

# California Legislature

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*2015-2016 REGULAR SESSION*

## LEGISLATIVE BILL SUMMARY

SENATE COMMITTEE ON  
PUBLIC EMPLOYMENT AND RETIREMENT

SENATOR RICHARD PAN, CHAIR

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*SENATE COMMITTEE ON PUBLIC EMPLOYMENT AND RETIREMENT*

*MEMBERS*

2015

DR. RICHARD PAN (Chair)

MIKE MORRELL (Vice Chair)

JIM BEALL

JEAN FULLER

ISADORE HALL, III

2016

DR. RICHARD PAN (Chair)

MIKE MORRELL (Vice Chair)

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*STAFF*

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Executive Staff Director

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Committee Assistant

## BUDGET TRAILER MEASURES<sup>1</sup>

### **SB 95 (Senate Budget Committee), Chapter 12, Statutes of 2016: Memorandum of Understanding Bargaining Unit 6 State Employees**

This bill provides legislative approval of the memorandum of understanding between the state and Bargaining Unit 6 (Corrections), represented exclusively by the California Correctional Peace Officers Association (CCPOA). The BU 6 agreement, effective from July 3, 2015 through July 2, 2018, covers approximately 26,835 full-time equivalent positions and includes the following:

#### *Retiree Health Benefits*

##### Employer Contribution for Active State Employees

- Effective the pay period following ratification, the state's monthly health benefit contribution for each employee shall continue to be a flat dollar amount equal to 80 percent of the weighted average of the basic health benefit plan premiums of the four largest enrolled basic health plans. For each employee with enrolled family members, the employer shall continue to contribute an additional flat dollar amount equal to 80 percent of the weighted average of the additional premiums. The flat dollar amounts shall be increased, as appropriate, pursuant to the formulas on January 1, 2017, and January 1, 2018.

##### Employer Contribution for Future Retirees

- Employees first hired on or after January 1, 2017, will receive an employer contribution for retiree health benefits based on an "80/80" formula. Retirees and their dependents enrolled in a basic health benefit plan will receive an employer contribution equal to 80 percent of the weighted average premium of the four largest basic health benefit plans, based on state active employee enrollment. Retirees and their dependents enrolled in a Medicare health benefit plan will receive an employer contribution equal to 80 percent of the weighted average premium of the four largest Medicare health benefit plans, based on state retiree enrollment.

##### Prefunding of Other Post-Employment Benefits

- Beginning July 1, 2016, the state and BU 6 members will prefund retiree healthcare with the goal of reaching 50 percent cost sharing of actuarially-determined total normal cost for employer and employees by July 1, 2018. The state and employees will each make the following contributions:
  - Effective July 1, 2016, 1.3 percent of pensionable compensation.
  - Effective July 1, 2017, an additional 1.3 percent for a total of 2.6 percent of pensionable compensation.
  - Effective July 1, 2018, an additional 1.4 percent for a total of 4.0 percent of pensionable compensation.

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<sup>1</sup> Budget Trailer measures included in the Legislative Summary are important budget related bills heard in Fiscal Committees that affected public employment and retirement issues.

#### Post-Employment Health and Dental Benefit Vesting Schedule

- All employees first hired on or after January 1, 2017, will be subject to an extended vesting schedule providing 50 percent of the employer contribution upon completion of 15 years of state service, increasing five percent for each additional year of service, until the employee is 100 percent vested at 25 years of state service.

#### Medicare Part B Supplemental Benefit

- All employees first hired on or after January 1, 2017, will no longer be eligible to use the employer contribution for retiree health benefits for Medicare Part B premiums.

#### *Compensation*

##### General Salary Increase (GSI)

- Effective the first day of the pay period following ratification by the Legislature and the membership, all BU 6 represented classifications shall receive a three percent GSI.
- Effective July 1, 2017, all BU 6 represented classifications shall receive a three percent GSI.
- Effective July 1, 2018, all BU 6 represented classifications shall receive a three percent GSI.

According to the Department of Human Resources (CalHR), this bill results in the following costs:

Fiscal Year 2015-16: \$26.1 million (\$26.0 million General Fund)

Fiscal Year 2016-17: \$207.6 million (\$206.5 million General Fund)

Total Budgetary Cost from 2015-16 to 2018-19: \$1,094.5 million (\$1,088.4 million General Fund)

In addition, according to CalHR roughly \$80 million General Fund a year, will be absorbed within departmental resources for costs associated with leave cash out.

#### **SB 848 (Senate Budget Committee), Chapter 35, Statutes of 2016:** Memorandum of Understanding Bargaining Unit 12 State Employees; Civil Service Improvement Measures; Judicial Branch Employees Benefits

This bill ratifies the memorandum of understanding between the state and Bargaining Unit 12 (Craft and Maintenance), represented exclusively by the International Union of Operating Engineers (IUOE). The BU 12 agreement, effective from July 1, 2015 through July 1, 2019, covers approximately 10,778 full-time equivalent positions.

SB 848 also makes necessary statutory and technical changes to implement the Budget Act of 2016 related to Civil Service improvement provisions and also implements changes to benefits for judicial branch employees.

The BU 12 agreement includes the following key provisions:

#### *Retiree Health Benefits*

#### Employer Contribution for Active State Employees

- Effective the pay period following ratification, the state's monthly health benefit contribution for each employee shall continue to be a flat dollar amount equal to 80% of the weighted average of the basic health benefit plan premiums of the four largest enrolled basic health plans. For each employee with enrolled family members, the employer shall continue to contribute an additional flat dollar amount equal to 80% of the weighted average of the additional premiums. The flat dollar amounts shall be increased as appropriate pursuant to the formulas on January 1, 2017, January 1, 2018, and January 1, 2019.

#### Employer Contribution for Future Retirees

- Employees first hired on or after January 1, 2017, will receive an employer contribution for retiree health benefits based on an "80/80" formula. Retirees and their dependents enrolled in a basic health benefit plan will receive an employer contribution equal to 80% of the weighted average premium of the four largest basic health benefit plans based on state active employee enrollment. Retirees and their dependents enrolled in a Medicare health benefit plan will receive an employer contribution equal to 80% of the weighted average premium of the four largest Medicare health benefit plans based on state retiree enrollment.

