Text:** Amended: 4/4/2017 [Text](#)**Introduced:** 2/13/2017**Last Amend:** 4/4/2017**Status:** 4/5/2017-Re-referred to Com. on P.E., R., & S.S.**Location:** 4/3/2017-A. P.E., R. & S.S.**Calendar:** 5/3/2017 9 a.m. - State Capitol, Room 444 ASSEMBLY PUBLIC EMPLOYEES, RETIREMENT AND SOCIAL SECURITY, RODRIGUEZ, Chair

**Summary:** (1)The County Employees Retirement Law of 1937 (CERL) authorizes counties to establish retirement systems pursuant to its provisions in order to provide pension benefits to their employees. CERL defines a district for these purposes, includes specified county retirement systems within that definition, and permits a district to participate in CERL retirement systems. CERL generally provides that the personnel of a county retirement system are county employees, subject to county civil service provisions and salary ordinances, but also authorizes the boards of retirement in specified counties to adopt provisions providing for the appointment of personnel who are to be employees of the retirement system, as well as other administrative provisions that reflect the independence of the retirement system from the county. The California Public Employees' Pension Reform Act of 2013 (PEPRA) requires a public retirement system, as defined, to modify its plan or plans to comply with the act and establishes new retirement formulas that a public employer offering a defined benefit pension plan for employees first hired on or after January 1, 2013, may not exceed. PEPRA authorizes individuals who were employed by any public employer before January 1, 2013, and who became employed by a subsequent public employer for the first time on or after January 1, 2013, to be subject to the retirement plan that would have been available to employees of the subsequent employer who were first employed by the subsequent employer on or before December 31, 2012, if the individual was subject to reciprocity, as specified. This bill would define the Sacramento County retirement system as a district under CERL. The bill would authorize the board to adopt, by resolution, specified administrative provisions that would classify various personnel of the retirement system as employees of the retirement system and not employees of the county. The bill would require the retirement system to notify, and to meet and

discuss with, participating employers in the retirement system, the employees of the system, and specified employee organizations, regarding the retirement system's intent to exercise this authority at least 60 days before considering a resolution to make these provisions applicable. The bill would grant an employee organization representing people who work for the retirement system, and an unrepresented person who works for the retirement system, the right to elect to be employees of the retirement system, which would be irrevocable, except as specified, and the status of the affected employee positions would remain changed for successor employees. In regard to county employees who would become retirement system employees, the bill would prescribe requirements in connection with their compensation and employment benefits and status. These provisions would include maintaining their county retirement benefits that would otherwise be reduced under PEPR, keeping their employment classifications, providing for the transfer of leave balances accrued as county employees to the retirement system, as specified, and affording employees the opportunity to continue participation in group health and dental plans, among other things. The bill would prescribe requirements regarding labor negotiations and the continuity of labor agreements. The bill would grant the retirement system the authority to adopt the regulations and enter into the agreements necessary to implement them. The bill would require counties to cooperate and act in a timely manner to establish and implement agreements in this regard. The bill would make technical and conforming changes. This bill contains other existing laws.

#### **AB 530**

##### **(Cooper D) Public employment: collective bargaining: peace officers.**

**Current Text:** Amended: 4/4/2017 [Text](#)

**Introduced:** 2/13/2017

**Last Amend:** 4/4/2017

**Status:** 4/5/2017-Re-referred to Com. on P.E., R., & S.S.

**Location:** 4/3/2017-A. P.E., R. & S.S.

**Calendar:** 4/19/2017 9 a.m. - State Capitol, Room 444 ASSEMBLY PUBLIC EMPLOYEES, RETIREMENT AND SOCIAL SECURITY, RODRIGUEZ, Chair

**Summary:** Existing law establishes the Public Employment Relations Board (PERB) in state government as a means of resolving disputes and enforcing the statutory duties and rights of employers and employees under the Educational Employment Relations Act, the Higher Education Employer-Employee Relations Act, the Ralph C. Dills Act, and the Meyers-Millas-Brown Act. Existing law includes within PERB's jurisdiction resolving disputes alleging violation of rules and regulations adopted by a public agency, as defined, concerning unit determinations, representations, recognition, and elections, as specified. Existing law requires bargaining unit determinations and representation elections to be determined and processed in accordance with rules adopted by a public agency, as specified. Existing law requires, in a representation election, a majority of the votes cast by the employees in the appropriate bargaining unit. Existing law requires PERB to enforce and apply rules adopted by a public agency concerning unit determinations, representation, recognition, and elections. Existing law also requires specified complaints to be processed as an unfair practice charge by PERB. Existing law does not apply the above provisions to persons who are peace officers, as defined. This bill would expand the jurisdiction of PERB to include resolving disputes and statutory duties and rights of persons who are peace officers, as defined.

#### **AB 542**

##### **(Holden D) Route 66 Centennial Commission.**

**Current Text:** Amended: 3/20/2017 [Text](#)

**Introduced:** 2/13/2017

**Last Amend:** 3/20/2017

**Status:** 3/30/2017-VOTE: Be re-referred to the Committee on [Transportation]

**Location:** 3/30/2017-A. TRANS.

**Calendar:** 4/17/2017 2:30 p.m. - State Capitol, Room 4202 ASSEMBLY TRANSPORTATION, FRAZIER, Chair

**Summary:** Existing law provides the Department of Transportation full possession and control of all state highways and all property and rights in property acquired for state highway purposes. Existing law authorizes and directs the department to lay out and construct all state highways between the termini designated by law and on the locations as determined by the California Transportation Commission. Existing law authorizes the commission to select, adopt, and determine the location for state highways on routes authorized by law and to allocate, from available funds, moneys for the construction, improvement, or maintenance of the various highways or portions of those highways that are under the jurisdiction of the department. This bill would require the department to establish, on or before January 1, 2021, the Route 66 Centennial Commission to work in conjunction with local and federal governmental entities to commemorate the 100th anniversary of California Historic State Route 66 and foster preservation projects. This bill contains other related provisions.

#### **AB 561**

##### **(Voepel R) Sales and use taxes: exclusion: public safety first responder vehicle and equipment: local public employee retirement: employer contributions.**

**Current Text:** Amended: 3/20/2017 [Text](#)

**Introduced:** 2/14/2017

**Last Amend:** 3/20/2017

**Status:** 4/6/2017-From committee: Amend, and do pass as amended and re-refer to Com. on P.E., R., & S.S. (Ayes 10. Noes 0.) (April 3).

**Location:** 4/3/2017-A. P.E.,R. & S.S.

**Calendar:** 4/19/2017 9 a.m. - State Capitol, Room 444 ASSEMBLY PUBLIC EMPLOYEES, RETIREMENT AND SOCIAL SECURITY, RODRIGUEZ, Chair

4/17/2017 #23 ASSEMBLY SECOND READING FILE -- ASSEMBLY BILLS

**Summary:** (1)Existing sales and use tax laws impose a tax on retailers measured by the gross receipts from the sale of tangible personal property sold at retail in this state, or on the storage, use, or other consumption in this state of tangible personal property purchased from a retailer for storage, use, or other consumption in this state, measured by sales price. The Sales and Use Tax Law defines the terms "gross receipts" and "sales price."This bill, for any public safety first responder vehicle and any equipment required on a public safety first responder vehicle that is purchased by a local public agency, would exclude from the terms "gross receipts" and "sales price," amounts of the gross receipts or sales price in excess of \$300,000. This bill contains other related provisions and other existing laws.

#### **AB 587**

**(Chiu D) State government: pharmaceuticals: procurement: collective.**

**Current Text:** Amended: 3/30/2017 [Text](#)

**Introduced:** 2/14/2017

**Last Amend:** 3/30/2017

**Status:** 4/3/2017-Re-referred to Com. on HEALTH.

**Location:** 3/30/2017-A. HEALTH

**Calendar:** 4/25/2017 1:30 p.m. - State Capitol, Room 4202 ASSEMBLY HEALTH, WOOD, Chair

**Summary:** Existing law requires specified state agencies to participate in a prescription drug bulk purchasing program, authorizes the Department of General Services to enter into exclusive or nonexclusive contracts on a bid or negotiated basis with manufacturers and suppliers of single-source or multisource drugs and to obtain from those manufacturers and suppliers discounts, rebates, or refunds based on quantities purchased insofar as permissible under federal law, and authorizes the department to appoint and contract with a pharmaceutical benefits manager, as specified. Existing law authorizes the Department of General Services to explore additional strategies for managing prescription drug costs and investigate and implement those strategies in consultation with other specified state agencies.This bill would revise these provisions and instead require the department to convene the California Pharmaceutical Collective cochaired by the Deputy Director of the Procurement Division of the department and the Assistant Secretary of California Health and Human Services to address the rising cost of pharmaceuticals. The bill would require the Department of Corrections and Rehabilitation, the Department of Veterans Affairs, the California Health and Human Services Agency, the Department of Finance, the Government Operations Agency, and the Labor and Workforce Development Agency, among other entities, to each appoint a representative to the collective and to participate as members. The bill would also require the Speaker of the Assembly and the President pro Tempore of the Senate each to appoint one member to the collective.This bill contains other related provisions.

#### **AB 592**

**(Dahle R) Public employees' retirement: contracting agencies.**

**Current Text:** Introduced: 2/14/2017 [Text](#)

**Introduced:** 2/14/2017

**Status:** 4/6/2017-In committee: Hearing postponed by committee.

**Location:** 2/27/2017-A. P.E.,R. & S.S.

**Summary:** Existing law authorizes public agencies to contract with the Board of Administration of the Public Employees' Retirement System to have their employees become members of the Public Employees' Retirement System (PERS) and makes an contracting agency that terminates a contract liable to PERS for any deficit in funding for earned benefits, interest, and reasonable and necessary costs of collection.This bill would authorize a contracting agency to request a calculation of the total costs necessary to terminate its contract with PERS.

