

Introduced by Senator DeSaulnierFebruary 24, 2012

An act to amend Sections 31664.1 and 31720.1 of, and to add Sections 31755.4, 31755.5, and 31755.6 to, the Government Code, relating to county employees' retirement.

LEGISLATIVE COUNSEL'S DIGEST

SB 1494, as introduced, DeSaulnier. County employees' retirement: Contra Costa County.

Existing law authorizes the Contra Costa County Board of Supervisors and the governing boards of districts within the county, if authorized by the board of supervisors, to provide service retirement allowances for general members based on a formula commonly known as the 2% at age 55 formula and to make a Tier Three program applicable to all new employees and to all current employees in Tier Two, and to provide members in Tier Three or Tier One, or both, with retirement allowances based on the 2% at age 55 benefit formula.

This bill would authorize the Contra Costa County Board of Supervisors and the governing boards of districts within that county, if authorized by the board of supervisors, to negotiate with specified recognized employee organizations representing general members to subject new general members to a 2% at age 60 formula, known as Tier Four, as specified.

Existing law authorizes the Contra Costa County Board of Supervisors and the governing boards of districts within that county, if authorized by the board of supervisors, to negotiate with a recognized employee organization representing safety members regarding the conditions, as specified, to be required of employees who are or may become subject to the 3% at age 50 formula.

This bill would authorize the Contra Costa County Board of Supervisors and the governing boards of districts within that county, if authorized by the board of supervisors, to negotiate with specified recognized employee organizations representing safety members to subject new safety members to a 3% at age 55 formula, as specified.

The bill would also make related changes.

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 31664.1 of the Government Code is
2 amended to read:

3 31664.1. (a) This section may be made applicable in any
4 county on the first day of the month after the board of supervisors
5 of the county adopts, by majority vote, a resolution providing that
6 this section shall become applicable in the county.

7 (b) Notwithstanding any other provisions of this chapter, the
8 current service pension or the current service pension combined
9 with the prior service pension is an additional pension for safety
10 members purchased by the contributions of the county or district
11 sufficient when added to the service retirement annuity to equal 3
12 percent of the member’s final compensation set forth opposite his
13 or her age at retirement, taken to the preceding completed quarter
14 year, in the following table, multiplied by the number of years of
15 current service or years of current and prior service with which
16 the member is entitled to be credited at retirement. In no event
17 shall the total retirement allowance exceed the limitation of the
18 safety member’s final compensation as set forth in Section 31676.1,
19 as it now reads or may hereafter be amended to read.

20	21	22	23	24	25	26	27	28	29
	Age at								
	Retirement								Fraction
	416258
	41¼6350
	41½6442
	41¾6533
	426625
	42¼6720
	42½6814

1	42¾	.6909
2	43	.7004
3	43¼	.7102
4	43½	.7200
5	43¾	.7299
6	44	.7397
7	44¼	.7499
8	44½	.7601
9	44¾	.7703
10	45	.7805
11	45¼	.7910
12	45½	.8016
13	45¾	.8121
14	46	.8226
15	46¼	.8339
16	46½	.8452
17	46¾	.8586
18	47	.8678
19	47¼	.8780
20	47½	.8882
21	47¾	.8983
22	48	.9085
23	48¼	.9194
24	48½	.9304
25	48¾	.9413
26	49	.9522
27	49¼	.9641
28	49½	.9761
29	49¾	.9880
30	50 and over	1.0000

31
32 (c) Contributions shall not be made by safety members having
33 credit for 30 years of continuous service.

34 (d) *This section shall not apply to any person to whom Section*
35 *31755.6 applies.*

36 SEC. 2. Section 31720.1 of the Government Code is amended
37 to read:

38 31720.1. Notwithstanding ~~Section~~ *Sections 31720, 31755, and*
39 *31755.5*, any member covered under Section 31751 who is

1 permanently incapacitated shall be retired for disability regardless
2 of age if, and only if:

3 (a) The member’s incapacity is substantially caused by injury
4 or disease arising out of and in the course of the member’s
5 employment, or

6 (b) The member has completed a total of 10 years of service.

7 “Permanently incapacitated,” for the purpose of this section,
8 means that the member is unable permanently to engage in any
9 substantial gainful employment.

10 SEC. 3. Section 31755.4 is added to the Government Code, to
11 read:

12 31755.4. Notwithstanding any other law, the benefits provided
13 in Sections 31755, 31755.1, 31755.2, and 31755.3 shall not apply
14 to any person to whom Section 31755.5 applies.