#### Prefunding of Other Post-Employment Benefits

- The state and BU 12 members will prefund retiree healthcare with the goal of reaching 50% cost sharing of actuarially determined total normal cost for employer and employees by July 1, 2019. The state and employees will each make the following contributions:
  - Effective July 1, 2017, 1.4% for a total of 1.9% of pensionable compensation.
  - Effective July 1, 2018, an additional 1.4% for a total of 3.3% of pensionable compensation.
  - Effective July 1, 2019, an additional 1.3% for a total of 4.06% of pensionable compensation.

#### Post-Employment Health and Dental Benefit Vesting Schedule

- All employees first employed by the state on or after January 1, 2017, will be subject to an extended vesting schedule providing 50% of the employer contribution upon completion of 15 years of state service, increasing 5% for each additional year of service, until the employee is 100% vested at 25 years of state service.

#### Medicare Part B Supplemental Benefit

- All employees first hired on or after January 1, 2017, will no longer be eligible to use the employer contribution for retiree health benefits for Medicare Part B premiums.

#### *Compensation*

##### General Salary Increase (GSI)

- Effective July 1, 2016, BU 12 employees shall receive a 3% GSI.
- Effective July 1, 2017, BU 12 employees shall receive a 4% GSI.
- Effective July 1, 2018, BU 12 employees shall receive a 3% GSI.

FISCAL EFFECT: Appropriates \$45,419,000 for State Bargaining Unit 12. According to the Department of Human Resources (CalHR), this bill results in the following costs:

Fiscal Year 2016-17: \$37.9 million (\$12.4 million General Fund)  
Total Incremental Cost: \$139.5 million (\$44.3 million General Fund)  
Total Budgetary Cost: \$396.9 million (\$126.5 million General Fund)

**SB 834 (Senate Budget Committee), died 8/31/16 on the Assembly Floor (See also, AB 1630):** Memorandum of Understanding Bargaining Unit 2 State Employees; Safety Peace Officer Designation for Assembly Chief Sergeant-at-Arms

This bill would have ratified the memorandum of understanding between the state and Bargaining Unit 2 (Attorneys and Hearing Officers), represented exclusively by the California Attorneys, Administrative Law Judges and Hearing Officers in State Employment (CASE). Additionally, the bill would have amended the definition of State Peace officer / firefighter member to include the Assembly Sergeant-at-Arms. This bill died on the Assembly Floor (8/31/16). However, its provisions were incorporated into AB 1630.

**AB 1627 (Assembly Budget Committee), Chapter 321, Statutes of 2016:** Memorandum of Understanding Bargaining Unit 7 State Employees.

This bill makes necessary statutory and technical changes to implement the Budget Act of 2016 related to Civil Service improvement provisions.

AB 1627 also ratifies the memoranda of understanding between the state and Bargaining Unit 7 (Protective Services and Public Safety), represented exclusively by California Statewide Law Enforcement Association (CSLEA). The BU 7 agreement, effective July 1, 2015 through July 1, 2019, covers approximately 7,204 full-time equivalent positions and includes the following key provisions:

#### *Health Benefits*

##### Employer Contribution for Active State Employees

- The state's monthly health consolidated benefit contribution for each employee shall continue to be a flat dollar amount equal to 80% of the weighted average of the basic health benefit plan premiums of the four largest enrolled basic health plans. For each employee with enrolled family members, the employer shall continue to contribute an additional flat dollar amount equal to 80% of the weighted average of the additional premiums. The flat dollar amounts shall be increased as appropriate pursuant to the formulas on January 1, 2017, January 1, 2018, and January 1, 2019.

##### Employer Contribution for Future Retirees

- Employees first hired on or after January 1, 2017, will receive an employer contribution for retiree health benefits based on an "80/80" formula. Retirees and their dependents enrolled in a basic health benefit plan will receive an employer contribution equal to 80%

of the weighted average premium of the four largest basic health benefit plans based on state active employee enrollment. Retirees and their dependents enrolled in a Medicare health benefit plan will receive an employer contribution equal to 80% of the weighted average premium of the four largest Medicare health benefit plans based on state retiree enrollment.

#### Prefunding of Other Post-Employment Benefits

- The state and BU 7 members will prefund retiree healthcare with the goal of reaching 50% cost sharing of actuarially determined total normal cost for employer and employees by July 1, 2019. The state and employees will each make the following contributions:
  - Effective July 1, 2017, 1.3% for a total of 1.9% of pensionable compensation.
  - Effective July 1, 2018, an additional 1.4% for a total of 2.7% of pensionable compensation.
  - Effective July 1, 2019, an additional 1.3% for a total of 4.0% of pensionable compensation.

#### Post-Employment Health and Dental Benefit Vesting Schedule

- All employees first employed by the state on or after January 1, 2017, will be subject to an extended vesting schedule providing 50% of the employer contribution upon completion of 15 years of state service, increasing 5% for each additional year of service, until the employee is 100% vested at 25 years of state service.

#### Medicare Part B Supplemental Benefit

- All employees first hired on or after January 1, 2017, will no longer be eligible to use the employer contribution for retiree health benefits for Medicare Part B premiums.

#### *Compensation*

##### General Salary Increase (GSI)

- Effective July 1, 2016, BU 7 employees shall receive a 3% GSI.
- Effective July 1, 2017, BU 7 employees shall receive a 3% GSI.
- Effective July 1, 2018, BU 7 employees shall receive a 2% GSI.

FISCAL EFFECT: Appropriates \$38.6 million for State BU 7 for expenditure in 2016-17, in augmentation of the funds appropriated under the Employee Compensation items of the 2016 Budget Act.

**AB 1630 (Assembly Budget Committee), Chapter 323, Statutes of 2016:** Memorandum of Understanding Bargaining Unit 2 State Employees; Safety Peace Officer Designation for Assembly Chief Sergeant-at-Arms.

This bill ratifies the memoranda of understanding between the state and Bargaining Unit 2 (Attorneys and Hearing Officers), represented exclusively by the California Attorneys, Administrative Law Judges, and Hearing Officers in State Employment (CASE).

The BU 2 MOU, effective July 1, 2016 through July 1, 2019, covers approximately 3,890 full-time equivalent positions and includes the following key provisions:

### *Health Benefits*

#### Employer Contribution for Active State Employees

- The state's monthly consolidated benefit contribution for each employee shall continue to be a flat dollar amount equal to 80 percent of the weighted average of the basic health benefit plan premiums of the four largest enrolled basic health plans. For each employee with enrolled family members, the employer shall continue to contribute an additional flat dollar amount equal to 80 percent of the weighted average of the additional premiums. The flat dollar amounts shall be adjusted as appropriate, pursuant to the formulas on January 1, 2017; January 1, 2018; and January 1, 2019.

