

# ASSEMBLY COMMITTEE ON PUBLIC EMPLOYMENT AND RETIREMENT

Assemblymember Jim Cooper  
Chair

## 2021-22 SUMMARY OF LEGISLATION

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Ken Cooley

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Assembly  
California Legislature



**ASSEMBLY COMMITTEE ON  
PUBLIC EMPLOYMENT AND RETIREMENT**  
**JIM COOPER, CHAIR**  
ASSEMBLYMEMBER, NINTH DISTRICT

**VICE CHAIR**  
RANDY VOEPEL  
**MEMBERS**  
LISA CALDERON  
KEN COOLEY  
TINA McKINNOR  
PATRICK O'DONNELL  
KELLY SEYARTO

November 15, 2022

To all interested parties:

The following summary of legislation reviewed by the Assembly Committee on Public Employment and Retirement during the 2021-22 Legislative Session includes a brief description of all bills and the status of those bills at the end of the legislative session. Additionally, this booklet contains copies of the Governor's veto messages for those bills that were vetoed.

I hope this publication will be informative and useful as a reference tool. For additional information regarding this summary, or other activities of the committee, please contact the committee staff at (916) 319-3957.

Sincerely,

A handwritten signature in cursive script that reads "Jim Cooper".

Jim Cooper,  
Chairman

## ASSEMBLY MEASURES

### **AB 94 (Jones-Sawyer) Correctional officers.**

Requires correctional officers employed by the California Department of Corrections and Rehabilitation (CDCR) to undergo an annual mental health evaluation, as specified, among other provisions.

*Status:* Died in Assembly Committee on Appropriations, and returned to the Chief Clerk pursuant to Joint Rule 56.

### **AB 105 (Holden) The Upward Mobility Act of 2021: boards and commissions: civil service: examinations: classifications.**

Establishes the Upward Mobility Act of 2021 relating to state boards and commissions, state civil service, examinations, and classifications involving the California Human Resources Department (CalHR), the State Personnel Board (SPB), and appointing authorities.

*Status:* Vetoed by the Governor

Governor's Veto Message

*To the Members of the California State Assembly:*

*I am returning Assembly Bill 105 without my signature.*

*This bill would modify several processes related to civil service job announcements, examinations, classifications, and hiring practices. Additionally, it would require certain boards and commissions to include appointed representatives of underrepresented groups and institute new data collection requirements.*

*I believe that California has a responsibility to recruit and retain a workforce that reflects California's diversity and treats all of our employees with respect, dignity, and equity. My Administration remains committed to furthering that cause and that's why we have established the California Leads as an Employer Initiative. The goal of this initiative is to implement policies that promote a diverse and inclusive workforce reflective of California, ensure a respectful workplace free of harassment, and address gender and racial pay gaps in the state workforce. Additionally, we established a Chief Equity Officer at the Government Operations Agency this year who will focus on diversifying state hiring, recruitment, retention, and training.*

*While the goals of AB 105 are laudable, elements of the bill conflict with existing constitutional requirements, labor agreements, and current data collection efforts. Therefore, it may have unintended consequences that warrant further consideration. Furthermore, as*

*AB 105 would cost tens of millions of dollars, these one-time and significant ongoing costs should be considered through the annual state budget process.*

*I would encourage the author to collaborate with the Administration to address these concerns and look forward to continued partnership as we continue to work to build a more inclusive state government.*

*Sincerely,  
Gavin Newsom*

**AB 237 (Gray) Public employment: unfair practices: health protection.**

Establishes the Public Employee Health Protection Act to ensure continued health care coverage provided by a public employer to its employees and their dependents in the event of a workplace stoppage (i.e., strike).

*Status:* Chapter 740, Statutes of 2021.

**AB 289 (Calderon) Classified school employees: merit system: adoption and termination.**

Makes changes to existing law relating to the adoption and termination of a merit system (i.e., civil service system) for a school district or a community college district, among other provisions.

*Status:* Chapter 88, Statutes of 2021.

**AB 313 (Cristina Garcia) Civil service: Limited Examination and Appointment Program.**

Makes changes relating to the Limited Exam and Appointment Program (LEAP) administered by the California Department of Human Resources (CalHR).

*Status:* Chapter 515, Statutes of 2021.