#### **AB 679**

**(Cooley D) Public employees' retirement: investments: security loans.**

**Current Text:** Introduced: 2/15/2017 [Text](#)

**Introduced:** 2/15/2017

**Status:** 3/2/2017-Referred to Com. on P.E., R., & S.S.

**Location:** 3/2/2017-A. P.E.,R. & S.S.

**Calendar:** 4/19/2017 9 a.m. - State Capitol, Room 444 ASSEMBLY PUBLIC EMPLOYEES, RETIREMENT AND SOCIAL SECURITY, RODRIGUEZ, Chair

**Summary:** The Public Employees' Retirement Law (PERL) creates the Public Employees' Retirement System (PERS) for the provision of pension benefits to members. PERL grants the Board of Administration of PERS exclusive control of and fiduciary responsibility for the investment of the Public Employees' Retirement Fund, and authorizes the board to enter into specific types of security loan agreements, whereby a legal owner (the lender) agrees to lend specific marketable corporate or government securities for no more than one year, and the lender retains the right to collect from the

borrower all dividends, interest, premiums, rights, and other distributions. This bill would require a borrower with respect to any security loan agreement to provide the board with collateral in the form of cash, United States government debt securities, or other specified forms of collateral, and would require that the amount of the collateral be at least 102% of the market value of the loaned securities.

**AB 799**

**(Choi R) Alternate retirement program.**

**Current Text:** Introduced: 2/15/2017 [Text](#)

**Introduced:** 2/15/2017

**Status:** 2/16/2017-From printer. May be heard in committee March 18.

**Location:** 2/15/2017-A. PRINT

**Summary:** Existing law requires the Department of Human Resources to administer an alternate retirement program for state employees who became state miscellaneous members or state industrial members of the Public Employees' Retirement System between August 11, 2004, and June 30, 2013, inclusive, and who did not make contributions into the system during the 24 months of employment following the date they qualified for membership in the system, as specified. This bill would make a nonsubstantive change to that provision.

**AB 825**

**(Choi R) State employees' retirement.**

**Current Text:** Introduced: 2/16/2017 [Text](#)

**Introduced:** 2/16/2017

**Status:** 2/17/2017-From printer. May be heard in committee March 19.

**Location:** 2/16/2017-A. PRINT

**Summary:** Existing law, for the purposes of complying with the federal Omnibus Budget Reconciliation Act of 1990, requires the Department of Human Resources to develop and administer a retirement program in which state employees, as defined, who are not covered by social security or by the Public Employees' Retirement System can defer compensation at 7.5% of wages, as specified. This bill would make nonsubstantive changes to that provision.

**AB 827**

**(Rubio D) Department of Consumer Affairs: task force: foreign-trained professionals.**

**Current Text:** Amended: 4/3/2017 [Text](#)

**Introduced:** 2/16/2017

**Last Amend:** 4/3/2017

**Status:** 4/4/2017-Re-referred to Com. on APPR.

**Location:** 4/3/2017-A. APPR.

**Summary:** Existing law provides for the licensure and regulation of various professions and vocations by boards within the Department of Consumer Affairs. Existing law establishes the Bagley-Keene Open Meeting Act, which requires state boards, commissions, and similar state-created multimember bodies to give public notice of meetings and conduct their meetings in public unless authorized to meet in closed session. This bill, the California Opportunity Act of 2017, would require the Department of Consumer Affairs to create a task force, as specified, to study and write a report of its findings and recommendations regarding the licensing of foreign-trained professionals with the goal of integrating foreign-trained professionals into the state's workforce, as specified. The bill would authorize the task force to hold hearings and invite testimony from experts and the public to gather information. The bill would require the task force to submit the report to the Legislature no later than January 1, 2019, as specified. This bill contains other related provisions.

**AB 833**

**(Allen, Travis R) Public employees' retirement.**

**Current Text:** Introduced: 2/16/2017 [Text](#)

**Introduced:** 2/16/2017

**Status:** 2/17/2017-From printer. May be heard in committee March 19.

**Location:** 2/16/2017-A. PRINT

**Summary:** Existing law, the California Public Employees' Pension Reform Act of 2013, establishes various limits on retirement benefits generally applicable to a public employee retirement system, except as specified, and among other things, prescribes limits on service after retirement without reinstatement into the applicable retirement system. This bill would make a nonsubstantive change to that provision.

**AB 904**

**(Gallagher R) Prescription drugs.**

**Current Text:** Introduced: 2/16/2017 [Text](#)

**Introduced:** 2/16/2017

**Status:** 2/17/2017-From printer. May be heard in committee March 19.

**Location:** 2/16/2017-A. PRINT

**Summary:** Existing law, the Knox-Keene Health Care Service Plan Act of 1975 (Knox-Keene Act), provides for the licensure and regulation of health care service plans by the Department of Managed Health Care and makes a willful violation of the act a crime. Existing law also provides for the regulation



of health insurers by the Department of Insurance. Existing law prohibits a nongrandfathered individual or group health care service plan or a health insurer that provides coverage for essential health benefits, as defined, from charging more than \$250 in cost sharing for an individual, 30-day supply of a covered outpatient prescription drug, except as specified. This bill would declare the intent of the Legislature to enact legislation that would address high prescription drug costs.

#### **AB 946**

##### **(Ting D) State public retirement systems: divestiture: border wall construction companies.**

**Current Text:** Amended: 3/28/2017 [Text](#)

**Introduced:** 2/16/2017

**Last Amend:** 3/28/2017

**Status:** 3/28/2017-From committee chair, with author's amendments: Amend, and re-refer to Com. on P.E., R., & S.S. Read second time and amended.

**Location:** 3/27/2017-A. P.E., R. & S.S.

**Calendar:** 4/19/2017 9 a.m. - State Capitol, Room 444 ASSEMBLY PUBLIC EMPLOYEES, RETIREMENT AND SOCIAL SECURITY, RODRIGUEZ, Chair

**Summary:** The California Constitution provides that the Legislature may, by statute, prohibit retirement board investments if it is in the public interest to do so and providing that the prohibition satisfies specified fiduciary standards. This bill would prohibit the boards of the Public Employees' Retirement System and the State Teachers' Retirement System from making new investments or renewing existing investments of public employee retirement funds in a border wall construction company, as defined. The bill would require the boards to liquidate investments in a border wall construction company within 12 months of the company contracting or subcontracting to provide work or material for a border wall, as defined. The bill would require the boards, in making a determination to liquidate investments, to constructively engage with a border wall construction company to establish whether the company is transitioning its business model away from activities related to a border wall. The bill would provide that it does not require a board to take any action unless the board determines in good faith that the action is consistent with the board's fiduciary responsibilities established in the California Constitution. The bill would make related legislative findings and declarations. This bill would require, on or before January 1, 2019, that these boards file reports with the Legislature and the Governor, containing specified information, including a list of companies of which they have liquidated their investments. The bill would provide that board members and other officers and employees shall be held harmless and be eligible for indemnification in connection with actions taken pursuant to the bill's requirements, as specified. This bill contains other existing laws.

#### **AB 1013**

##### **(Low D) Public employment.**

**Current Text:** Introduced: 2/16/2017 [Text](#)

**Introduced:** 2/16/2017

**Status:** 2/17/2017-From printer. May be heard in committee March 19.

**Location:** 2/16/2017-A. PRINT

**Summary:** Existing law governing state employer-employee relations requires the Governor or his or her representative, as properly designated by law, to meet and confer in good faith regarding wages, hours, and other terms and conditions of employment with representatives of recognized employee organizations, and to consider fully any presentation that is made by an employee organization on behalf of its members prior to arriving at a determination of policy or course of action. This bill would make nonsubstantive changes to those provisions.

#### **AB 1017**

##### **(Santiago D) Collective bargaining agreements: arbitration: litigation.**

**Current Text:** Introduced: 2/16/2017 [Text](#)

**Introduced:** 2/16/2017

**Status:** 3/9/2017-Referred to Coms. on P.E., R., & S.S. and JUD.

**Location:** 3/9/2017-A. P.E., R. & S.S.

**Calendar:** 4/19/2017 9 a.m. - State Capitol, Room 444 ASSEMBLY PUBLIC EMPLOYEES, RETIREMENT AND SOCIAL SECURITY, RODRIGUEZ, Chair

**Summary:** Existing law, with regard to disputes concerning collective bargaining agreements for private employment, requires a court to award attorney's fees to a prevailing party in an action to compel arbitration of the disputes unless the other party has raised substantial and credible issues involving complex or significant questions of law or fact regarding whether or not the dispute is arbitrable. Existing law also creates, in this context, a right to attorney's fees for a prevailing party in a court action to compel compliance with the decision or award of an arbitrator or grievance panel regarding the disputes, or for a prevailing appellee in the appeal of the decision of an arbitrator regarding the disputes, unless the other party or appellant, respectively, has raised substantial issues involving complex or significant questions of law. This bill would apply these provisions to public employment. This bill would also provide that, in connection with an appeal of a decision of an arbitrator, or an action to compel compliance with a decision or award, as described above, in order to avoid an award of attorney's fees, the appellant or other party must raise credible as well as substantial issues involving complex or significant questions of law.

**AB 1023**

**(Brough R) Ronald Reagan Day: state holiday.**

**Current Text:** Amended: 3/28/2017 [Text](#)

**Introduced:** 2/16/2017

**Last Amend:** 3/28/2017

**Status:** 3/28/2017-From committee chair, with author's amendments: Amend, and re-refer to Com. on P.E., R., & S.S. Read second time and amended.

**Location:** 3/27/2017-A. P.E.,R. & S.S.

**Summary:** Existing law designates specific days as holidays in this state. Existing law entitles state employees, with specified exceptions, to be given time off with pay for specified holidays. This bill would recognize February 6, known as "Ronald Reagan Day," as a state holiday. The bill would authorize any state employee, as defined, consistent with departmental operational needs and collective bargaining agreements, as applicable, to elect to receive "Ronald Reagan Day," as a holiday in lieu of receiving any other specified holidays.