#### Employer Contribution for Future Retirees

- Employees first hired on or after January 1, 2017, will receive an employer contribution for retiree health benefits based on an "80/80" formula. Retirees and their dependents enrolled in a basic health benefit plan will receive an employer contribution equal to 80 percent of the weighted average premium of the four largest basic health benefit plans based on state active employee enrollment. Retirees and their dependents enrolled in a Medicare health benefit plan will receive an employer contribution equal to 80 percent of the weighted average premium of the four largest Medicare health benefit plans based on state retiree enrollment.

#### Prefunding of Other Post-Employment Benefits

- The state and BU 2 members will prefund retiree healthcare with the goal of reaching 50 percent cost sharing of actuarially-determined total normal cost for employer and employees by July 1, 2019. The state and employees will each make the following contributions:
  - Effective July 1, 2017, 0.7 percent of pensionable compensation.
  - Effective July 1, 2018, an additional 0.6 percent for a total of 1.3 percent of pensionable compensation.
  - Effective July 1, 2019, an additional 0.7 percent for a total of 2.0 percent of pensionable compensation.

#### Post-Employment Health and Dental Vesting Schedule

- All employees first employed by the state on or after January 1, 2017, will be subject to an extended vesting schedule providing 50 percent of the employer contribution upon completion of 15 years of state service, increasing five percent for each additional year of service, until the employee is 100 percent vested at 25 years of state service.

#### Medicare Part B Supplemental Benefit

- All employees first hired on or after January 1, 2017, will no longer be eligible to use the employer contribution for a retiree health benefit plan for Medicare Part B premiums.



### *Compensation*

#### General Salary Increase (GSI).

- Effective the first day of the pay period following ratification, BU 2 employees shall receive a five percent GSI.
- Effective July 1, 2017, BU 2 employees shall receive a five percent GSI.
- Effective July 1, 2018, BU 2 employees shall receive a four percent GSI.

#### OTHER PROVISIONS:

##### Chief Sergeant-at-Arms

This bill also classifies the chief sergeant-at-arms of the Assembly as a peace officer in CalPERS for the purpose of ensuring that the Assembly chief sergeant-at-arms and the rank and file sergeants are subject to the same retirement benefit formulas. The chief sergeant-at-arms of the Senate will continue to be excluded from the peace officer classification in CalPERS.

This change is due to the passage of the Public Employees' Pension Reform Act of 2013, which closed the Legislator's Retirement System to new members and inadvertently resulted in a new chief sergeant-at-arms (now classified as a "miscellaneous" member in CalPERS) receiving a retirement benefit formula lower than that provided to rank and file sergeants who are classified as peace officers in CalPERS.

#### FISCAL EFFECT:

According to CalHR, BU 2's MOU results in the following costs:

- Fiscal Year 2016-17: \$24.2 million (\$6.6 million General Fund)
- Total Incremental: \$109.1 million (\$29.7 million General Fund)
- Total Budgetary: \$309 million (\$84.1 million General Fund)

In addition, according to CalHR, roughly \$4 million General Fund a year will be absorbed within departmental resources for costs associated with leave cash out.

## **SENATE MEASURES**

### **SB 24 (Hill), Chapter 531, Statutes of 2016: Public Employees' Pension Formulas for Joint Powers Authority Employees**

This bill authorizes a Joint Powers Authority (JPA) formed by the Cities of Belmont, Foster City, and San Mateo to provide the JPA employees a defined benefit plan or formula that those employees received as "classic" CalPERS members from their employment with the cities. The language of SB 24 is substantially the same as statutory language enacted for the Cities of Fullerton and Brea.

### **SB 185 (De León), Chapter 605, Statutes of 2015: Divestment of Public Retirement Funds From Thermal Coal Companies**

This bill prohibits the California Public Employees' Retirement System (CalPERS) and the California State Teachers' Retirement System (CalSTRS) from making new or additional investments of public employee retirement funds in thermal coal companies, as defined, and requires each system's respective board to liquidate its existing investments in thermal coal companies on or before July 1, 2017.

**SB 216 (Pan), Chapter 244, Statutes of 2015: CalPERS Housekeeping Bill**

SB 216 makes necessary technical and non-controversial changes to the Government Code to allow the more effective and efficient administration of CalPERS.

This bill repeals an obsolete statute dating from 1987 that required CalPERS to give first priority to investing not less than 25% of all funds available for new investment in a fiscal year to investment securities and products related to specified real property located in the state. This bill also eliminates corresponding obsolete reporting requirements.

SB 216 also changes, from quarterly to semi-annually, the period by which CalPERS must produce its asset and performance report and submit it to the Legislature. The bill also eliminates the requirement that the report include the cost basis for CalPERS' holdings and instead requires that the report include asset performance data based on a time-weighted return and a comparison to alternative portfolios based on policy benchmarks approved by the CalPERS board.

The measure also clarifies that a member who wishes to purchase service credit for an approved medical leave or parental leave must do so after returning to active public employment and prior to retirement.

**SB 221 (Jackson), Chapter 794, Statutes of 2015: Sick Leave for State Employee Veterans with Service-Related Disabilities**

This bill provides, in addition to any other entitlement for sick leave with pay, an additional credit for sick leave with pay of up to 96 hours to state officers or employees hired after January 1, 2016, who are disabled veterans, as specified. The additional sick leave shall be for the purposes of undergoing medical treatment for a military service-connected disability and shall be credited on the first day of employment and be available for use for the following 12 months of employment. Leave not used during the 12 month period shall not accrue to the employee and shall be forfeited.

**SB 280 (Stone), 2/1/16: Returned to Secretary of Senate pursuant to Joint Rule 56: Direct Deposit of State Employees' Salary or Wages by Electronic Fund Transfer**

**SB 292 (Pan), 10/10/15: Vetoed by the Governor: Employee Retirement Contribution Exemption for Agencies with Dedicated Parcel Tax Districts**

This bill would have exempted specific cities and one county in which voter-approved tax levies were enacted prior to 1978 for the purpose of paying pension costs from the PEPRAs requirement that employees subject to PEPRAs pay 50% of the actuarial normal cost of their pension benefits.

Governor's Veto Message:

To the Members of the California State Senate:

I am returning Senate Bill 292 without my signature.