**AB 316 (Cooper) State employees: pay equity: under-represented groups.**

Requires the California Department of Human Resources (CalHR) to prepare a report on gender and ethnicity pay equity in each classification under the Personnel Classification Plan where there is an underrepresentation of women and minorities, among other provisions.

*Status:* This bill was substantially amended in the Senate to address a related, but different matter. Chapter 312, Statutes of 2022.

**AB 386 (Cooper) Public Employees' Retirement Fund: investments: confidentiality.**

Establishes a new exemption to disclosure under the California Public Records Act (CPRA) relating to certain investments by the Public Employees' Retirement Fund (PERF), administered by the California Public Employees' Retirement System (CalPERS), among other provisions.

*Status:* Died in the Senate Committee on Judiciary.

**AB 438 (Reyes) School employees: classified employees: layoff notice and hearing.**

Revises and recasts provisions relating to layoffs of classified employees of school districts and community college districts to require certain processes and procedures when the employee's services are no longer required, as specified, and among other provisions.

*Status:* Chapter 665, Statutes of 2021.

**AB 444 (Assembly Committee on Public Employment and Retirement) State and local employees: pay warrants: designees.**

Makes changes to existing law relating to the designees authorized by state and local public employees to receive the employee's pay warrant in the event of the death of the employee.

*Status:* Chapter 55, Statutes of 2021.

**AB 539 (Cooley) State teachers' retirement: investment managers and investment advisers: contracts.**

Authorizes the Teachers' Retirement Board of the California State Teachers' Retirement System (CalSTRS) to contract with investment advisers, as specified, among other provisions.

*Status:* Chapter 619, Statutes of 2021.

**AB 551 (Rodriguez) Disability retirement: COVID-19: presumption.**

Extends the sunset date from January 1, 2023, to January 1, 2024, relating to the disability retirement presumption applicable to members of various public employee retirement systems who are employed in certain firefighter, public safety officer, and health care job classifications, among others, who test positive for COVID-19, and retire for disability on that basis.

*Status:* Chapter 741, Statutes of 2022.

**AB 615 (Rodriguez) Higher Education Employer-Employee Relations Act: procedures relating to employee termination or discipline.**

Provides minimum rights, including due process, for specified medical, dental, and resident physician subspecialty personnel, including trainees, who work for a higher education employer, as provided, among other provisions.

*Status:* Chapter 563, Statutes of 2021.

**AB 657 (Cooper) State civil service system: personal services contracts: professionals.**

Establishing certain prohibitions and reporting requirements relating to a state agency contracting with a professional, as defined, among other provisions.

*Status:* This bill was subsequently, substantially amended in the Senate to address an unrelated matter. Chapter 560, Statutes of 2022.

**AB 761 (Chen) County employees' retirement: personnel: Orange County.**

Authorizes the Board of Retirement for Orange County to appoint specified personnel who would not be county employees subject to county civil service and merit system rules, but would be employees of the retirement system, among other provisions.

*Status:* Chapter 26, Statutes of 2021.

**AB 826 (Irwin) County Employees Retirement Law of 1937: compensation and compensation earnable.**

Makes changes to the 1937 County Employees' Retirement Law (CERL) specifically applicable only to the County of Ventura relating to Flexible Benefits Allowance (FBA) and public employee retirement under the CERL.

*Status:* Vetoed by the Governor.

Governor's Veto Message

*To the Members of the California State Assembly:*

*I am returning Assembly Bill 826 without my signature.*

*This bill expands the definitions of "compensation" and "compensation earnable" in the County Employees Retirement Law of 1937 (1937 Act or CERL) that are applicable to legacy members of the Ventura County Employee Retirement Association (VCERA) who retire on or before December 31, 2025, to include an employee's flexible benefit allowance.*

*While I am sympathetic to workers who may see a reduction in their anticipated pension because of prior misinterpretations of what constitutes "compensation" and "compensation earnable," this bill would inappropriately incentivize noncompliance with the Public Employees' Pension Reform Act (PEPRA). The provisions, while more narrow than prior iterations, attempt to circumvent recent court decisions, undermine the intent of the PEPRA, and expose the local governments to increased costs and litigation.*

*For these reasons, I cannot sign this bill.*

*Sincerely,  
Gavin Newsom*

**AB 845 (Rodriguez) Disability retirement: COVID-19: presumption.**

Establishes, until January 1, 2023, a rebuttable presumption relating to a disability retirement due to COVID-19 that would apply to members of public employee retirement systems regulated by the Public Employee's Pension Reform Act (PEPRA) of 2013, among other provisions.