**AB 1174**

**(Harper R) Right to work: labor organizations.**

**Current Text:** Introduced: 2/17/2017 [Text](#)

**Introduced:** 2/17/2017

**Status:** 3/28/2017-Coauthors revised.

**Location:** 3/9/2017-A. L. & E.

**Calendar:** 4/19/2017 1:30 p.m. - State Capitol, Room 447 ASSEMBLY LABOR AND EMPLOYMENT, THURMOND, Chair

**Summary:** Under existing law, it is against public policy for an employer and a prospective employee to enter into an agreement whereby either or both of them promise to join, or not to join, or remain a member of, a labor or an employer organization or to withdraw from an employment relation should one party or the other join or remain a member of a labor or employer organization. Existing law also grants state employees the right to form, join, and participate in the activities of employee organizations of their own choosing for the purpose of representation on matters of employer-employee relations and provides that once an employee organization is recognized as the exclusive representative of an appropriate bargaining unit, it may enter into an agreement with the state employer to provide for organizational security in the form of maintenance of membership or fair share fee deduction. This bill would, commencing January 1, 2018, prohibit a person from requiring an employee, as a condition of obtaining or continuing employment, to contribute financial support to a labor organization or financially support a charity or other organization sponsored by, or at the behest of, a labor organization. This bill would permit an employee or potential employee to seek injunctive relief or monetary damages, or both, for violations or threatened violations of these provisions. This bill would exempt specified employers and employees covered by federal law and would exempt circumstances that would be preempted by federal law from these provisions. This bill contains other related provisions and other existing laws.

**AB 1243**

**(Arambula D) Public Employees' Retirement System: replacement benefits plan.**

**Current Text:** Amended: 3/13/2017 [Text](#)

**Introduced:** 2/17/2017

**Last Amend:** 3/13/2017

**Status:** 3/29/2017-Action From P.E.,R. & S.S.: Do pass.To APPR..

**Location:** 3/29/2017-A. APPR.

**Summary:** Existing law requires the Board of Administration of the Public Employees' Retirement System to establish a plan of replacement benefits for members and their survivors or beneficiaries whose retirement benefits are limited by specified federal law. Existing law requires an agency participating in this replacement benefit plan to deposit its contributions into the Replacement Benefit Custodial Fund, as the board directs. This bill would authorize a county superintendent of schools, for the purpose of paying necessary contributions to the replacement benefit plan, to draw requisitions against the county school service fund and the funds of the respective school districts or other local educational agencies in amounts equal to the total of the contribution required to be paid pursuant to replacement benefit plan provisions. This bill contains other existing laws.

**AB 1325**

**(Committee on Public Employees, Retirement, and Social Security) State employees: memorandum of understanding.**

**Current Text:** Introduced: 2/17/2017 [Text](#)

**Introduced:** 2/17/2017

**Status:** 3/13/2017-Referred to Com. on P.E., R., & S.S.

**Location:** 3/13/2017-A. P.E.,R. & S.S.

**Calendar:** 4/19/2017 9 a.m. - State Capitol, Room 444 ASSEMBLY PUBLIC EMPLOYEES, RETIREMENT AND SOCIAL SECURITY, RODRIGUEZ, Chair

**Summary:** Existing law provides that a provision of a memorandum of understanding reached between the state employer and a recognized employee organization representing state civil service employees that requires the expenditure of funds does not become effective unless approved by the Legislature in

the annual Budget Act. This bill would approve provisions of a memorandum of understanding entered into between the state employer and an unspecified bargaining unit that require the expenditure of funds, and would provide that these provisions will become effective even if these provisions are approved by the Legislature in legislation other than the annual Budget Act. This bill contains other related provisions.

#### [AB 1339](#)

##### **(Cunningham R) Public employment: background investigations.**

**Current Text:** Amended: 3/29/2017 [Text](#)

**Introduced:** 2/17/2017

**Last Amend:** 3/29/2017

**Status:** 4/4/2017-VOTE: Do pass as amended, and be re-referred to the Committee on [Appropriations] with recommendation: To Consent Calendar

**Location:** 4/4/2017-A. APPR.

**Summary:** The California Constitution provides for a right to privacy, and existing statutory law provides certain privacy protections for employment records. Existing law requires, an employer to disclose employment information relating to a current or former employee who is an applicant for a peace officer position, and who is not currently employed as a peace officer, upon request of a law enforcement agency, if certain conditions are met. This bill would extend those employer disclosure requirements to information relating to a current or former employee who is an applicant for a position other than as a sworn peace officer with a law enforcement agency.

#### [AB 1353](#)

##### **(Waldron R) Health care coverage: prescription drugs: continuity of care.**

**Current Text:** Amended: 3/23/2017 [Text](#)

**Introduced:** 2/17/2017

**Last Amend:** 3/23/2017

**Status:** 3/27/2017-Re-referred to Com. on HEALTH.

**Location:** 3/13/2017-A. HEALTH

**Calendar:** 4/25/2017 1:30 p.m. - State Capitol, Room 4202 ASSEMBLY HEALTH, WOOD, Chair

**Summary:** Existing law, the Knox-Keene Health Care Service Plan Act of 1975, provides for the licensure and regulation of health care service plans by the Department of Managed Health Care. Existing law makes a willful violation of the act a crime. Existing law also provides for the regulation of health insurers by the Insurance Commissioner. Existing law requires a health care service plan contract or a health insurance policy that provides coverage for outpatient prescription drugs to cover medically necessary prescription drugs, including nonformulary drugs determined to be medically necessary, and authorizes a health care service plan or health insurer to utilize formulary, prior authorization, step therapy, or other reasonable medical management practices in the provision of outpatient prescription drug coverage. Existing law requires a health care service plan health insurer that provides coverage for prescription drugs to utilize a specified uniform prior authorization form or electronic authorization process for prescription drugs that require prior authorization by the plan or health insurer, and requires the plan or health insurer to respond to those prior authorization requests within 72 hours for nonurgent requests and 24 hours if exigent circumstances, as defined, exist. Existing law authorizes a request for an exception to a health care service plan's or health insurer's step therapy process for prescription drugs to be submitted in the same manner as a request for prior authorization for prescription drugs, and requires the plan or health insurer to treat, and respond to, those exception requests in the same manner as a request for prior authorization for prescription drugs. Existing law prohibits a health care service plan contract that covers prescription drug benefits from limiting or excluding coverage for a drug for an enrollee if the drug previously had been approved for coverage by the plan for a medical condition of the enrollee and the plan's prescribing provider continues to prescribe the drug for the medical condition, provided that the drug is appropriately prescribed and is considered safe and effective for treating the enrollee's medical condition. This bill would require a health care service plan and health insurer that provides coverage for outpatient prescription drugs to establish an expeditious process, as described, by which enrollees and insureds, enrollees' and insureds' designees, or prescribing providers may request and obtain an exception to any prior authorization process or any other utilization management or medical management practices utilized by the plan or health insurer for medically necessary prescription drugs, and would require a plan or health insurer to grant an exception request under these provisions under specified circumstances to ensure continuity of care for an enrollee or insured who is medically stable and was either previously prescribed the prescription drug within 100 days prior to enrollment or if, within 100 days prior to the exception request, the prescription drug was previously approved for coverage by the plan or insurer for the same medical condition. The bill would require a plan or health insurer to respond to an exception request within 72 hours, or within 24 hours if exigent circumstances exist, following receipt of the exception request. The bill would require a plan or health insurer that denies an exception request to provide the reasons for the denial in a notice provided to the enrollee or insured, as specified. This bill contains other related provisions and other existing laws.

#### [AB 1366](#)

##### **(Brough R) California Public Employees' Pension Reform Act of 2013.**

**Current Text:** Introduced: 2/17/2017 [Text](#)

**Introduced:** 2/17/2017

**Status:** 2/19/2017-From printer. May be heard in committee March 21.

**Location:** 2/17/2017-A. PRINT

**Summary:** The California Public Employees' Pension Reform Act of 2013 (PEPRA) requires a public retirement system, as defined, to modify its plan or plans to comply with the act and, among other provisions, establishes new retirement formulas that may not be exceeded by a public employer offering a defined benefit pension plan for employees first hired on or after January 1, 2013. This bill would make nonsubstantive changes to the provision of PEPRA that makes it applicable to those employees.

#### **AB 1454**

**(Bloom D) Transportation projects: lease agreements.**

**Current Text:** Amended: 3/21/2017 [Text](#)

**Introduced:** 2/17/2017

**Last Amend:** 3/21/2017

**Status:** 3/27/2017-Measure version as amended on March 21 corrected.

**Location:** 3/20/2017-A. TRANS.

**Calendar:** 4/24/2017 2:30 p.m. - State Capitol, Room 4202 ASSEMBLY TRANSPORTATION, FRAZIER, Chair

**Summary:** Existing law authorizes the Department of Transportation and regional transportation agencies, as defined, to enter into comprehensive development lease agreements with public and private entities, or consortia of those entities, for certain transportation projects that may charge certain users of those projects tolls and user fees, subject to various terms and requirements. Existing law prohibits lease agreements under these provisions on or after January 1, 2017. This bill would delete this prohibition, thereby authorizing these lease agreements beyond January 1, 2017.

#### **AB 1487**

**(Rodriguez D) Public Employees' Retirement System: limited term appointments.**

**Current Text:** Amended: 3/28/2017 [Text](#)

**Introduced:** 2/17/2017

**Last Amend:** 3/28/2017

**Status:** 3/28/2017-From committee chair, with author's amendments: Amend, and re-refer to Com. on P.E., R., & S.S. Read second time and amended.

