

AMENDED IN ASSEMBLY DECEMBER 13, 2007

CALIFORNIA LEGISLATURE—2007—08 REGULAR SESSION

ASSEMBLY BILL

No. 1480

Introduced by Assembly Member Mendoza

February 23, 2007

~~An act to amend Section 2003 of the Business and Professions Code, relating to physicians and surgeons.~~ *An act to add Section 24950.5 to the Education Code, relating to state teachers' retirement.*

LEGISLATIVE COUNSEL'S DIGEST

AB 1480, as amended, Mendoza. ~~Physicians and surgeons: Medical Board of California.~~ *State teachers' retirement: annuity contracts and custodial accounts.*

Existing law requires the State Teachers' Retirement System to offer annuity contracts and custodial accounts to all employees of any state agency who are members of the State Teachers' Retirement Plan, as specified, or any employee of a local public agency or political subdivision of the state that employs persons to perform creditable service subject to coverage by the plan, as specified. Existing federal law permits the creation of individual retirement accounts referred to as Roth IRAs, and regulates the conditions under which a taxpayer may make a rollover contribution to a Roth IRA from another individual retirement account.

This bill would permit the State Teachers' Retirement System to administer a Roth IRA for the purpose of accepting a rollover from an annuity contract or custodial account offered by the system to the extent the rollover complies with the federal tax law. The bill would permit the system to provide for the administration of the Roth IRA by a

qualified 3rd-party administrator who would provide custodial, investment, recordkeeping, or administrative services.

~~Existing law, the Medical Practice Act, creates the Medical Board of California and makes it responsible for issuing a physician's and surgeon's certificate to qualified applicants and for regulating the practice of physicians and surgeons. Under existing law, the Medical Board of California consists of 2 divisions, the Division of Medical Quality and the Division of Licensing.~~

~~This bill would make a nonsubstantive change to the provision describing the divisions of the board.~~

Vote: majority. Appropriation: no. Fiscal committee: ~~no~~-yes. State-mandated local program: no.

The people of the State of California do enact as follows:

1 SECTION 1. Section 24950.5 is added to the Education Code,
2 to read:

3 24950.5. (a) The system may administer an individual
4 retirement plan as described in Section 408A of Title 26 of the
5 United States Code for the purpose of accepting a rollover from
6 an annuity contract or custodial account offered by the system
7 pursuant to this chapter to the extent the rollover complies with
8 Title 26 of the United States Code.

9 (b) The system may provide for the administration of the
10 individual retirement plan described in subdivision (a) by a
11 qualified third-party administrator who shall, by agreement with
12 the system, provide custodial, investment, recordkeeping, or
13 administrative services, or any combination thereof.

14 ~~SECTION 1. Section 2003 of the Business and Professions~~
15 ~~Code is amended to read:~~

16 ~~2003. The board shall consist of the following two divisions:~~
17 ~~a Division of Medical Quality, and a Division of Licensing.~~