This bill exempts certain employees from making pension contributions if they work in a city or county that receives parcel tax revenue designated for pension costs.

I believe the cost-sharing requirements in the Public Employees' Pension Reform Act of 2013 are unrelated to whether a city or county has an existing parcel tax for pensions. The employee share-of-cost is a crucial standard that must be retained. I am unwilling to chip away at this reform.

Sincerely,

Edmund G. Brown Jr.

**SB 294 (Pan), Chapter 707, Statutes of 2016: Employer Paid Military Service Credit Disclosure**

This bill requires that CalPERS employers inform returning veterans of their rights to receive CalPERS credit for their periods of active military service, and requires employers to provide veterans with the forms necessary to claim the service credit. CalPERS must create a service credit form that clearly states this is an employer-paid benefit.

Employers must also inform new employees who are veterans of their rights to purchase CalPERS service credit for their military service performed prior to CalPERS membership.

**SB 354 (Huff), Chapter 158, Statutes of 2015: Public Employees' Pension Formulas for Joint Powers Authority Employees**

This bill clarifies the time period during which a CalPERS "classic" member who is employed in the cities of Brea and Fullerton can transfer to a Joint Powers Authority (JPA) formed by those two cities and retain classic benefit formulas received prior to the transfer.

SB 354 clarifies that transferred employees will receive the formulas that they were receiving from Brea or Fullerton prior to the formation and exercise of the joint, or “common” power created by the JPA.

The bill also clarifies that if any of up to three contiguous cities join the JPA and their employees transfer to the JPA with no more than a 6-month break in service between employment with the city and employment in the JPA, those employees shall also be allowed to retain the retirement benefit plans they were entitled to from their employers prior to the transfer of the exercise of common powers to the JPA.

**SB 644 (Hancock), Chapter 356, Statutes of 2015:** Limited Examination and Appointment Program: Persons with Developmental Disabilities

This bill amends provisions of the state’s Limited Examination and Appointment Program (LEAP) to allow developmentally disabled individuals to compete for state jobs by performing internships in the desired positions.

**SB 686 (Pan), 10/10/16: Vetoed by the Governor:** Higher Education Employer-Employee Relations Act: Collective Bargaining Rights for Supervisory Peace Officers

This bill would provide full collective bargaining rights pursuant to the Higher Education Employer-Employee Relations Act to supervisory employees employed as sworn peace officers by the University of California (UC) or the Hastings College of the Law (Hastings).

Governor’s Veto Message:

To the Members of the California State Senate:

I am returning Senate Bill 686 without my signature.

This bill provides full collective bargaining rights under the Higher Education Employer-Employee Relations Act to University of California and Hastings College of the Law supervisory peace officers.

I vetoed a similar bill, SB 765, in 2013, out of a concern that it blurred the line between labor and management. Nothing has changed.

Sincerely,  
Edmund G. Brown Jr.

**SB 735 (Galgiani), 2/1/16: Returned to Secretary of Senate Pursuant to Joint Rule 56:**  
Postretirement Law Enforcement Officer Cold Case Grant Program

This bill would have established the Postretirement Law Enforcement Officer Cold Case Grant Program and would have allowed a local law enforcement agency to apply to the Department of Justice (DOJ) for a grant to fund the hiring of a retired law enforcement officer or officers dedicated to work on unsolved cases.

SB 735 would also have provided that service, compensation, or any other limits on a person receiving a pension benefit would not apply to a law enforcement officer whose position is funded by a grant awarded pursuant to this measure.

**SB 780 (Mendoza) 8/31/16: Died at the Senate Desk:** Psychiatric Technicians and Psychiatric Technician Assistants: Mandatory Overtime

This bill would have prohibited mandatory overtime for a state employee employed as a psychiatric technician or a psychiatric technician assistant in a state hospital or facility, except under specified circumstances.

**SB 950 (Nielsen), 9/25/16: Vetoed by the Governor:** Arbitration for Excluded State Employees

This bill would have established the Excluded Employee Arbitration Act which would have authorized binding arbitration on behalf of an excluded state employee for alleged violations of working conditions, as specified, whose grievance has not been resolved after the fourth level of review.

Governor's Veto Message:

To the Members of the California State Senate:

I am returning Senate Bill 950 without my signature.

This bill adds arbitration to the existing four step grievance process for state supervisors.

Expanding the grievance process for the state's managers to include legally binding arbitration will reduce departments' ability to effectively manage state operations and will result in significant unbudgeted state costs.

Sincerely,

Edmund G. Brown Jr.

**SB 1058 (Pan), 5/27/16: Died in Senate Appropriations Committee:** State Employment: Supervisors

This bill would have added peace officer supervisors of employees in State Bargaining Unit 7 (California Statewide Law Enforcement Association) to the group of peace officer supervisors who are required to receive salary and benefits changes that are at least generally equivalent to the salary and benefits granted to employees they supervise.

**SB 1162 (Berryhill), 9/16/16: Vetoed by the Governor:** Mammoth Lakes Fire District Transfer of Superfunded Plan Assets

This bill would have allowed the Mammoth Lake Fire District to request that the Board of the California Public Employees' Retirement System transfer available excess assets from the District's miscellaneous employee plan to its safety employee plan in order to pay unfunded accrued actuarial obligations in the safety plan.

Governor's Veto Message:

To the Members of the California State Senate:

I am returning Senate Bill 1162 without my signature.

This bill allows the Mammoth Lake Fire District to request that the California Public Employees' Retirement System Board transfer assets from the District's superfunded miscellaneous employee plan to its safety employee plan in order to pay for unfunded liabilities in the safety plan.

Inherent in the nature of our pension systems is that each employee plan be funded separately and expend its funds only for the benefit of specific beneficiaries. This bill would upend this longstanding practice and set a harmful precedent by allowing the transfer of assets from one employee group to another.

Sincerely,

Edmund G. Brown Jr.

**SB 1203 (Hertzberg), Chapter 729, Statutes of 2016:** Retirement Systems: Joint Powers Authorities: Benefit Formulas

This bill requires that any employees moving from employment with a public agency to employment with a joint powers authority (JPA) formed on or after January 1, 2013, shall be provided the same defined benefit plan or formula that they had as an employee of the public agency on or before December 31, 2012.

**SB 1234 (De León), Chapter 804, Statutes of 2016:** California Secure Choice Retirement Savings Program

This bill provides legislative approval for the California Secure Choice Retirement Savings Program (SCRSP) and sets forth recommendations and requirements for the design and implementation of that program.