**Location:** 3/27/2017-A. P.E., R. & S.S.

**Calendar:** 4/19/2017 9 a.m. - State Capitol, Room 444 ASSEMBLY PUBLIC EMPLOYEES, RETIREMENT AND SOCIAL SECURITY, RODRIGUEZ, Chair

**Summary:** The Public Employees' Retirement Law (PERL) establishes the Public Employees' Retirement System (PERS), which provides a defined benefit to members of the system, based on final compensation, credited service, and age at retirement, subject to certain variations. PERL vests the Board of Administration of PERS with management and control of the system, and authorizes the board to employ certain managerial staff including an executive officer. PERL authorizes a public agency and a school employer to contract to make their employees members of PERS. PERL establishes the compensation earnable by members of the system, defined as the member's payrate and special compensation, which includes out-of-class pay for state members. This bill would prohibit an out-of-class appointment by a contracting agency or school employer from exceeding 960 hours each fiscal year. The bill would define "out-of-class appointment" to mean an appointment to an upgraded position or higher classification by the governing body to a vacant position for a limited duration. The bill would specify that compensation for a limited duration position under these circumstances would be pursuant to a collective bargaining agreement. The bill would require an employer who violates this provision to make payments to the system for treble the amount of money that otherwise would have been paid in the form of employee and employer contributions, as specified, and to provide reimbursement for administrative expenses, as determined by the executive officer.

#### **AB 1597**

**(Nazarian D) Public employee retirement systems: prohibited investments: Turkey.**

**Current Text:** Introduced: 2/17/2017 [Text](#)

**Introduced:** 2/17/2017

**Status:** 3/16/2017-Referred to Com. on P.E., R., & S.S.

**Location:** 3/16/2017-A. P.E., R. & S.S.

**Calendar:** 4/19/2017 9 a.m. - State Capitol, Room 444 ASSEMBLY PUBLIC EMPLOYEES, RETIREMENT AND SOCIAL SECURITY, RODRIGUEZ, Chair

**Summary:** The California Constitution grants the retirement board of a public employee retirement system plenary authority and fiduciary responsibility for investment of moneys and administration of the retirement fund and system. The California Constitution qualifies this grant of powers by reserving to the Legislature the authority to prohibit investments if it is in the public interest and the prohibition satisfies standards of fiduciary care and loyalty required of a retirement board. Existing law prohibits the boards of administration of the Public Employees' Retirement System and State Teachers' Retirement System from making investments in certain countries and in thermal coal companies, as specified, subject to the boards' plenary authority and fiduciary responsibility for investment of moneys and administration of the systems. This bill would prohibit the boards of administration of the Public

Employees' Retirement System and State Teachers' Retirement System from making additional or new investments, or renewing existing investments, of public employee retirement funds in an investment vehicle in Turkey that is issued by the government of Turkey or that is owned, controlled, or managed by the government of Turkey. The bill would require the boards to liquidate existing investments in Turkey in these types of investment vehicles within 6 months of the passage of a federal law imposing sanctions on Turkey. The bill would require these boards, within one year of the passage of a federal law imposing sanctions on Turkey, to make a specified report to the Legislature and the Governor regarding these actions. The bill would provide that its provisions do not require a board to take any action that the board determines in good faith is inconsistent with its constitutional fiduciary responsibilities to the retirement system. The bill would indemnify from the General Fund and hold harmless the present, former, and future board members, officers, and employees of, and investment managers under contract with, the boards, in connection with actions relating to these investments.

#### **SB 17**

##### **(Hernandez D) Health care: prescription drug costs.**

**Current Text:** Amended: 3/14/2017 [Text](#)

**Introduced:** 12/5/2016

**Last Amend:** 3/14/2017

**Status:** 3/31/2017-Set for hearing April 19.

**Location:** 3/29/2017-S. HEALTH

**Calendar:** 4/19/2017 1:30 p.m. - John L. Burton Hearing Room (4203) SENATE HEALTH, HERNANDEZ, Chair

**Summary:** Existing law, the Knox-Keene Health Care Service Plan Act of 1975, provides for the licensure and regulation of health care service plans by the Department of Managed Health Care (DMHC) and makes a willful violation of the act a crime. Existing law also provides for the regulation of health insurers by the Department of Insurance (DOI). Existing law requires health care service plans and health insurers to file specified rate information with DMHC or DOI, as applicable, for health care service plan contracts or health insurance policies in the individual or small group markets and for health care service plan contracts and health insurance policies in the large group market. This bill would require health care service plans or health insurers that file the above-described rate information to report to DMHC or DOI, on a date no later than the reporting of the rate information, specified cost information regarding covered prescription drugs, including generic drugs, brand name drugs, and specialty drugs, dispensed as provided. DMHC and DOI would be required to compile the reported information into a report for the public and legislators that demonstrates the overall impact of drug costs on health care premiums and publish the reports on their Internet Web sites by January 1 of each year. Except for the report, DMHC and DOI would be required to keep confidential all information provided pursuant to these provisions. The bill would also require health care service plans or health insurers that file the above-described rate information to disclose to DMHC and DOI with the rate information specified information regarding the relation of prescription drug costs to plan or insurer spending and premium charges. Because a willful violation of these provisions by a health care service plan would be a crime, the bill would impose a state-mandated local program. This bill contains other related provisions and other existing laws.

#### **SB 28**

##### **(Pan D) State public employment: memoranda of understanding: approval.**

**Current Text:** Chaptered: 3/15/2017 [Text](#)

**Introduced:** 12/5/2016

**Last Amend:** 2/8/2017

**Status:** 3/15/2017-Approved by the Governor. Chaptered by Secretary of State. Chapter 1, Statutes of 2017.

**Location:** 3/15/2017-S. CHAPTERED

**Summary:** (1) Existing law provides that a provision of a memorandum of understanding reached between the state employer and a recognized employee organization representing state civil service employees that requires the expenditure of funds does not become effective unless approved by the Legislature in the annual Budget Act. This bill would approve provisions requiring the expenditure of funds in the memoranda of understanding entered into between the state employer and State Bargaining Unit 1, Professional, Administrative, Financial, and Staff Services, State Bargaining Unit 3, Professional Educators and Librarians, State Bargaining Unit 4, Office and Allied, State Bargaining Unit 8, Firefighters, State Bargaining Unit 11, Engineering and Scientific Technicians, State Bargaining Unit 12, Craft and Maintenance, State Bargaining Unit 13, Stationary Engineers, State Bargaining Unit 14, Printing and Allied Trades, State Bargaining Unit 15, Allied services, State Bargaining Unit 17, Registered Nurses, State Bargaining Unit 18, Psychiatric Technicians, State Bargaining Unit 19, Health and Social Services/Professional, State Bargaining Unit 20, Medical and Social Services, and State Bargaining Unit 21, Educational Consultant and Library. This bill contains other related provisions and other existing laws.

#### **SB 47**

##### **(Committee on Budget and Fiscal Review) Budget Act of 2016.**

**Current Text:** Chaptered: 3/15/2017 [Text](#)

**Introduced:** 12/5/2016



**Last Amend:** 2/6/2017

**Status:** 3/15/2017-Approved by the Governor. Chaptered by Secretary of State. Chapter 2, Statutes of 2017.

**Location:** 3/15/2017-S. CHAPTERED

**Summary:** The Budget Act of 2016 made appropriations for the support of state government for the 2016-17 fiscal year. This bill would amend the Budget Act of 2016 by revising items of appropriation and making other changes. This bill contains other related provisions.

#### **SB 48**

**(Committee on Budget and Fiscal Review) State public employee benefits.**

**Current Text:** Chaptered: 3/15/2017 [Text](#)

**Introduced:** 12/5/2016

**Last Amend:** 1/30/2017

**Status:** 3/15/2017-Approved by the Governor. Chaptered by Secretary of State. Chapter 3, Statutes of 2017.

**Location:** 3/15/2017-S. CHAPTERED

**Summary:** (1) The Public Employees' Medical and Hospital Care Act (PEMHCA), which is administered by the Board of Administration of the Public Employees' Retirement System, prescribes methods for calculating the state employer contribution for postemployment health care benefits for eligible retired public employees and their families and for the vesting of these benefits. PEMHCA requires the employer contribution for an employee or annuitant who is in the employment of or retired from state service to be adjusted by the Legislature in the annual Budget Act, as specified. PEMHCA prescribes different ways of calculating the employer contributions for employees and annuitants depending on date of hire, years of service, and bargaining unit. This bill, for state employees who are first employed and become members of the retirement system on or after January 1, 2017, as specified, and are represented by, or related to, State Bargaining Units 1, 3, 4, 11, 14, 15, 17, 20, and 21, would limit the employer contribution for annuitants to 80% of the weighted average of the health benefit plan premiums for an active employee enrolled for self-alone, during the benefit year to which the formula is applied, for the 4 health benefit plans with the largest state civil service enrollment, as specified. The bill would similarly limit the employer contribution for an enrolled family member of an annuitant to 80% of the weighted average of the additional premiums required for enrollment of those family members during the benefit year to which the formula is applied and would provide the same limit on employer contributions for annuitants enrolled in Medicare health benefit plans. This bill contains other related provisions and other existing laws.