*Status:* Chapter 122, Statutes of 2021.

**AB 890 (Cervantes) Public employee retirement systems: investment management: reports.**

Requires the Boards of Administration of the California Public Employees' Retirement System (CalPERS) and the California State Teachers' Retirement System (CalSTRS) Board to each provide an annual report to the Legislature on the use of emerging managers, as provided.

*Status:* Chapter 472, Statutes of 2021.

**AB 1019 (Holden) Public employee retirement systems: prohibited investments: Turkey.**

Prohibits state trust moneys from being used to make additional or new investments or to renew existing investments in investment vehicles issued or owned by the government of Turkey, unless the government adopts a policy to acknowledge the Armenian Genocide and embark on a path of affording justice to its victims, among other provisions.

*Status:* Died in the Assembly Committee on Public Employment and Retirement, and returned to the Chief Clerk pursuant to Joint Rule 56.

**AB 1031 (Villapudua) State agencies: interns and student assistants: hiring preference.**

Requires state agencies to give preference to a qualified applicant who has been a victim of human trafficking when hiring for internships and student assistant positions; defines “human trafficking” to mean a violation of Section 236.1 of the Penal Code, and “preference” to mean priority over similarly qualified applicants for placement in the position.

*Status:* Chapter 204, Statutes of 2021.

**AB 1032 (Cooper) State employees: active duty order: pay and benefits.**

Extends the period of compensation (i.e., pay, benefits, and reimbursement of the insurance premium for a federally sponsored income protection program) that a state employee, who is a member of the California National Guard or United States (U.S.) military reserve organization and ordered to active duty by the U.S. President, as specified, is entitled to receive from 180 calendar days to 365 calendar days; authorizes the Governor to, by executive order, extend the period of time a state employee may receive benefits up to 1,460 calendar days, and makes conforming changes for these purposes.

*Status:* Died in the Assembly Committee on Military and Veteran Affairs, and returned to the Chief Clerk pursuant to Joint Rule 56.

**AB 1048 (Cooper) Alameda Health System Hospital Authority: labor negotiations.**

Makes changes to existing law relating to employees of the Alameda Health System Hospital Authority (AHS, or “hospital authority”) qualifying for membership in the Alameda County Employees’ Retirement Association (ACERA), among other provisions.

*Status:* Chapter 379, Statutes of 2021.

**AB 1063 (Voepel) State employment: memoranda of understanding: ancillary agreements.**

Removes the requirement that a side letter, appendix, or other addendum require the expenditure of \$250,000 or more related to the salary and benefits in connection with a memorandum of understanding between the state employer and a recognized employee organization.

*Status:* Died in the Assembly Committee on Public Employment and Retirement, and returned to the Chief Clerk pursuant to Joint Rule 56.



**AB 1092 (Mayes) Public employees' retirement: health benefits.**

Prohibits, among other things, employees, annuitants, and family members who become eligible to enroll on or after January 1, 1985, in Parts A and B of Medicare from being enrolled in a basic health benefit plan, among other provisions.

*Status:* Died in the Assembly Committee on Public Employment and Retirement, and returned to the Chief Clerk pursuant to Joint Rule 56.

**AB 1195 (Christina Garcia) Limited Eligibility and Appointment Program: lists.**

Makes changes to existing law relating to the Limited Examination and Appointment Program (LEAP) and referral lists to a state appointing power.

*Status:* Chapter 892, Statutes of 2022.

**AB 1293 (Cooley) Judges' Retirement System II: federal law limits: adjustments.**

Makes changes to the Judges' Retirement System II (JRS II) law, administered by the California Public Employees' Retirement System (CalPERS), relating to specified adjustments under federal law.

*Status:* Chapter 304, Statutes of 2021.