15 SEC. 4. Section 31755.5 is added to the Government Code, to
16 read:

17 31755.5. Notwithstanding any other law:

18 (a) (1) When the Board of Supervisors of Contra Costa County,
19 in any of its capacities, meets and confers pursuant to the
20 Meyers-Milias-Brown Act (Chapter 10 (commencing with Section
21 3500) of Division 4 of Title 1) with any collective bargaining unit,
22 the parties may agree, pursuant to a memorandum of understanding
23 with respect to that bargaining unit, that the benefits provided in
24 this section, known as Tier Four benefits, shall apply to an
25 employee who is first hired on or after January 1, 2013, or a later
26 date established in the memorandum of understanding approved
27 by resolution of the board of supervisors. Tier Four benefits shall
28 apply to all unrepresented employees within similar job
29 classifications as employees in a collective bargaining unit that
30 has agreed to Tier Four benefits in a memorandum of
31 understanding, and associated supervisors and managers, who are
32 hired on and after the same date.

33 (2) When the governing body of a district within Contra Costa
34 County meets and confers pursuant to the Meyers-Milias-Brown
35 Act (Chapter 10 (commencing with Section 3500) of Division 4
36 of Title 1) with any collective bargaining unit, the parties may
37 agree, pursuant to a memorandum of understanding with respect
38 to that bargaining unit, that Tier Four benefits shall apply to an
39 employee who is first hired on or after January 1, 2013, or a later
40 date established in the memorandum of understanding approved

1 by resolution of the governing body. Tier Four benefits shall apply
 2 to all unrepresented employees within similar job classifications
 3 as employees in a collective bargaining unit that has agreed to Tier
 4 Four benefits in a memorandum of understanding, and associated
 5 supervisors and managers, who are hired on and after the same
 6 date.

7 (b) Notwithstanding any other provision of this chapter, the Tier
 8 Four current service pension combined with the prior service
 9 pension shall be known as 2 percent at age 60 and is an additional
 10 pension for members purchased by the contributions of the county
 11 or district sufficient, when added to the service retirement annuity,
 12 to equal (1) the member’s final compensation, (2) multiplied by
 13 the percentage set forth in the following table for his or her age at
 14 retirement, taken to the preceding completed quarter year, and (3)
 15 multiplied by the number of years of current service or years of
 16 current and prior service with which the member is entitled to be
 17 credited at retirement. In no event shall the total retirement
 18 allowance exceed 90 percent of the member’s final compensation.

19
 20 Retirement Age Percentage

21	50.....	0.87%
22	50.25.....	0.89%
23	50.5.....	0.91%
24	50.75.....	0.93%
25	51.....	0.95%
26	51.25.....	0.97%
27	51.5.....	0.99%
28	51.75.....	1.01%
29	52.....	1.03%
30	52.25.....	1.05%
31	52.5.....	1.07%
32	52.75.....	1.09%
33	53.....	1.11%
34	53.25.....	1.14%
35	53.5.....	1.16%
36	53.75.....	1.19%
37	54.....	1.21%
38	54.25.....	1.24%
39	54.5.....	1.26%
40	54.75.....	1.29%

1	55.....	1.31%
2	55.25.....	1.34%
3	55.5.....	1.37%
4	55.75.....	1.40%
5	56.....	1.43%
6	56.25.....	1.46%
7	56.5.....	1.49%
8	56.75.....	1.52%
9	57.....	1.55%
10	57.25.....	1.59%
11	57.5.....	1.62%
12	57.75.....	1.66%
13	58.....	1.69%
14	58.25.....	1.73%
15	58.5.....	1.77%
16	58.75.....	1.81%
17	59.....	1.84%
18	59.25.....	1.88%
19	59.5.....	1.92%
20	59.75.....	1.96%
21	60.....	2.00%
22	60.25.....	2.02%
23	60.5.....	2.03%
24	60.75.....	2.04%
25	61.....	2.05%
26	61.25.....	2.07%
27	61.5.....	2.08%
28	61.75.....	2.09%
29	62.....	2.10%
30	62.25.....	2.12%
31	62.5.....	2.13%
32	62.75.....	2.14%
33	63 and over.....	2.15%

34

35 (c) The following provisions shall apply to the current and prior
36 service pension and service retirement annuity provided by this
37 section:

38 (1) "Final compensation" means the average annual
39 compensation earnable by a member during any three consecutive
40 years elected by a member at or before the time he or she files an

1 application for retirement, or, if he or she fails to elect, during the
2 three consecutive years immediately preceding his or her
3 retirement. If a member has less than three years of service, his or
4 her final compensation shall be determined by dividing his or her
5 total compensation by the number of months of service credited
6 to him or her and multiplying by 12.

