

ASSEMBLY BILL

No. 340

Introduced by Assembly Member Furutani

February 10, 2011

An act to add Section 31680.9 to the Government Code, relating to county employees' retirement.

LEGISLATIVE COUNSEL'S DIGEST

AB 340, as introduced, Furutani. County employees' retirement: postretirement service.

The County Employees Retirement Law of 1937 (CERL) authorizes counties and districts, as defined, to provide a system of retirement benefits to their employees. CERL permits members of a county retirement system who have retired to be reemployed without reinstatement into the system in certain circumstances including in a position requiring special skills or knowledge.

This bill, on and after January 1, 2012, would prohibit a person who has been retired for service from a CERL retirement system from being reemployed in any capacity without reinstatement into the system by a district or county operating a county retirement system established under this CERL unless at least 180 days have elapsed since the person's date of retirement, except as specified. The bill would prohibit a person whose employment without reinstatement is authorized under CERL from receiving service credit for that employment. The bill would require that a retired member employed in violation of provisions regarding employment without reinstatement to reimburse the retirement system for any retirement allowance received during that period and pay for administrative expenses incurred in responding to the violation.

The bill would also require the county or district to reimburse the retirement system in this regard in specified circumstances.

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

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

1 SECTION 1. Section 31680.9 is added to the Government
2 Code, to read:

3 31680.9. (a) Except as provided in Section 31680.1, any person
4 who has been retired for service on or after January 1, 2012, as a
5 member of a county retirement system established under this
6 chapter shall not be reemployed in any capacity either as an
7 employee, an independent contractor, or an employee of a third
8 party without reinstatement by a district or county operating a
9 county retirement system established under this chapter unless at
10 least 180 days have elapsed since the person’s date of retirement.

11 (b) A retired person whose employment, without reinstatement,
12 is authorized by this article shall not acquire service credit or
13 retirement rights under this part with respect to that employment.

14 (c) Any retired member employed in violation of this article
15 shall:

16 (1) Reimburse the retirement system for any retirement
17 allowance received during the period or periods of employment
18 that are in violation of law.

19 (2) Contribute toward the reimbursement of the retirement
20 system for administrative expenses incurred in responding to a
21 violation of this article, to the extent the member is determined by
22 the executive officer to be at fault.

23 (d) Any county or district that employs a retired member in
24 violation of this article shall contribute toward the reimbursement
25 of the retirement system for administrative expenses incurred in
26 responding to a violation of this article, to the extent the county
27 or district is determined by the executive officer of this system to
28 be at fault.