#### **SB 131**

**(Committee on Budget and Fiscal Review) State public employment: memorandum of understanding: approval.**

**Current Text:** Amended: 4/5/2017 [Text](#)

**Introduced:** 1/11/2017

**Last Amend:** 4/5/2017

**Status:** 4/6/2017-Withdrawn from committee. (Ayes 26. Noes 11.) Ordered to third reading.

**Location:** 4/6/2017-S. THIRD READING

**Calendar:** 4/17/2017 #40 SENATE SEN THIRD READING FILE - SEN BILLS

**Summary:** (1) Existing law provides that a provision of a memorandum of understanding reached between the state employer and a recognized employee organization representing state civil service employees that requires the expenditure of funds does not become effective unless approved by the Legislature in the annual Budget Act. This bill would approve provisions requiring the expenditure of funds in the memorandum of understanding entered into between the state employer and State Bargaining Unit 16, Physicians, Dentists, and Podiatrists. This bill would provide that provisions of the memorandum of understanding described above and approved by this bill that require the expenditure of funds will not take effect unless funds for those provisions are specifically appropriated by the Legislature. The bill would authorize the state employer and State Bargaining Unit 16 to meet and confer to renegotiate the affected provisions if funds for those provisions are not specifically appropriated by the Legislature. The bill would require that the provisions of this memorandum of understanding that require the expenditure of funds to become effective even if these provisions are approved by the Legislature in legislation other than the annual Budget Act. The bill would appropriate to the Controller from the General Fund unallocated special funds, including federal funds and unallocated nongovernmental cost funds, and any other fund from which state employees are compensated, the amount necessary for the payment of compensation and employee benefits to state employees covered by the memorandum of understanding described above if the Budget Act is not enacted on or before July 1 in the 2017-18, 2018-19, or 2019-20 fiscal year, as specified. (2) The Public Employees' Retirement Law (PERL) creates the Public Employees' Retirement System for the purpose of providing pension and other benefits to public employees, which are funded by employee and employer contributions and investment returns. PERL prescribes different normal rates for employee contributions depending on bargaining unit, employer, and inclusion of service in the federal Social Security system, among other factors. This bill, on and after July 1, 2017, would adjust the normal rate of contribution for specified employees of State Bargaining Unit 16 to 50% of the normal cost rate rounded to the nearest quarter 1%, as specified, if certain conditions occur. The bill would authorize the Director of the Department of Human Resources to exercise his or her discretion to establish the normal rate of

contribution for a related state employee or an officer or employee of the executive branch who is not a member of the civil service.(3)The Public Employees' Medical and Hospital Care Act (PEMHCA), which is administered by the Board of Administration of the Public Employees' Retirement System, prescribes methods for calculating the state employer contribution for postemployment health care benefits for eligible retired public employees and their families and for the vesting of these benefits. PEMHCA requires the employer contribution for an employee or annuitant who is in the employment of or retired from state service to be adjusted by the Legislature in the annual Budget Act, as specified. PEMHCA prescribes different ways of calculating the employer contributions for employees and annuitants depending on date of hire, years of service, and bargaining unit.This bill, for state employees who are first employed and become members of the retirement system on or after April 1, 2017, as specified, and are represented by, or related to, State Bargaining Unit 16, would limit the employer contribution for annuitants to 80% of the weighted average of the health benefit plan premiums for an active employee enrolled for self alone, during the benefit year to which the formula is applied, for the 4 health benefit plans with the largest state civil service enrollment, as specified. The bill would similarly limit the employer contribution for an enrolled family member of an annuitant to 80% of the weighted average of the additional premiums required for enrollment of those family members during the benefit year to which the formula is applied and would provide the same limit on employer contributions for annuitants enrolled in Medicare health benefit plans.This bill would prohibit state employees who are first employed and become members of the retirement system on or after April 1, 2017, as specified, and are represented by, or related to, State Bargaining Unit 16, from receiving any portion of the employer contribution payable for annuitants unless the person is credited with at least 15 years of state service at the time of retirement. The bill would prescribe the percentage of the employer contribution payable for postretirement health benefits for these employees based on the number of completed years of credited state service at retirement, with 50% after 15 credited years of service and 100% after 25 or more years of service.(4)PEMHCA generally requires that an employee or annuitant who is enrolled in, or whose family member is enrolled in, a Medicare health benefit plan be paid the amount of the Medicare Part B premiums, as specified, and prohibits this payment from exceeding the difference between the maximum employer contribution and the amount contributed by the employer toward the cost of premiums for the health benefit plan in which the employee or annuitant and his or her family members are enrolled. Existing law excepts from this requirement state employees who are first employed and become members of the retirement system on or after specified dates and are represented by, or related to, specified state bargaining units.This bill would also except from the requirement described above state employees who are first employed and become members of the retirement system on or after April 1, 2017, as specified, and are represented by, or related to, the State Bargaining Unit 16.(5)PEMHCA establishes the Public Employees' Contingency Reserve Fund for the purpose of funding health benefits and funding administrative expenses. PEMHCA establishes the Annuitants' Health Care Coverage Fund, which is continuously appropriated, for the purpose of prefunding health care coverage for annuitants, including administrative costs. PEMHCA defines "prefunding" for these purposes. Existing law requires the state and employees of State Bargaining Unit 2, 7, 9, 10, or 12 to prefund retiree health care with the goal of reaching a 50% cost sharing of normal costs by July 1, 2019, and prescribes schedules of contribution percentages in this regard. For the state and employees of State Bargaining Unit 6, the date for reaching the goal is July 1, 2018.This bill would require the state and employees of State Bargaining Unit 16 to prefund retiree health care with the goal of reaching a 50% cost sharing of normal costs by July 1, 2018. The bill would prescribe a schedule of contribution percentages in this regard for the affected bargaining unit, with the contributions to be deposited in the Annuitants' Health Care Coverage Fund. By depositing new revenue in a continuously appropriated fund, this bill would make an appropriation.(6)Existing law, the State Employees' Dental Care Act, authorizes the state to enter into contracts, upon negotiations with employee organizations, with carriers for dental care plans for employees, annuitants, and eligible family members. Existing law permits these plans to include premiums to be paid by employees and annuitants and also authorizes the plans to be self-funded if an employer determines it to be cost effective. Existing law prohibits specified employees from receiving an employer contribution for these benefits for annuitants unless the person is credited with 10 or more years of state service or for other specified employees unless the person is credited with 15 or more years of state service.This bill would prohibit state employees, as specified, who are first employed and become members of the retirement system on or after April 1, 2017, as specified, and are represented by, or related to, State Bargaining Unit 16, from receiving an employer contribution for dental benefits, as described above, for annuitants unless the person is credited with 15 or more years of state service. The bill would prescribe the percentage of the employer contribution payable for these dental benefits for these employees based on the number of completed years of credited state service at retirement, with 50% after 15 credited years of service and 100% after 25 or more years of service.This bill would become operative only if SB 496 is enacted and becomes operative.(7)This bill would declare that it is to take effect immediately as a bill providing for appropriations related to the Budget Bill.

## **SB 132**

### **(Committee on Budget and Fiscal Review) Budget Act of 2016.**

**Current Text:** Amended: 4/6/2017 [Text](#)

**Introduced:** 1/11/2017

**Last Amend:** 4/6/2017

**Status:** 4/6/2017-From committee with author's amendments. Read second time and amended. Re-

referred to Com. on B. & F.R. Withdrawn from committee. (Ayes 26. Noes 11.) Ordered to third reading.

**Location:** 4/6/2017-S. THIRD READING

**Calendar:** 4/17/2017 #41 SENATE SEN THIRD READING FILE - SEN BILLS

**Summary:** The Budget Act of 2016 made appropriations for the support of state government for the 2016–17 fiscal year. This bill would amend the Budget Act of 2016 by amending and adding items of appropriation and making other changes. This bill would become operative only if SB 496 of the 2017–18 Regular Session is enacted and becomes operative. This bill would declare that it is to take effect immediately as a Budget Bill.

### **SB 133**

**(Hernandez D) Individual market: single risk pool: index rate.**

**Current Text:** Introduced: 1/11/2017 [Text](#)

**Introduced:** 1/11/2017

**Status:** 1/19/2017-Referred to Com. on HEALTH.

**Location:** 1/19/2017-S. HEALTH

**Calendar:** 4/26/2017 1:30 p.m. - John L. Burton Hearing Room (4203) SENATE HEALTH, HERNANDEZ, Chair

**Summary:** Existing federal law, the federal Patient Protection and Affordable Care Act, creates various premium stabilization programs, such as the transitional reinsurance program and the risk adjustment program, to stabilize premiums in the individual market inside and outside of the Exchanges. Under the transitional reinsurance program, contributions are collected from contributing entities to fund reinsurance payments to issuers of nongrandfathered reinsurance-eligible individual market plans and the administrative costs of operating the reinsurance program for the 2014, 2015, and 2016 benefit years. This bill would delete the reference to the federal transitional reinsurance program in these provisions. This bill contains other existing laws.

### **SB 134**

**(Hernandez D) Small group market: single risk pool: index rate.**

**Current Text:** Introduced: 1/11/2017 [Text](#)

**Introduced:** 1/11/2017

**Status:** 1/19/2017-Referred to Com. on HEALTH.

**Location:** 1/19/2017-S. HEALTH

**Calendar:** 4/26/2017 1:30 p.m. - John L. Burton Hearing Room (4203) SENATE HEALTH, HERNANDEZ, Chair

**Summary:** Existing federal law, the federal Patient Protection and Affordable Care Act, creates various premium stabilization programs, such as the transitional reinsurance program and the risk adjustment program, to stabilize premiums in the individual market inside and outside of the Exchanges. Under the transitional reinsurance program, contributions are collected from contributing entities to fund reinsurance payments to issuers of nongrandfathered reinsurance-eligible individual market plans and the administrative costs of operating the reinsurance program for the 2014, 2015, and 2016 benefit years. This bill would delete the reference to the federal transitional reinsurance program in these provisions. This bill contains other existing laws.

### **SB 200**

**(Morrell R) Public employees' retirement benefits: final compensation.**

**Current Text:** Introduced: 1/31/2017 [Text](#)

**Introduced:** 1/31/2017

**Status:** 2/9/2017-Referred to Com. on RLS.

**Location:** 1/31/2017-S. RLS.

**Summary:** The California Public Employees' Pension Reform Act of 2013 (PEPRA), on and after January 1, 2013, requires a public retirement system, as defined, to modify its plan or plans to comply with the act and, among other provisions, establishes certain new retirement formulas that may not be exceeded by a public employer offering a defined benefit pension plan. This bill would make a nonsubstantive change to that provision. This bill contains other existing laws.