7 (2) The board may not grant a disability retirement allowance
8 to a person who has become a Tier Four member except as
9 provided in Section 31720.1. The amount of the disability
10 retirement allowances under Tier Four shall be as set forth in
11 Section 31727.01.

12 (3) (A) Every retirement allowance, optional death allowance,
13 or annual death allowance payable to or on account of any member
14 under this section shall be adjusted as provided in Section 31870.
15 No other cost-of-living adjustments shall apply, except that the
16 cost-of-living adjustments for members who have retired on
17 disability under Tier Four shall be the same as the cost-of-living
18 adjustments for members who have retired on disability under Tier
19 Three.

20 (B) Section 31873 shall apply to any member covered by this
21 section.

22 (4) The normal rates of contributions of Tier Four members
23 shall be such as to provide an average annuity at 60 years of age
24 equal to one one-hundred-twentieth of the final compensation of
25 Tier Four members for each year of service rendered after entering
26 Tier Four.

27 (5) The board of supervisors may adopt regulations to implement
28 the provisions of this section.

29 (6) This section shall not apply to any employee or officer if
30 that application is prohibited by law.

31 (d) This section shall not become operative unless and until the
32 board of supervisors of Contra Costa County, by resolution adopted
33 by a majority vote, makes this section operative in the county.

34 (e) This section shall not apply to any safety member.

35 (f) For the purposes of this section, “collective bargaining unit”
36 means any of the following organizations that represents county
37 or district employees who are general members of the Contra Costa
38 County Employees’ Retirement Association:

39 (1) The Professional and Technical Engineers, IFPTE, Local
40 21.

1 (2) Professional and Technical Employees, AFSCME, Local
2 512.

3 (3) United Clerical, Technical and Specialized Employees,
4 AFSCME, Local 2700.

5 (4) Public Employees Union, Local One.

6 (5) Public Employees Union, Local One, CSB-Site Supervisor
7 Unit.

8 (6) SEIU, Local 1021, Rank and File Unit.

9 (7) SEIU, Local 1021, Service Line Supervisors Unit.

10 (8) Western Council of Engineers.

11 (9) Contra Costa County Deputy Sheriffs Association Rank and
12 File Unit.

13 (10) Contra Costa County Deputy Sheriffs Association
14 Management Unit.

15 SEC. 5. Section 31755.6 is added to the Government Code, to
16 read:

17 31755.6. Notwithstanding any other law:

18 (a) (1) When the Board of Supervisors of Contra Costa County,
19 in any of its capacities, meets and confers pursuant to the
20 Meyers-Milias-Brown Act (Chapter 10 (commencing with Section
21 3500) of Division 4 of Title 1) with any collective bargaining unit,
22 the parties may agree, pursuant to a memorandum of understanding
23 with respect to that bargaining unit, that the benefits provided in
24 this section, known as Tier D benefits, shall apply to a safety
25 employee who is first hired on or after January 1, 2013, or a later
26 date established in the memorandum of understanding approved
27 by resolution of the board of supervisors. Tier D benefits shall
28 apply to all unrepresented safety employees within similar job
29 classifications as safety employees in a collective bargaining unit
30 that has agreed to Tier D benefits in a memorandum of
31 understanding, and associated supervisors and managers, who are
32 hired on and after the same date.

33 (2) When the governing body of a district within Contra Costa
34 County meets and confers pursuant to the Meyers-Milias-Brown
35 Act (Chapter 10 (commencing with Section 3500) of Division 4
36 of Title 1) with any collective bargaining unit, the parties may
37 agree, pursuant to a memorandum of understanding with respect
38 to that bargaining unit, that Tier D benefits shall apply to a safety
39 employee who is first hired on or after January 1, 2013, or a later
40 date established in the memorandum of understanding approved

1 by resolution of the governing body. Tier D benefits shall apply
 2 to all unrepresented safety employees within similar job
 3 classifications as safety employees in a collective bargaining unit
 4 that has agreed to Tier D benefits in a memorandum of
 5 understanding, and associated supervisors and managers, who are
 6 hired on and after the same date.