**AB 1460 (Bigelow) State employment: COVID-19 telework: costs.**

Authorizes the California Department of Human Resources (CalHR) to provide a one-time payment of an unspecified amount to employees who have been require to telework as a result of the COVID-19 pandemic to offset costs associated with working remotely.

*Status:* Died in the Assembly Committee on Public Employment and Retirement, and returned to the Chief Clerk pursuant to Joint Rule 56.

**AB 1472 (Nazarian) Meyers-Milias-Brown Act: public employees: Ventura County physicians.**

Includes any physician employed solely or joint by the County of Ventura in the definition of "public employee", as specified.

*Status:* Died in the Assembly Committee on Public Employment and Retirement, and returned to the Chief Clerk pursuant to Joint Rule 56.

**AB 1484 (Kiley) School employees: labor relations: fair share services fee or alternative fee: deduction: recognized employee organization decertification and recertification.**

Prohibits a public school employer from deducting the amount of the fair share service fee or alternative fee, as specified, from the wages and salary of a public school employee unless the employee has received explicit written permission from the employee, among other provisions.

*Status:* Died in the Assembly Committee on Public Employment and Retirement, and returned to the Chief Clerk pursuant to Joint Rule 56.

**AB 1548 (Carrillo) Classified school employees: restricted positions.**

Makes nonsubstantive changes to provisions relating to restricted positions, as specified, of a school district.

*Status:* Died in the Assembly Committee on Public Employment and Retirement, and returned to the Chief Clerk pursuant to Joint Rule 56.

**AB 1550 (Luz Rivas) Higher education labor relations: employee organizations.**

Makes changes to the Higher Education Employer-Employee Relations Act (HEERA) relating to the continued representation by the exclusive bargaining agent of job classifications and their occupants moved to the academic senate of, and by, the University of California (UC), among other provisions.

*Status:* Chapter 754, Statutes of 2021.

**AB 1577 (Stone) Collective bargaining: Legislature.**

Establishes the Legislature Employer-Employee Relations Act (LEERA) for the purpose of promoting full communication between the Legislature and its employees by providing a reasonable method of resolving disputes regarding wages, hour, and other terms and conditions of employment between the Legislature and certain employees of the Legislature represented by a union.

*Status:* Died in the Assembly Committee on Public Employment and Retirement, and returned to the Chief Clerk pursuant to Joint Rule 62(a).

**AB 1604 (Holden) The Upward Mobility Act of 2022: boards and commissions: civil service: examinations: classifications.**

Establishes the Upward Mobility Act of 2022 relating to state boards and commissions, state civil service, examinations, and the collection of demographic information involving the California Department of Human Resources (CalHR), the State Personnel Board (SPB), and appointing authorities, among other provisions.

*Status:* This bill was subsequently, substantially amended to address the underlying subject, but in a different manner. Chapter 313, Statutes of 2022.

**AB 1667 (Cooper) State Teachers' Retirement System: administration.**

Prescribes various requirements in connection with audits of public agencies and members by the California State Teachers' Retirement System (CalSTRS); CalSTRS' interpretation and clarification of rules relating to creditable compensation; CalSTRS' review of compensation items included in a memorandum of understanding or collective bargaining agreement; and, corrections of errors relating to the payment of retirement allowances to retirees, among other provisions.

*Status:* Chapter 754, Statutes of 2022.

**AB 1691 (Medina) Education finance: Classified School and Community College Employee Summer Assistance Programs.**

Makes changes to the Classified School Employee Summer Assistance Program for local educational agency (LEA) employers and their classified employees, and establishes the Classified Community College Employee Summer Assistance Program in which eligible classified employees of community college districts (CCDs) may elect to participate for the purpose of receiving income during periods of summer recess, among other provisions.

*Status:* Died on the Senate Inactive File.

**AB 1714 (Cooper) Excluded employees: binding arbitration.**

Establishes the Excluded Employee Arbitration Act to provide state excluded employees, such as managers and supervisors, the option of requesting binding arbitration as a method for resolving disputes with their employers after first exhausting the current grievance resolution procedures and, among other things, includes a sunset date of January 1, 2028.

*Status:* Vetoed by the Governor.