### **SB 241**

**(Monning D) Medical records: access.**

**Current Text:** Introduced: 2/6/2017 [Text](#)

**Introduced:** 2/6/2017

**Status:** 3/29/2017-Action From HEALTH: Do pass.To JUD..

**Location:** 3/30/2017-S. JUD.

**Calendar:** 4/25/2017 1:30 p.m. - Room 112 SENATE JUDICIARY, JACKSON, Chair

**Summary:** Existing law governs a patient's access to his or her health records. Existing law requires a health care provider to provide a patient or his or her representative with all or any part of the patient's medical records that the patient has a right to inspect, subject to the payment of clerical costs incurred in locating and making the records available, following a written request from the patient. If the patient or patient's representative presents proof to the provider that the records are needed to support an appeal regarding eligibility for a public benefit program, as defined, the health care provider must provide one copy of the relevant portion of the patient's record at no charge under specified circumstances. Existing law makes a violation of these provisions by specified health care providers an

infraction. This bill would change the basis of the fee that a health care provider is authorized to charge from clerical costs to specified costs for labor, supplies, postage, and preparing an explanation or summary of the patient record. The bill would require the health care provider to provide the patient or patient's personal representative with a copy of the records in a paper or electronic copy, in the form or format requested if the records are readily producible in that form or format. This bill contains other related provisions and other existing laws.

#### **SB 293**

##### **(Pan D) State employment: supervisors.**

**Current Text:** Amended: 3/22/2017 [Text](#)

**Introduced:** 2/9/2017

**Last Amend:** 3/22/2017

**Status:** 4/5/2017-Set for hearing April 17.

**Location:** 3/27/2017-S. APPR.

**Summary:** Existing law requires that supervisors of state employees represented by State Bargaining Unit 5 Highway Patrol, State Bargaining Unit 6 Corrections, or State Bargaining Unit 8 Firefighters, receive salary and benefits changes at least generally equivalent to the salary and benefits granted to employees they supervise. Existing law requires that the benefit packages be economically equivalent, but does not compel the benefits to be identical. Existing law requires that the specific benefits that these supervisors receive be determined through a meet and confer process. This bill would extend these requirements to the salary and benefits changes for supervisors of state employees represented by State Bargaining Unit 7 Protective Services and Public Safety, if they are classified as peace officers by the Department of Human Resources.

#### **SB 371**

##### **(Moorlach R) Local public employee organizations.**

**Current Text:** Introduced: 2/14/2017 [Text](#)

**Introduced:** 2/14/2017

**Status:** 3/17/2017-Set for hearing May 8.

**Location:** 2/23/2017-S. P.E. & R.

**Calendar:** 5/8/2017 2 p.m. or upon adjournment of Session - Rose Ann Vuich Hearing Room (2040) SENATE PUBLIC EMPLOYMENT AND RETIREMENT, PAN, Chair

**Summary:** The Meyers-Miliias-Brown Act requires the governing body of a local public agency to meet and confer in good faith regarding wages, hours, and other terms and conditions of employment with representatives of a recognized employee organization. This bill would prohibit an individual who will be covered by a memorandum of understanding between a local public agency and a recognized public employee organization from representing the public agency in negotiations with the recognized employee organization.

#### **SB 374**

##### **(Newman D) Health insurance: discriminatory practices: mental health.**

**Current Text:** Amended: 4/3/2017 [Text](#)

**Introduced:** 2/14/2017

**Last Amend:** 4/3/2017

**Status:** 4/5/2017-Set for hearing April 17.

**Location:** 4/3/2017-S. APPR.

**Summary:** Existing federal law generally requires a health insurance issuer that offers group or individual health insurance coverage that provides both medical and surgical benefits and mental health or substance use disorder benefits to establish parity in the terms and conditions applicable to medical and mental health benefits, as specified. Existing state law subjects nongrandfathered individual and small group health insurance policies that provide coverage for essential health benefits to those provisions of federal law governing mental health parity. Existing law requires every policy of disability insurance that covers hospital, medical, or surgical expenses in this state to provide coverage for the diagnosis and medically necessary treatment of severe mental illnesses of a person of any age, and of serious emotional disturbances of a child, as specified. This bill would require large group, individual, and small group health insurance policies to provide all covered mental health and substance use disorder benefits in compliance with those provisions of federal law governing mental health parity. The bill would authorize the Insurance Commissioner to issue guidance to health insurers, until January 1, 2019, regarding compliance with these requirements.

#### **SB 401**

##### **(Pan D) Child care facilities: state employees.**

**Current Text:** Introduced: 2/15/2017 [Text](#)

**Introduced:** 2/15/2017

**Status:** 4/6/2017-Set for hearing April 17.

**Location:** 2/23/2017-S. APPR.

**Summary:** Existing law requires, when the state constructs, acquires, or receives as a gift an office building that can accommodate 700 or more state employees, adequate space to be designated within the building to meet the child care needs of those employees, if a review by the Department of General Services and a specified advisory committee shows sufficient need for child care services for 30 or more

children. Existing law also authorizes the director to secure space in any adequate facility for the same purposes if funds for the offsite facilities are made available, as specified. Existing law requires that the indoor area not exceed 2,100 square feet, nor be less than that required to accommodate 30 children, excluding space for restrooms, kitchen facilities, storage areas, and teacher offices and that the outdoor play area space correspond with the indoor play area as described in specified regulations. This bill instead would replace those space requirements with a requirement that the indoor activity space and outdoor activity space comply with requirements in the specified regulations.

#### **SB 410**

##### **(Nguyen R) Civil service: veterans' hiring preference.**

**Current Text:** Amended: 3/20/2017 [Text](#)

**Introduced:** 2/15/2017

**Last Amend:** 3/20/2017

**Status:** 3/20/2017-From committee with author's amendments. Read second time and amended. Re-referred to Com. on RLS.

**Location:** 2/15/2017-S. RLS.

**Calendar:** 4/25/2017 1:30 p.m. - Rose Ann Vuich Hearing Room (2040) SENATE VETERANS AFFAIRS, NEWMAN, Chair

**Summary:** The State Civil Service Act prescribes a comprehensive civil service personnel system for the state and specifically provides certain preferences for veterans. The act grants to a person retired from the United States military, honorably discharged from active military duty with a service-connected disability, or honorably discharged from active duty eligibility for civil service examinations for which they meet the minimum qualifications for the classification. The act requires that, in evaluating minimum qualifications, related military experience be considered state civil service experience in a comparable class, based on the duties and responsibilities assigned. The act also requires that request for and proof of eligibility for the veterans' preference be submitted by the veteran to the Department of Human Resources or the designated appointing authority conducting the employment examination, subject to rules promulgated by the Department of Human Resources in consultation with the Department of Veterans Affairs. This bill would authorize the Department of Human Resources or the designated appointing authority to use a signed document by the applicant's commanding officer of the military to verify that applicant's military service.

#### **SB 422**

##### **(Wilk R) Transportation projects: comprehensive development lease agreements.**

**Current Text:** Amended: 3/20/2017 [Text](#)

**Introduced:** 2/15/2017

**Last Amend:** 3/20/2017

**Status:** 4/4/2017-Set for hearing April 25.

**Location:** 3/29/2017-S. T. & H.

**Calendar:** 4/25/2017 1:30 p.m. - John L. Burton Hearing Room (4203) SENATE TRANSPORTATION AND HOUSING, BEALL, Chair

**Summary:** Existing law authorizes the Department of Transportation and regional transportation agencies, as defined, to enter into comprehensive development lease agreements with public and private entities, or consortia of those entities, for certain transportation projects that may charge certain users of those projects tolls and user fees, subject to various terms and requirements. These arrangements are commonly known as public-private partnerships. Existing law provides that a lease agreement may not be entered into under these provisions on or after January 1, 2017. This bill would extend this authorization indefinitely and would include within the definition of "regional transportation agency" the Santa Clara Valley Transportation Authority, thereby authorizing the authority to enter into public-private partnerships under these provisions. The bill would also make nonsubstantive changes to these provisions by correcting obsolete cross-references.

#### **SB 454**

##### **(Moorlach R) Public employees' health benefits.**

**Current Text:** Amended: 4/6/2017 [Text](#)

**Introduced:** 2/16/2017

**Last Amend:** 4/6/2017

**Status:** 4/6/2017-From committee with author's amendments. Read second time and amended. Re-referred to Com. on P.E. & R.

**Location:** 3/2/2017-S. P.E. & R.

**Calendar:** 4/24/2017 2 p.m. or upon adjournment of Session - Rose Ann Vuich Hearing Room (2040) SENATE PUBLIC EMPLOYMENT AND RETIREMENT, PAN, Chair

**Summary:** The Public Employees' Medical and Hospital Care Act (PEMHCA), which is administered by the Board of Administration of the Public Employees' Retirement System, prescribes methods for calculating the state employer contribution for postemployment health care benefits for eligible retired public employees and their families and for the vesting of these benefits. PEMHCA requires the employer contribution for an employee or annuitant who is employed by the state or retired from state service to be adjusted by the Legislature in the annual Budget Act, as specified. PEMHCA prescribes different ways of calculating the employer contributions for employees and annuitants depending on date of hire, years of service, and bargaining unit. This bill, for state employees who are first employed and become



members of the retirement system on or after January 1, 2018, would limit the employer contribution for annuitants to 80% of the weighted average of the health benefit plan premiums for an active employee enrolled for self alone, during the benefit year to which the formula is applied, for the 4 health benefit plans with the largest state civil service enrollment, as specified. The bill would similarly limit the employer contribution for an enrolled family member of an annuitant to 80% of the weighted average of the additional premiums required for enrollment of those family members during the benefit year to which the formula is applied and would provide the same limit on employer contributions for annuitants enrolled in Medicare health benefit plans. The bill would provide that if its provisions are in conflict with regard to an employee covered by a memorandum of understanding, the memorandum of understanding would control until it expires. The bill would prescribe the percentage of the employer contribution payable for postemployment health benefits based on the number of completed years of credited state service at retirement, with 50% after 15 credited years of service and 100% after 25 or more years of service, for an employee of the state, the California State University, and the Legislature, who is employed by the state for the first time and who becomes a state member of the Public Employees' Retirement System on or after January 1, 2018. This bill contains other related provisions and other existing laws.