7 (b) Notwithstanding any other provision of this chapter, the Tier
 8 D current service pension combined with the prior service pension
 9 shall be known as 3 percent at age 55 and is an additional pension
 10 for safety members purchased by the contributions of the county
 11 or district sufficient, when added to the service retirement annuity,
 12 to equal (1) the member’s final compensation, (2) multiplied by
 13 the percentage set forth in the following table for his or her age at
 14 retirement, taken to the preceding completed quarter, and (3)
 15 multiplied by the number of years of current service or years of
 16 current and prior service with which the member is entitled to be
 17 credited at retirement. In no event shall the total retirement
 18 allowance exceed 90 percent of the member’s final compensation.

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Retirement Age Percentage

41.....	0.97%
41.25.....	0.99%
41.5.....	1.01%
41.75.....	1.03%
42.....	1.05%
42.25.....	1.08%
42.5.....	1.10%
42.75.....	1.12%
43.....	1.14%
43.25.....	1.17%
43.5.....	1.19%
43.75.....	1.21%
44.....	1.23%
44.25.....	1.26%
44.5.....	1.28%
44.75.....	1.31%
45.....	1.33%
45.25.....	1.36%
45.5.....	1.39%
45.75.....	1.42%

1	46.....	1.44%
2	46.25.....	1.47%
3	46.5.....	1.50%
4	46.75.....	1.53%
5	47.....	1.56%
6	47.25.....	1.60%
7	47.5.....	1.63%
8	47.75.....	1.66%
9	48.....	1.69%
10	48.25.....	1.73%
11	48.5.....	1.77%
12	48.75.....	1.80%
13	49.....	1.84%
14	49.25.....	1.87%
15	49.5.....	1.91%
16	49.75.....	1.95%
17	50.....	1.99%
18	50.25.....	2.03%
19	50.5.....	2.07%
20	50.75.....	2.11%
21	51.....	2.16%
22	51.25.....	2.20%
23	51.5.....	2.25%
24	51.75.....	2.30%
25	52.....	2.34%
26	52.25.....	2.39%
27	52.5.....	2.44%
28	52.75.....	2.49%
29	53.....	2.54%
30	53.25.....	2.60%
31	53.5.....	2.65%
32	53.75.....	2.71%
33	54.....	2.76%
34	54.25.....	2.82%
35	54.5.....	2.88%
36	54.75.....	2.94%
37	55 and over	3.00%
38		

1 (c) The following provisions shall apply to the current and prior
2 service pension and service retirement annuity provided by this
3 section:

4 (1) “Final compensation” means the average annual
5 compensation earnable by a member during any three consecutive
6 years elected by a member at or before the time he or she files an
7 application for retirement, or, if he or she fails to elect, during the
8 three consecutive years immediately preceding his or her
9 retirement. If a member has less than three years of service, his or
10 her final compensation shall be determined by dividing his or her
11 total compensation by the number of months of service credited
12 to him or her and multiplying by 12.

13 (2) The board may grant a disability retirement allowance to a
14 person who has become a Tier D member under the same terms
15 and conditions that apply to safety members who are not in Tier D.

16 (3) (A) Section 31870 shall apply to any member covered by
17 this section. No other cost-of-living adjustments shall apply.

18 (B) Section 31873 shall apply to any member covered by this
19 section.

20 (4) The normal rates of contributions of Tier D members shall
21 be such as to provide an average annuity at 55 years of age equal
22 to one one-hundredth of the final compensation of Tier D members
23 for each year of service rendered after entering Tier D.

24 (5) The board of supervisors may adopt regulations to implement
25 the provisions of this section.

26 (6) This section shall not apply to any employee or officer if
27 that application is prohibited by law.

28 (d) This section shall not become operative unless and until the
29 board of supervisors of Contra Costa County, by resolution adopted
30 by a majority vote, makes this section operative in the county.

31 (e) For the purposes of this section, “collective bargaining unit”
32 means any of the following organizations that represent county or
33 district employees who are safety members of the Contra Costa
34 County Employees’ Retirement Association:

35 (1) The Professional and Technical Engineers, IFPTE, Local
36 21.

37 (2) Public Employees Union, Local One.

38 (3) SEIU, Local 1021.

39 (4) Contra Costa County Deputy Sheriffs Association Rank and
40 File Unit.

- 1 (5) Contra Costa County Deputy Sheriffs Association
- 2 Management Unit.

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