SB 1234 incorporates the findings and recommendations of the SCRSP Board upon concluding the market analysis authorized in the original version of SB 1234 (De Leon, Chapter 734, Statutes of 2012) and deletes obsolete requirements that are inconsistent with those findings. The bill also does the following:

- Requires that contract administrators and consultants also discharge their duties as fiduciaries with respect to the program. (*Section 100002*)
- States that investment policy decisions, including asset allocation and investment options, shall be entrusted to the Board subject to its fiduciary duties and eliminates language limiting the Board's options as to which asset categories it may consider. (*Section 100002*)
- Eliminates language requiring the Board to annually adopt a stated rate of return for the following program year and stating that an individual's retirement savings benefit under the program shall be equal to the balance in the individual's account at retirement. (*Section 100008*)
- Gives the Treasurer the authority to appoint an executive officer for the program who shall serve at the pleasure of the Board, which may authorize the director to enter into contracts or conduct business on behalf of the Board. The Treasurer shall determine the duties of the executive director and other necessary staff and set his or her compensation. (*Section 100010*)
- Eliminates the requirement for the Board to ensure that an insurance, annuity or other funding mechanism is in place at all times that protects the value of individuals' accounts and holds the state harmless. (*Sections 100012, 100036*)
- Changes the timeframes around implementation requirements for employers to the following and allows the Board to extend the timelines if it deems necessary (*Section 100032*):
- Beginning 12 months after opening of enrollment, employers of 100 or more employees must have an arrangement to allow employees to participate in the SCRSP.
- Beginning 24 months after opening of enrollment, employers of 50 or more employees must have an arrangement to allow employees to participate in the SCRSP.

- Beginning 36 months after opening of enrollment, employers of five or more employees must have an arrangement to allow employees to participate in SCRSP.
- Allows the Board to implement annual automatic escalation of employee contributions subject to the following limitations (*Section 100032*):
  - Contributions subject to automatic escalation cannot exceed 8 percent.
  - Automatic escalation cannot amount to more than 1 % annually.
  - An employee may opt out of automatic escalation and set his or her contribution rate at a level determined by the employee.
- Allows the Board, unless otherwise specified by the employee, to set the initial employee contribution into the SCRSP between 2% and 5%. (*Section 100032*)
- Eliminates requirements for the Board to conduct an initial market analysis and to present findings to the Legislature before the SCRSP may be implemented, and related statutes. (*Sections 100040, 100042. 100043.5*)
- Expresses the approval of SCRSP by the Legislature and its implementation as of January 1, 2017, and requires the Board, subject to its fiduciary responsibility, to design and implement SCRSP while utilizing and considering the following parameters (*Section 100046*):
  - For up to three years, the Board may establish managed accounts invested in U.S. Treasuries or similarly safe investments, during which time the Board may develop investment options that address risk-sharing and smoothing market gains and losses, as specified.
- The Board shall minimize participant fees.
- The Board shall strive to implement features that provide maximum income replacement balanced with appropriate risk in an IRA based environment.
- The Board shall determine the default payout method for retirees.
- The Board, if legally permissible under federal and state laws, shall include quasi-public and quasi-private employees in SCRSP.
- The Board shall structure SCRSP so as to ensure that the state is free from all liability for the program.
- The Board shall determine all necessary costs related to SCRSP, as specified.



- The Board shall partner with employer representatives to create an administrative structure that addresses employer needs, as specified.
- Gives the Board flexibility to design SCRSP in order to ensure timely implementation and states that the parameters are not conclusive but may be augmented as needed to fully implement the program and comply with the Board's fiduciary duties.
- Allows the Board to adopt emergency regulations for the purposes of designing and implementing SCRSP for up to 180 days, after which, the regulations would be subject to the standard rule making process. (*Section 100048*)
- States that start-up costs for SCRSP may be appropriated from the General Fund as a loan that shall be repaid by SCRSP with interest calculated at the rate of the Pooled Money Investment Account and specifies that administrative costs shall be paid in future from the administrative fund. (*Section 100508*)
- Makes other minor, technical, and clarifying changes. (*Sections 100002, 100008, 10001*)

**SB 1251 (Moorlach), 4/12/16: Died in Senate Public Employment and Retirement**

**Committee:** Internet Web Site and Ballot Pamphlet Publication of State Financial Obligations

This bill would have required the Office of the Legislative Analyst (LAO) to create and maintain a web page listing specific state financial obligations, including unfunded pension liability and unfunded state retiree medical benefit liability, that also would have been included by the Secretary of State in voter ballot pamphlets.

**SB 1297 (Pan), 4/21/16: Died in Senate Public Employment and Retirement Committee:**

**Supplemental Retirement Savings Plans: Automatic Enrollment and Contribution Escalation**

This bill would have created a framework for public employers and employees, through the collective bargaining process, to negotiate automatic enrollment and escalation of employee contributions into supplemental retirement savings plans. The bill also would have required employers and employees to negotiate the default plan for automatic enrollment and would have set requirements for the default plan, as specified.

**SB 1352 (Committee on Public Employment and Retirement), Chapter 218, Statutes of 2016: California State Teachers' Retirement System Annual Housekeeping Bill**

This bill makes necessary, technical, conforming, or non-controversial changes to the Education Code related to the California State Teachers' Retirement System (CalSTRS) to improve the administration of the State Teachers' Retirement Plan.

**SB 1353 (Pan), Chapter 350, Statutes of 2016: State Teachers' Retirement System: Funding**

This bill makes necessary technical changes to eliminate possible confusion over how to calculate the applicable unfunded actuarial obligation (UAO) when determining future adjustments to the state contribution rate pursuant to the 2014 California State Teachers' Retirement System (CalSTRS) Full Funding Plan. The bill clarifies that state contribution rate changes made by legislation prior to the AB 1469 Full Funding Plan continue to be allocated, as before AB 1469, to the post 1990 UAO and that state contribution rate changes required by the Full Funding Plan apply to the 1990 UAO (and only to the 1990 UAO). The prior Senate version of this bill was related to pension fund divestments.

**SB 1390 (Block), 11/30/16: Died in Senate Public Employment and Retirement committee: Exception to Postretirement Employment Limitations to Address Teacher Specified Shortages**

Notwithstanding statutory limitations on compensation for postretirement employment during the first 180 days after retirement for service, this bill would have authorized a retired State Teachers' Retirement System member to receive compensation for performance of retired member activities for any school district during the first 180 calendar days after the most recent retirement of the retired member, as specified.