#### **SB 525**

##### **(Pan D) Public employees' retirement.**

**Current Text:** Introduced: 2/16/2017 [Text](#)

**Introduced:** 2/16/2017

**Status:** 3/17/2017-Set for hearing April 24.

**Location:** 3/2/2017-S. P.E. & R.

**Calendar:** 4/24/2017 2 p.m. or upon adjournment of Session - Rose Ann Vuich Hearing Room (2040) SENATE PUBLIC EMPLOYMENT AND RETIREMENT, PAN, Chair

**Summary:** (1) The Public Employees' Retirement Law (PERL) creates the Public Employees' Retirement System (PERS), which provides defined benefits to its members based on age at retirement, service credit, and final compensation. PERL vests the Board of Administration of PERS with management and control of the system. This bill would redefine those terms to specify that the duration of the disability or incapacity must be expected to last at least 12 consecutive months or result in death. The bill also would revise and recast the definition of final compensation for local members. This bill contains other related provisions and other existing laws.

#### **SB 548**

##### **(Atkins D) State and local public employee labor relations: complaints.**

**Current Text:** Amended: 3/20/2017 [Text](#)

**Introduced:** 2/16/2017

**Last Amend:** 3/20/2017

**Status:** 3/28/2017-From committee: Do pass and re-refer to Com. on JUD. (Ayes 3. Noes 1.) (March 27). Re-referred to Com. on JUD.

**Location:** 3/28/2017-S. JUD.

**Calendar:** 4/18/2017 1:30 p.m. - Room 112 SENATE JUDICIARY, JACKSON, Chair

**Summary:** Existing law, the Meyers-Milias-Brown Act and the Ralph C. Dills Act, regulates the labor relations of employees and employers of local public agencies and the state, respectively. The acts grant specified employees of local public agencies and the state the right to form, join, and participate in the activities of employee organizations of their choosing and require public agency employers, among other things, to meet and confer with representatives of recognized employee organizations and exclusive representatives on terms and conditions of employment. The acts grant the Public Employment Relations Board the power to hear specified disputes in relation to these provisions and to make determinations regarding them. This bill, in connection with the acts described above, would prescribe certain procedures applicable to the Public Employment Relations Board with regard to complaints of unfair practice by employee organizations that represent firefighters, as defined. In this regard, if the board does not issue a final decision or order within 150 days after the filing of an unfair practice charge, as specified, or upon a decision of the board prior to that date not to issue a final decision or order, the bill would require the board to issue a right-to-sue notice, as specified, pursuant to certain requirements.

#### **SB 560**

##### **(Allen D) Public retirement systems: investments: financial climate risk.**

**Current Text:** Introduced: 2/17/2017 [Text](#)

**Introduced:** 2/17/2017

**Status:** 3/21/2017-Set for hearing April 24.

**Location:** 3/2/2017-S. P.E. & R.

**Calendar:** 4/24/2017 2 p.m. or upon adjournment of Session - Rose Ann Vuich Hearing Room (2040) SENATE PUBLIC EMPLOYMENT AND RETIREMENT, PAN, Chair

**Summary:** The California Constitution requires members of the retirement board of a public pension or retirement system to discharge their duties with respect to the system solely in the interest of, and for the exclusive purposes of providing benefits to, participants and their beneficiaries, minimizing employer contributions thereto, and defraying reasonable expenses of administering the system. Existing statutory law establishes various public employee retirement systems and provides for the

administration of the State Teachers' Retirement System by the Teachers' Retirement Board and for the administration of the Public Employees' Retirement System, among other public employee retirement systems, by the Board of Administration of the Public Employees' Retirement System. This bill, on and after January 1, 2019, would require those boards to consider the financial climate risk, as defined, of each investment, or potential investment, as part of their discharge of their fiduciary duties with respect to the investment. The bill, by January 1, 2020, and annually thereafter, would require the boards to report on the financial climate risks of their investments, including the carbon footprint of the investments, as specified. The bill would make related legislative findings and declarations.

#### **SB 562**

##### **(Lara D) The Healthy California Act.**

**Current Text:** Amended: 3/29/2017 [Text](#)

**Introduced:** 2/17/2017

**Last Amend:** 3/29/2017

**Status:** 4/5/2017-Re-referred to Com. on HEALTH.

**Location:** 4/5/2017-S. HEALTH

**Summary:** Existing federal law, the federal Patient Protection and Affordable Care Act (PPACA), enacted various health care coverage market reforms that took effect January 1, 2014. PPACA required each state, by January 1, 2014, to establish an American Health Benefit Exchange to facilitate the purchase of qualified health benefit plans by qualified individuals and qualified small employers. PPACA defines a "qualified health plan" as a plan that, among other requirements, provides an essential health benefits package. Existing state law creates the California Health Benefit Exchange, also known as Covered California, to facilitate the purchase of qualified health plans by qualified individuals and qualified small employers. This bill, the Healthy California Act, would create the Healthy California program to provide comprehensive universal single-payer health care coverage and a health care cost control system for the benefit of all residents of the state. The bill, among other things, would provide that the program cover a wide range of medical benefits and other services and would incorporate the health care benefits and standards of other existing federal and state provisions, including, but not limited to, the state's Children's Health Insurance Program (CHIP), Medi-Cal, ancillary health care or social services covered by regional centers for persons with developmental disabilities, Knox-Keene, and the federal Medicare program. The bill would require the board to seek all necessary waivers, approval, and agreements to allow various existing federal health care payments to be paid to the Healthy California program, which would then assume responsibility for all benefits and services previously paid for with those funds. This bill contains other related provisions and other existing laws.

#### **SB 571**

##### **(Pan D) Public employee retirement plans: automatic enrollment and escalation.**

**Current Text:** Introduced: 2/17/2017 [Text](#)

**Introduced:** 2/17/2017

**Status:** 3/2/2017-Referred to Com. on P.E. & R.

**Location:** 3/2/2017-S. P.E. & R.

**Summary:** Existing federal law prescribes requirements for different types of tax-qualified retirement plans that permit employees to contribute portions of their pretax wages to individual retirement accounts or that provide for deferred compensation. Existing law authorizes the Department of Human Resources to establish and administer tax-deferred savings plans in accordance with specified provisions of federal law. This bill would authorize a state or local public employer participating in an employee supplemental retirement savings plan, defined to include specified deferred compensation plans and payroll deduction individual retirement account plans, to make a deduction from the wages or compensation of an employee for contributions attributable to automatic enrollment and automatic escalation in the employee retirement plan. The bill would require an employer that provides for automatic enrollment in a supplemental retirement savings plan to provide a default investment option and default investment plan that meets a variety of specified criteria, including providing employees an opportunity to opt out or withdraw. The bill would provide that an employer that provides automatic enrollment or automatic escalation in an employee retirement plan subject to these provisions is not liable for the investment decisions made by the employer on behalf of any participating employee with respect to the default investment of contributions made for that employee to the plan. The bill would prohibit an employer from making deductions from the compensation of represented employees in the absence of a collectively bargained memorandum of understanding or other collective bargaining agreement authorizing those deductions. This bill contains other related provisions.

#### **SB 599**

##### **(Portantino D) Public Employees' Medical and Hospital Care Act: Peace Officers Research Association of California Insurance and Benefits Trust.**

**Current Text:** Amended: 3/23/2017 [Text](#)

**Introduced:** 2/17/2017

**Last Amend:** 3/23/2017

**Status:** 3/31/2017-Set for hearing April 24.

**Location:** 3/29/2017-S. P.E. & R.

**Calendar:** 4/24/2017 2 p.m. or upon adjournment of Session - Rose Ann Vuich Hearing Room (2040)  
SENATE PUBLIC EMPLOYMENT AND RETIREMENT, PAN, Chair

**Summary:** The Public Employees' Medical and Hospital Care Act (PEMHCA), which is administered by the Board of Administration of the Public Employees' Retirement System, governs the funding and provision of postemployment health care benefits for eligible retired public employees and their beneficiaries. Existing law requires the board to approve an employee association health benefit plan previously approved by the board in the 1987-88 contract year or prior, if the plan continues to meet the minimum standards prescribed by the board. Existing law authorizes the California Correctional Peace Officer Association Health Benefits Trust to offer different health benefit plan designs with varying premiums in different areas of the state. This bill would authorize the Peace Officers Research Association of California Insurance and Benefits Trust to offer different health benefit plan designs with varying premiums in different areas of the state.

#### **SB 671**

**(Moorlach R) County employees' retirement: retirement funds: transfers.**

**Current Text:** Amended: 3/28/2017 [Text](#)

**Introduced:** 2/17/2017

**Last Amend:** 3/28/2017

**Status:** 3/28/2017-From committee with author's amendments. Read second time and amended. Re-referred to Com. on P.E. & R.