Governor's Veto Message

*To the Members of the California State Assembly:*

*I am returning Assembly Bill 1714 without my signature.*

*AB 1714 would allow state employee supervisors to request binding arbitration as part of the grievance process. Current law allows managers and supervisors to pursue resolution of disagreements through a four-step grievance process and pursue a claim with the State Personnel Board. AB 1714 would add a costly step to this process.*

*Additionally, AB 1714 would permit excluded employees to arbitrate the Department of Human Resources' (CalHR) authorizing statutes, regulations, policies, and/or practices before non-governmental entities. This could lead to conflicts with the statutory authority delegated to CalHR and the Legislature's authority. These are the same concerns I had with previous, nearly-identical bills, SB 179 (2019), and SB 76 (2021) which I also vetoed.*

*Sincerely,  
Gavin Newsom*

**AB 1722 (Cooper) Public employees' retirement: safety members: industrial disability retirement.**

Removes the sunset date (i.e., January 1, 2023) from existing law related to retirement calculations for safety members of the California Public Employees' Retirement System (CalPERS) who retire on or after January 1, 2013, for an industrial retirement disability (IDR) benefit, thereby making the provision operative in perpetuity.

*Status:* Chapter 404, Statutes of 2022.

**AB 1723 (Patterson) California State Auditor: whistleblower protection.**

Expands the definition of "protected disclosure" under the California Whistleblower Protection Act (WPA) to include a complaint made to a Member of the Legislature, the Legislature, or any subdivision thereof.

*Status:* Died in the Assembly Committee on Appropriations.

**AB 1768 (Cooper) State employees: active duty compensation and benefits.**

Removes specific references to federal law and instead refers to provisions in California law that identify events (i.e., Presidential determination necessary to augment forces for any operational mission, or during a time of national emergency declared by the President, or as otherwise authorized by law) which establish certain rights to compensation and benefits while a state

employee is on active duty as a member of the California National Guard (CNG) or United States (U.S.) military reserve for purposes of establishing how long affected state employees are required to receive active duty compensation and benefits, among other nonsubstantive changes.

**Status:** Vetoes by the Governor.

#### Governor's Veto Message

*To the Members of the California State Assembly:*

*I am returning Assembly Bill AB 1768 without my signature.*

*This bill intends to remedy an important issue that arose from a misinterpretation of COVID-19 orders by clarifying that all activations of state employees who are members of the California National Guard or a United States military reserve organization, due to presidential declarations of emergency, are eligible for differential pay.*

*However, CalHR has already worked with state departments and the military on an administrative solution that provides clarity and issued new guidance to their Military Leave policy to prevent any further confusion. I am confident that this issue has been resolved making this bill unnecessary.*

*Sincerely,  
Gavin Newsom*

#### **AB 1824 (Assembly Committee on Public Employment and Retirement) Public employees' retirement.**

Makes technical, conforming, and noncontroversial changes to various sections of the Education and Government Codes administered by the California State Teachers' Retirement System (CalSTRS) and the 20 independent County Employee Retirement Associations (commonly referred to as "1937 Act" or "'37 Act" systems), respectively, for the purposes of continued appropriate and effective administration of these laws.

**Status:** Chapter 231, Statutes of 2022.

#### **AB 1877 (Fong) State teachers' retirement: retirees.**

Exempts retired teachers who return to the classroom to teach from the postretirement compensation limit under the Teachers' Retirement Law (TRL), administered by the California State Teachers' Retirement System (CalSTRS), among other provisions.

**Status:** Held in the Assembly Committee on Public Employment and Retirement at the request of the author.

**AB 1921 (Jones-Sawyer) Correctional officers.**

Authorizes a correctional officer employed by the California Department of Corrections and Rehabilitation (CDCR) to receive a confidential mental health evaluation every calendar year to determine emotional or mental condition relating to the exercise of their duties and powers, among other provisions.

*Status:* Died in the Assembly Committee on Appropriations.

**AB 1971 (Cooper) County Employees Retirement Law of 1937.**

Makes various substantive changes to the County Employees Retirement Law (CERL) administered by the 20 independent County Employee Retirement Associations, also commonly referred to as “1937 Act” or “’37 Act” systems.

*Status:* Chapter 524, Statutes of 2022.

**AB 2015 (Cooley) Sacramento Regional Transit District: board of directors: voting procedures: contracting authority: retirement board.**

Authorizes board members and employees of the Sacramento Regional Transit District (SacRT) to serve on its retirement board if the SacRT establishes a board for the retirement system, among other provisions.