**SJR 1 (Beall) Resolution Chapter 92, Statutes of 2015: Repeal of Social Security Windfall Elimination Provision and Government Pension Offset Provisions**

This resolution asks Congress to pass, and President Barack Obama to sign, legislation repealing the Social Security Act's Windfall Elimination Provision and Government Pension Offset.

**ASSEMBLY MEASURES**

**AB 186 (Rendon), 11/30/16: Died in Senate Public Employment and Retirement Committee: Memorandum of Understanding for Bargaining Unit 6 State Employees (See also, SB 95 (Senate Budget Committee), Chapter 12, Statutes of 2016)**

This bill would have ratified the provisions of a memorandum of understanding between the state and bargaining unit 6 (Corrections), represented exclusively by the California Correctional Peace Officers Association. However, the agreement was ratified in SB 95, a budget trailer bill.

**AB 284 (Brough), Chapter 66, Statutes of 2015: City of San Juan Capistrano: Optional Defined Benefit Retirement Formula (Plan W)**

This bill approves a specified optional defined benefit formula (Plan W) for the employees of the City of San Juan Capistrano (SJC) in lieu of the formula required to be provided for new

employees under the Public Employees' Pension Reform Act of 2013 (PEPRA). Plan W has been certified as having no greater risk and no greater cost to the employer than the PEPRA formula.

**AB 466 (McCarty), Chapter 285, Statutes of 2016:** Disclosure on State Employment Application Forms

As it was heard in Senate Public Employment and Retirement Committee, this bill would have clarified that the requirement that an applicant for state employment disclose whether the applicant has ever entered into a settlement agreement with a state employer prohibiting the applicant from seeking or accepting any subsequent employment with the state does *not* apply if the settlement agreement only prohibited the applicant from seeking employment with a particular state agency (vs. *all* state employment).

AB 466 was substantially amended and passed later in the session to deal with tribal gaming compacts.

**AB 663 (Irwin), Chapter 38, Statutes of 2015:** County Retirement Boards: Alternate Board Members

This bill authorizes the Ventura County Board of Supervisors to appoint an alternate member to the county board of retirement who would be permitted to vote only when specified retirement board members are absent.

**AB 736 (Cooley), Chapter 553, Statutes of 2016:** California State Teachers' Retirement System: Non-Civil Service Executive Positions

This bill expands the list of positions for which the Teachers' Retirement Board has the authority to set the compensation and terms and conditions of employment to include a chief operating officer and a chief financial officer, as specified.

**AB 769 (Jones-Sawyer) 9/30/16: Vetoed by the Governor:** State Employees: Disciplinary Action

This bill would have provided that any adverse action taken against a state employee for any cause for discipline based on any California civil service law, other than for fraud, embezzlement, the falsification of records, or the unauthorized accessing or disclosure of confidential tax information, would not be valid unless notice is served, and any investigation is completed, within one year after the cause for discipline arose.

Governor's Veto Message:

To the Members of the California State Assembly:

I am returning Assembly Bill 769 without my signature.

This bill reduces the time frame in which the state can take an adverse personnel action against an employee from three years to one year, except in cases of fraud, embezzlement, the falsification of records or the unauthorized access or disclosure of confidential tax information.

I am unwilling to reduce longstanding civil service adverse action timeframes because it may take state agencies longer than a year to investigate and serve adverse actions in complex cases involving employee misconduct or unsatisfactory work performance. Further, this bill hinders the progressive discipline process which is intended to give employees a reasonable amount of time to correct problems at an early stage. As such, this bill makes it more difficult for the state to manage and ensure the integrity of its workforce.

Sincerely,

Edmund G. Brown Jr.

**AB 840 (Ridley-Thomas), 9/30/16: Vetoed by the Governor:** Nurses and Certified Nurse Assistants: Mandatory Overtime

This bill would have prohibited, beginning January 1, 2017, mandatory overtime for registered nurses, licensed vocational nurses, or certified nursing assistants employed in state hospitals and facilities, as specified.

Governor's Veto Message:

To the Members of the California State Assembly:

I am returning Assembly Bill 840 without my signature.

This bill prohibits mandatory overtime for registered nurses, license vocational nurses, or certified nursing assistants who are employed in state hospitals and facilities beginning January 1, 2019.

As I stated in a prior veto message, this matter is more appropriately settled through the collective bargaining process.

Sincerely,

Edmund G. Brown Jr.

**AB 868 (Oberholte), Chapter 86, Statutes of 2015:** Public Employees' Retirement System: Contracting Agencies: Transfer Of Membership

This bill authorizes the California Public Employees' Retirement System (CalPERS) and the San Bernardino County Employees Retirement System (SBCERS) to agree to transfer the service credit and employee and employer assets from CalPERS to SBCERS on behalf of local public agency and state employees who are transferred to SBCERS covered employment.

**AB 874 (Santiago), 9/30/16: Vetoed by the Governor:** Collective Bargaining: Judicial Council

This bill would have provided collective bargaining rights to Judicial Council employees who are exempt from state civil service by making the Ralph C. Dills Act applicable to specified judicial branch employees.

Governor's Veto Message:

To the Members of the California State Assembly:

I am returning Assembly Bill 874 without my signature.

This bill allows certain Judicial Council employees to collectively bargain under the Ralph C. Dills Act.

The state has no experience collective bargaining with employees from the third branch of government. This bill leaves several important questions unanswered such as how agreements will be ratified, approved for funding and whether the Dills Act is a proper law for employees who are constitutionally exempt from civil service. This bill isn't ready to become law.

Sincerely,

Edmund G. Brown Jr.

**AB 963 (Bonilla), Chapter 782, Statutes of 2015:** California State Teachers' Retirement System: Creditable Service, Member Classification, and Compensation Earnable

This bill clarifies the definition of service that can be reported to the California State Teachers' Retirement System (CalSTRS) and provides CalSTRS membership and creditable service for those in partial certificated positions. This bill also remedies membership issues for individuals in classified positions who were erroneously reported to CalSTRS by their employers and revises the definition of "compensation earnable" for outgrowth activities.

**AB 991 (Committee on Public Employees, Retirement, and Social Security), Chapter 123, Statutes of 2015:** California State Teachers' Retirement System Annual Housekeeping Bill

This bill makes various technical and conforming changes to the Teachers' Retirement Law necessary for continued effective administration of the California State Teachers' Retirement System.