**Location:** 3/9/2017-S. P.E. & R.

**Calendar:** 5/8/2017 2 p.m. or upon adjournment of Session - Rose Ann Vuich Hearing Room (2040) SENATE PUBLIC EMPLOYMENT AND RETIREMENT, PAN, Chair

**Summary:** The County Employees Retirement Law of 1937 (CERL) authorizes counties to establish retirement systems pursuant to its provisions in order to provide pension benefits to county and district employees. CERL requires a county auditor to certify to the retirement board, at the end of each month or pay period, the compensation earnable paid to members of the retirement association and to transfer the applicable percentage of county's annual contribution to the retirement fund, as specified. CERL authorizes the board of supervisors to authorize the county auditor to make an advance payment of all or part of the county's estimated annual contribution if the payment is made within 30 days after the county's fiscal year begins. Existing law also authorizes a district that is a member of the retirement system in the County of San Bernardino to make advance payments, as described above. This bill would specify that the authority to make advance payments, described above, does not prevent the board of supervisors or governing body of a district from making advance payments for the estimated annual county contributions for an additional year or years, for a county or a district, if certain requirements are satisfied. The bill would revise the provisions currently applicable to a district that is a member of the retirement system in the County of San Bernardino to make them applicable to districts that are members of county retirement systems generally. The bill would make a variety of technical and conforming changes.

#### **SB 681**

**(Moorlach R) Public employees' retirement.**

**Current Text:** Introduced: 2/17/2017 [Text](#)

**Introduced:** 2/17/2017

**Status:** 3/9/2017-Referred to Com. on RLS.

**Location:** 2/17/2017-S. RLS.

**Summary:** The Public Employees' Retirement Law creates the Public Employees' Retirement System (PERS), which provides a defined benefit to its members based on age at retirement, service credit, and final compensation. That law authorizes any public agency to make its employees members of PERS by contracting with the Board of Administration of PERS. Existing law provides for the termination of a contract, including requiring the board to enter, upon request, into a prescribed agreement with the terminating agency relating to the calculation of final compensation for employees and related necessary adjustments in the employer's contribution. This bill would state the intent of the Legislature to subsequently amend this bill to include provisions to allow the governing body of a public agency that contracts with PERS for employee retirement benefits to terminate its contract with the system in a manner that does not result in excessive costs or penalties to the agency, to allow a public agency terminating its contract to have the ability to withdraw its assets paid into the system with the same rate of return, and to ensure that a public agency that terminates its contract with the system shall remain responsible for any of its unfunded liabilities.

#### **SB 702**

**(Stern D) State vehicles: bicycles.**

**Current Text:** Amended: 4/3/2017 [Text](#)

**Introduced:** 2/17/2017

**Last Amend:** 4/3/2017

**Status:** 4/5/2017-Set for hearing April 17.

**Location:** 4/3/2017-S. APPR.

**Calendar:** 4/17/2017 10 a.m. - John L. Burton Hearing Room (4203) SENATE APPROPRIATIONS, LARA, Chair

**Summary:** Existing law requires the State Energy Resources Conservation and Development Commission, the Department of General Services, and the State Air Resources Board, in consultation with other state agencies deemed necessary, to develop and adopt fuel-efficiency specifications

governing the purchase by the state of motor vehicles and replacement tires that, on an annual basis, will reduce petroleum consumption of the state vehicle fleet to the maximum extent practicable and cost effective. Existing law also requires the Secretary of the Government Operations Agency, in consultation with the Department of General Services and other appropriate state agencies that maintain or purchase vehicles for the state fleet, including the campuses of the California State University, to develop and implement a plan to improve the overall state fleet's use of alternative fuels, synthetic lubricants, and fuel-efficient vehicles by reducing or displacing the consumption of petroleum products by the state fleet. This bill would require the Department of General Services Office of Fleet and Asset Management to expand the State Employee BikeShare Program to state employees throughout the state to any location that the department determines that it is feasible to do so. The bill would require the department to prepare and administer a program that offers state employees the ability to reserve and use bicycles during the workday. This bill contains other existing laws.

**SB 728**

**(Newman D) State public employees: sick leave: veterans with service-related disabilities.**

**Current Text:** Introduced: 2/17/2017 [Text](#)

**Introduced:** 2/17/2017

**Status:** 3/31/2017-Set for hearing April 24.

**Location:** 3/9/2017-S. P.E. & R.

**Calendar:** 4/24/2017 2 p.m. or upon adjournment of Session - Rose Ann Vuich Hearing Room (2040) SENATE PUBLIC EMPLOYMENT AND RETIREMENT, PAN, Chair

**Summary:** Existing law prescribes the general workweek policy for state employees, subject to specified exceptions, and the terms and conditions for accrual of vacation and sick leave. Existing law generally provides that a state officer or employee who is employed full time accrues one day of credit for sick leave for each calendar month of service. Existing law requires that if these provisions conflict with an adopted memorandum of understanding, the memorandum of understanding controls, as specified. This bill would grant a state officer or employee who serves as a member of the National Guard or federal military reserve force who is called up to active military service and as a result sustains a military service-connected disability rated at 30% or more by the United States Department of Veterans Affairs an additional credit for sick leave with pay of up to 96 hours for the purpose of undergoing medical treatment for his or her military service-connected disability. The bill would require that the sick leave be credited to a qualifying officer or employee on the first day of his or her return to state employment and remain available for use for the following 12 months of employment. This bill contains other existing laws.

**SB 758**

**(Galgiani D) State employment: apprenticeship agreements.**

**Current Text:** Introduced: 2/17/2017 [Text](#)

**Introduced:** 2/17/2017

**Status:** 3/9/2017-Referred to Com. on RLS.

**Location:** 2/17/2017-S. RLS.

**Summary:** The California Constitution provides that the civil service includes every officer and employee in the state except as otherwise provided in the Constitution, and existing statutory law, the State Civil Service Act, prescribes a comprehensive civil service personnel system for the state. Existing law provides for the establishment of apprenticeship programs in various trades and requires each apprentice agreement to contain certain provisions, including, among others, a statement of the graduated scale of wages to be paid the apprentice and whether the required schooltime will be compensated. This bill would state the intent of the Legislature to enact legislation that would ensure compliance in state employment with that required apprentice agreement provision.

**SB 768**

**(Allen D) Transportation projects: comprehensive development lease agreements.**

**Current Text:** Amended: 3/27/2017 [Text](#)

**Introduced:** 2/17/2017

**Last Amend:** 3/27/2017

**Status:** 4/5/2017-Re-referred to Com. on T. & H.

**Location:** 4/5/2017-S. T. & H.

**Calendar:** 4/25/2017 1:30 p.m. - John L. Burton Hearing Room (4203) SENATE TRANSPORTATION AND HOUSING, BEALL, Chair

**Summary:** Existing law authorizes the Department of Transportation and regional transportation agencies to enter into comprehensive development lease agreements with public and private entities, or consortia of those entities, for certain transportation projects that may charge certain users of those projects tolls and user fees, subject to various terms and requirements. These arrangements are commonly known as public-private partnerships. Existing law provides that a lease agreement may not be entered into under these provisions on or after January 1, 2017. This bill would extend this authorization indefinitely. The bill would also make nonsubstantive changes to these provisions by correcting obsolete cross-references.

**SB 774**

**(Leyva D) Hazardous substances: California Toxic Substances Board.**

**Current Text:** Amended: 3/23/2017 [Text](#)

**Introduced:** 2/17/2017

**Last Amend:** 3/23/2017

**Status:** 3/30/2017-Set for hearing April 19.

**Location:** 3/9/2017-S. E.Q.

**Calendar:** 4/19/2017 8:30 a.m. - Room 3191 SENATE ENVIRONMENTAL QUALITY, WIECKOWSKI, Chair

**Summary:** Existing law provides that the Department of Toxic Substances Control regulates the handling and management of hazardous substances, materials, and waste. Existing law requires the department to, among other things, issue hazardous waste facilities permits to facilities handling hazardous waste and to enforce the requirements of the hazardous waste control laws through various means, including conducting inspections, issuing orders requiring that violations be corrected, and imposing administrative penalties. This bill would create in the California Environmental Protection Agency the California Toxic Substances Board, which would succeed to and be vested with all of the powers, duties, purposes, responsibilities, and jurisdiction of the department and the Director of Toxic Substances Control. The bill would provide for the membership of the board, the salary and terms of the board members, and the duties, powers, and requirements of the board. The bill would create the position of executive officer of the board, appointed by the Governor and confirmed by the Senate, with specified powers and duties, and would require that the board be divided into at least 3 divisions, with a deputy director or division chief appointed by the board for each division, as specified.

### [SB 783](#)

**(Pan D) State employment: unused leave buy-back.**

**Current Text:** Introduced: 2/17/2017 [Text](#)

**Introduced:** 2/17/2017

**Status:** 3/9/2017-Referred to Com. on RLS.

**Location:** 2/17/2017-S. RLS.

**Summary:** Existing law authorizes the Department of Human Resources to adopt or amend regulations to implement employee benefits for those state officers and employees excluded from, or not otherwise subject to, the Ralph C. Dills Act. Existing law authorizes the Department of Human Resources to provide for vacation, sick leave, annual leave, and bereavement leave benefits, including the lump-sum payment of any amount of accumulated leave, with respect to excluded employees, nonelected officers, and executive branch employees who are not members of the civil service. Existing law prescribes the rates at which different types of leave accrue. This bill would authorize an employee designated as supervisory, confidential, excluded, or managerial to elect to be paid at his or her regular rate of pay for up to 80 hours of unused leave credit, as defined, upon a determination by the Department of Human Resources to offer an annual buy-back of this credit. The bill would require the department to determine the date of eligibility and conditions of buy-back and the period during which an application for buy-back will be accepted.

### [SCR 32](#)

**(Pan D) State employee merit awards.**

**Current Text:** Introduced: 3/6/2017 [Text](#)

**Introduced:** 3/6/2017

**Status:** 4/5/2017-Set for hearing April 17.

**Location:** 3/27/2017-S. APPR.

**Summary:** This measure would declare that merit award payments in specified amounts, authorized by the Department of Human Resources, are made to specified current or retired state employees whose proposals have resulted in annual savings and net revenue gains to the state.

**Total Measures: 84**

**Total Tracking Forms: 84**