*Status:* Chapter 182, Statutes of 2022.

**AB 2045 (Jones-Sawyer) School district, county office of education, and community college district employees: personnel commissions: ranked groups.**

Establishes, for school districts and community college districts, eligibility lists in ranked groups for the purpose of filling vacancies in the classified service, among other provisions.

*Status:* Died on the Senate Inactive File.

**AB 2413 (Carrillo) Classified school and community college employees: disciplinary hearings: compensation.**

Subject to certain specifies exceptions, prohibits the suspension, demotion, or dismissal without pay of a permanent classified employee employed by a school district or community college district who timely requests a hearing on charges against the employee and before a decision is rendered on the matter, among other provisions.

*Status:* Chapter 913, Statutes of 2022.

**AB 2441 (Kalra) Public employment: local public transit agencies: autonomous transit vehicle technology.**

Requires a public transit district to provide written notice to an exclusive representative of the workforce affected by autonomous transit vehicle technology, among other provisions.

*Status:* Vetoed by the Governor.

Governor's Veto Message

*To the Members of the California State Assembly:*

*I am returning Assembly Bill 2441 without my signature.*

*This bill would require a public transit district to provide notice 12 months before "any plan to acquire or deploy" new autonomous transit vehicle technology and negotiate with employee representatives before deploying such technology.*

*I am supportive of ensuring workers affected by new technology are consulted and have input upon decisions that will impact their job. However, I am returning this bill without my signature because it contains some ambiguous terms that may lead to more adjudications than intended, and I believe more work is needed to clearly define the scope and application of the bill. I look forward to continuing to work on this issue with the stakeholders to ensure workers' voices are fairly represented and addressed when new transit technology is deployed.*

*Sincerely,  
Gavin Newsom*

**AB 2443 (Cooley) Judges' Retirement System II: benefits.**

Establishes, similarly to a pilot program, an early retirement option, as provided, for judges who are members of the Judges' Retirement System II (JRS II) administered by the California Public Employees' Retirement System (CalPERS), and makes conforming changes for these purposes relating to retiree health and survivor benefits, among other provisions.

*Status:* Chapter 531, Statutes of 2022.

**AB 2493 (Chen) County employees' retirement: disallowed compensation: benefit adjustments.**

Authorizes 1937 Act County Employee Retirement Systems to retroactively adjust retirement benefits relating to disallowed compensation for sworn peace officers and firefighters who are members of those systems, among other provisions.

*Status:* Died on concurrence in the Assembly.

**AB 2497 (Reyes) Higher Education Employer-Employee Relations Act: new employee orientation: membership authorization forms.**

Requires a higher education employer, upon notification by an exclusive representative, to distribute membership authorization forms, as defined, to each higher education employee as part of the new employee orientation process, and to collect and return the finished membership authorization forms to the exclusive representative, as specified, and among other provisions.

*Status:* Held in the Assembly Committee on Public Employment and Retirement at the request of the author.

**AB 2524 (Kalra) Santa Clara Valley Transportation Authority: employee relations.**

Vests the Public Employment Relations Board (PERB) with jurisdiction to enforce certain provisions relating to employer-employee relations between the Santa Clara Valley Transportation Authority (VTA) and its employees, among other provisions.

*Status:* Chapter 789, Statutes of 2022.

**AB 2556 (O'Donnell) Local public employee organizations.**

Revises a timeframe under the Meyers-Milias-Brown Act (MMBA) relating to applicable mediation and factfinding procedures, and authorizes a recognized employee organization to charge an employee covered by the Firefighters Procedural Bill or Rights Act for the reasonable costs of representation when the employee holds a conscientious objection, as provided, or declines membership in the organization and requests individual representation in a discipline, grievance, arbitration, or administrative hearing from the organization, among other provisions.

*Status:* Chapter 412, Statutes of 2022.



**AB 2596 (Low) Lunar New Year holiday.**

Recognizes the Lunar New Year as a state holiday; gives state employees, with specified exceptions, compensated time off for this holiday; and, repeals provisions that require the Governor to annually proclaim the Lunar New Year, among other provisions.