**AB 992 (Committee on Public Employees, Retirement, and Social Security), Chapter 40, Statutes of 2015:** County Employees Retirement Law of 1937: Disability Retirement: Modification of Allowance

This bill clarifies that a member of a 1937 Act county retirement system ('37 Act) may change his or her optional retirement allowance election if the member retires for service while the member's application for a disability retirement is pending and is later granted a disability retirement benefit.

**AB 1031 (Thurmond), 10/10/15: Vetoed by the Governor:** Public Employees' Medical and Hospital Care Act: Contracting Entities

This bill would have required an employer that contracts with the California Public Employees' Retirement System for health care coverage pursuant to the Public Employees' Medical and Hospital Care Act to meet its obligation to provide any collectively bargained, statutorily required, or vested retiree health care contribution, including reimbursement for Medicare Part B premiums.

Governor's Veto Message:

To the Members of the California State Assembly:

I am returning Assembly Bill 1031 without my signature.

This bill creates ambiguity and could be interpreted to expand retiree health benefits by requiring local governments contracting with the California Public Employees' Retirement System to reimburse retirees' Medicare Part B premiums.

These benefits should continue to be collectively bargained at the local level, not imposed by the state. This is particularly true, given the massive unfunded liability of state and local retiree health plans.

Sincerely,

Edmund G. Brown Jr.

**AB 1052 (Cooley), 8/30/16: Died on Assembly Inactive File:** Retirement Systems' Exemption from Department of General Services Contracting Procedures

This bill would have provided that the California State Teachers' Retirement System and the California Public Employees' Retirement System, in exercising their constitutional discretion to invest fund assets, may contract for services under terms and conditions established by their respective boards and consistent with their fiduciary duties, notwithstanding any other law pertaining to state contracting.

**AB 1291 (Williams), Chapter 223, Statutes of 2015:** Ventura County Retirement System: Independent Public Employer Status

This bill makes the Ventura County Retirement System an independent, public employer district within the Ventura County Employees' Retirement Association and authorizes the System to appoint specified positions as "at will" employees, exempt from the county civil service system, as specified.

**AB 1293 (Holden), 10/11/15: Vetoed by the Governor:** Limitation on State Personal Services Contracts

This bill would have prohibited the use of state personal services contracts for reasons other than achieving cost savings if the contract would displace state civil service employees.

Governor's Veto Message:

To the Members of the California State Assembly:

I am returning Assembly Bill 1293 without my signature.

This bill would prohibit a personal services contract if it causes layoff, demotion or involuntary transfer to a new classification or location.

Currently, personal service contracts cannot be used in lieu of existing civil service work. Furthermore, before a state agency can enter into a personal services contract, the agency must demonstrate, among other things, that the services cannot be performed by and will not displace civil service employees.

I understand the sponsors have introduced this bill in response to recent action by the federal receiver's office. As such, I am directing the Department of Corrections to investigate that office's practices with respect to Government Code Section 19130.

Sincerely,

Edmund G. Brown Jr.

**AB 1640 (Mark Stone), 8/29/16: Died on Senate Inactive File:** Public Transit Employees Exception from Public Employees' Pension Reform Act of 2013 (PEPRA)

This bill would have *permanently* exempted a specific group of public transit workers from being subject to PEPRA. These employees were previously *temporarily* exempted pending a ruling from the federal district court with regard to whether or not the implementation of PEPRA and its perceived impact on collective bargaining rights precluded certification of certain transit projects and related federal funding.

**AB 1692 (Bonilla), Chapter 123, Statutes of 2016:** County Employees' Retirement: Contra Costa County

This bill allows the Contra Costa County Board of Supervisors to make the terms and conditions of disability retirement allowances currently available to Tier Three members of the Contra Costa County Employees' Retirement Association (CCCERA) applicable to non-safety members subject to the retirement benefit formula specified in the Public Employees' Pension Reform Act of 2013 (PEPRA).

**AB 1753 (Oberholte), 11/30/16: Died in Senate Public Employment and Retirement Committee:** State Employees: Overpayment

This bill would have provided that the date of overpayment for overpayments made to state employees that involve leave credits is either the date the employee receives compensation for the erroneously credited leave or, in cases where the overpayment is the result of fraud, embezzlement, or falsification, the date the state discovers the fraud, embezzlement, or falsification, whichever is later. This bill also would have required that administrative action by the state to recover overpayments be initiated by providing written notice to the employee.

**AB 1853 (Cooper), 9/23/16: Vetoed by the Governor:** County Employees' Retirement: Districts: Retirement System Governance

This bill would have authorized the retirement boards that govern the retirement systems operating under the County Employees' Retirement Law of 1937 ('37 Act) to elect to be independent districts separate from the counties they are operating in.

Governor's Veto Message:

To the Members of the California State Assembly:

I am returning Assembly Bill 1853 without my signature.



This bill authorizes the retirement board of any county retirement system, operating under the Retirement Law of 1937, to unilaterally separate from the county where it operates.

This is too far-reaching. Previous bills that authorized a county retirement system to become independent were the result of agreement between the county and the retirement system. This more collaborative approach better serves the public interest.

Sincerely,

Edmund G. Brown Jr.

**AB 1875 (Chávez), Chapter 559, Statutes of 2016:** California State Teachers' Retirement System Option Beneficiaries: Special Needs Trusts

This bill amends the definition of option beneficiary in the defined benefit program (DB) and annuitant beneficiary in the cash balance (CB) program of the California State Teachers' Retirement System (CalSTRS) to include a special needs trust that meets specified requirements under federal law and is established for a DB member's or CB participant's disabled child, grandchild, or legal ward.

**AB 1878 (Jones-Sawyer), 9/26/16: Vetoed by the Governor:** California Public Employees' Retirement System Postretirement Death Benefit for State and School Members

This bill would have authorized the California Public Employees' Retirement System Board of Administration to annually adjust the \$2,000 lump-sum death benefit for state and school members, based on changes in the All Urban California Consumer Price Index, after each actuarial valuation.

Governor's Veto Message:

To the Members of the California State Assembly:

I am returning Assembly Bill 1878 without my signature.

This bill authorizes the California Public Employees' Retirement System Board to increase the lump-sum post-retirement death benefit for state and school members based on inflation.

Given the state's huge unfunded pension liabilities, I don't believe it is prudent to add the additional costs that this bill would require.

Sincerely,

Edmund G. Brown Jr.

**AB 2028 (Cooper), Chapter 794, Statutes of 2016:** California Public Employees' Retirement System: Involuntary Termination: Reinstatement

This bill requires that a member of the California Public Employees' Retirement System who was involuntarily terminated from employment and is later reinstated to the position pursuant to an administrative, arbitral, or judicial proceeding shall be reinstated with all retirement benefits that the member otherwise would have accrued.

**AB 2155 (Ridley-Thomas), 9/29/16: Vetoed by the Governor:** California State Teachers' Retirement System: Community College Instructors: Creditable Service Hours Requirement for Part-Time and Adult Education Instructors

This bill would have required that collective bargaining agreements or employment agreements applying to part-time instructors and to adult education instructors specify the number of hours required to earn "full-time" creditable service for purposes of retirement benefits and also specify which courses are subject to the minimum standard for adult education courses.

Governor's Veto Message:

To the Members of the California State Assembly:

I am returning Assembly Bill 2155 without my signature.

This bill functionally allows a community college district and its employees to lower the minimum instructional hours that certain part-time community college district instructors would be required to work to earn creditable service under the State Teachers' Retirement System.

I am concerned this bill, by authorizing districts to bargain for a lower instructional hour requirement that would qualify as pensionable service credit, will only increase state pension costs. This is not prudent, especially in light of STRS' massive unfunded liabilities.

Sincerely,

Edmund G. Brown Jr.

**AB 2225 (Low), 11/30/16: Died in Senate Public Employment and Retirement Committee:** Memorandum of Understanding Bargaining Unit 19 State Employees

This bill would have ratified the provisions of a memorandum of understanding between the state and bargaining unit 19 (Health and Social Services/Professional), represented exclusively by the American Federation of State, County and Municipal Employees. No agreement was reached by the end of the session.

**AB 2310 (Santiago), 11/30/16: Died in Senate Public Employment and Retirement Committee: Memorandum of Understanding Bargaining Unit 18 State Employees**

This bill would have ratified the provisions of a memorandum of understanding between the state and bargaining unit 18 (Psychiatric Technicians), represented exclusively by the California Association of Psychiatric Technicians. No agreement was reached by the end of the session.

**AB 2363 (Low), 11/30/16: Died in Senate Public Employment and Retirement Committee: Memorandum of Understanding Bargaining Unit 16 State Employees**

This bill would have ratified the provisions of a memorandum of understanding between the state and bargaining unit 16 (Physician, Dentist and Podiatrist), represented exclusively by the Union of American Physicians and Dentists. No agreement was reached by the end of the session.

**AB 2375 (Committee on Public Employees, Retirement, and Social Security), Chapter 415, Statutes of 2016: California Public Employees' Retirement System Annual Housekeeping Bill**

This bill is the annual CalPERS housekeeping bill which makes various technical and non-controversial changes to statutory provisions governing the California Public Employees' Retirement System (CalPERS) to maintain and ensure effective administration of the system.

**AB 2376 (Committee on Public Employees, Retirement, and Social Security), Chapter 134, Statutes of 2016: County Employees' Retirement: Los Angeles County**

This bill makes various technical and minor policy changes to the County Employees Retirement Law of 1937 ('37 Act), including the following:

- Revises the definition of the Los Angeles County Employees Retirement Association's (LACERA's) Retirement Plans D to mean the contributory retirement plan otherwise available to members of the system between June 1, 1979, and December 31, 2012, thus conforming to PEPRA.
- Clarifies the applicability of reciprocal retirement benefits in LACERA's noncontributory defined benefit plan known as Plan E and states that this clarification is declaratory of existing law allowing a member to have an exception to the rule requiring a concurrent

retirement date when mandatory retirement dates are different between reciprocal systems.

- Authorizes the alternate retirement member of the board of retirement of a '37 Act county to vote as a member of the board if the 8th member of the board is present and specified members not appointed by the board of supervisors are absent (i.e., both the 2nd and 3rd, or both the 2nd and 7th, or both the 3rd and the 7th members).
- Authorizes '37 Act counties to collect specified member information from employers electronically in lieu of sworn statements from the members.

**AB 2377 (Committee on Public Employees, Retirement, and Social Security), 11/30/16: Died in Senate Public Employment and Retirement Committee: Memorandum of Understanding for State Employees**

This bill would have been available to ratify the provisions of a memorandum of understanding between the state and any bargaining units upon agreement between the parties.

**AB 2404 (Cooley), Chapter 199, Statutes of 2016: Public Employees' Retirement System: Optional Settlements**

This bill eliminates and combines several of the optional retirement benefit settlements available to members of the California Public Employees' Retirement System, the Judges' Retirement System, and the Judges' Retirement System II, that retire on or after January 1, 2018, in order to simplify members' retirement choices and administration of these retirement systems.

**AB 2735 (Jones-Sawyer), 11/30/16: Died in Senate Public Employment and Retirement Committee: Public Employees: Unused Leave Credit Buy-Back**

This bill would have allowed state confidential, supervisory, excluded, or managerial employees to elect to "cash-out" up to 80 hours of eligible unused leave credit if the Department of Human Resources chooses to offer a leave buy-back program.

**AB 2823 (Gatto) 6/27/16: Died in Senate Public Employment and Retirement Committee: Disclosure of Private Equity Partnership Contract Terms**

This bill amends the California Public Records Act to eliminate confidentiality protections related to alternative investments in which a public investment fund invests, thus requiring disclosure of partnership contract terms, as specified.

**AB 2833 (Cooley), Chapter 361, Statutes of 2016:** Disclosure of Private Equity Partnership Fees

This bill requires every public investment fund, as defined, to make specified disclosures related to management fees and charges and to present the disclosed information in a report at a public meeting at least annually.

**AB 2835 (Cooper), 8/31/16: Died on Senate Inactive File:** Public Employees: Orientation and Informational Programs: Recognized Employee Organizations

This bill would have required all public employers to provide a specified employee orientation to all newly hired public employees, authorizes the recognized employee organization to participate in the employee orientation for represented employees, and provides that orientations for current employees are subject to bargaining.

**ACR 98 (Beth Gaines), Resolution Chapter 158, Statutes of 2016:** State Employee Merit Awards

This resolution authorizes the payment of monetary state merit awards to state employees whose ideas or work products result in exceptional contributions or budgetary savings in state government.