*Status:* Chapter 792, Statutes of 2022.

**AB 2782 (Mayes) Public employment: health benefits and reimbursement: Medicare.**

Prohibits a person who enters into service with the state or any agency, department, authority, or instrumentality of the state or a contracting agency subject to the Public Employee's Medical and Hospital Care Act (PEMHCA), on or after January 1, 2023, from being reimbursed for, or receiving, any subsidy for health care expenses or coverage after retirement from service, if that person is eligible to enroll in Parts A and B of Medicare.

*Status:* Died in the Assembly Committee on Public Employment and Retirement.

**AB 2860 (Arambula) Civil service: appointments: supervisory positions.**

Requires a vacancy in a position in a facility operated by the California Department of State Hospitals (DSH) or by the California Department of Corrections and Rehabilitation (CDCR) that includes supervision of state civil service employees in state Bargaining Units (BUs) 16, 17, 18, 19, or 20, to be billed only by appointment of a permanent full-time civil service employee.

*Status:* Died in the Assembly Committee on Appropriations.

**ACR 45 (Cooper) State employee merit awards.**

Authorizes the payment of state merit awards approved by the California Department of Human Resources (CalHR) to state employees whose proposals resulted in annual savings and net revenue gains to the state.

*Status:* Resolution Chapter 113, Statutes of 2021.

**AJR 9 (Cooper) Social Security.**

Requests the United States (U.S.) Congress to enact, and the President to sign, legislation that would repeal the Government Pension Offset (GPO) and Windfall Elimination Provision (WEP) from the federal Social Security Act (SSA), and transmittal of this resolution, as specified.

*Status:* Resolution Chapter 78, Statutes of 2021.

## SENATE MEASURES

### **SB 76 (Nielsen) Excluded employees: binding arbitration.**

Establishes the Excluded Employee Arbitration Act to provide state excluded employees, such as managers and supervisors, the option of requesting binding arbitration as a method for resolving disputes with their employers after first exhausting the current grievance resolution procedures and, among other things, includes a sunset date of January 1, 2027.

*Status:* Vetoed by the Governor.

Governor's Veto Message

*To the Members of the California State Senate:*

*I am returning Senate Bill 76 without my signature.*

*SB 76 would allow state employee supervisors to request binding arbitration as part of the grievance process. Current law allows managers and supervisors to pursue resolution of disagreements through a four-step grievance process and pursue a claim with the State Personnel Board. SB 76 would add a costly step to this process.*

*Additionally, SB 76 would permit excluded employees to arbitrate the Department of Human Resources' (CalHR) authorizing statutes, regulations, policies, and/or practices before non-governmental entities. This could lead to conflicts with the statutory authority delegated to CalHR and the Legislature. These are the same concerns I had with a previous, nearly-identical bill, SB 179 (2019), which I also vetoed.*

*Sincerely,  
Gavin Newsom*

### **SB 206 (McGuire) Firefighters Procedural Bill of Rights Act.**

Makes changes to the Firefighters Procedural Bill of Rights (FBOR) Act relating to temporary firefighters employed by the California Department of Forestry and Fire Protection (CAL FIRE), among other provisions.

*Status:* Chapter 722, Statutes of 2021.

### **SB 270 (Durazo) Public employment: labor relations: employee information.**

Authorizes, beginning July 1, 2022, the Public Employment Relations Board (PERB) to levy a

specified penalty on a public employer for violating certain rights of an exclusive representative of employees pursuant to the Public Employee Communication Chapter (PECC), among other provisions.

*Status:* Chapter 330, Statutes of 2021.

**SB 278 (Leyva) Public Employees' Retirement System: disallowed compensation: benefit adjustments.**

Establishes requirements relating to the reporting of disallowed compensation by state, school or contracting agency employers to the California Public Employees' Retirement System (CalPERS) and retirement benefits paid to CalPERS retirees and their survivors or beneficiaries, among other provisions.

*Status:* Chapter 331, Statutes of 2021.

**SB 294 (Leyva) Public retirement: leave of absence: service credit.**

Removes the 12-year limitation for service credit earned under the Teachers' Retirement Law (TRL) and Public Employees' Retirement Law (PERL), respectively, relating to an employer-approved compensated leave of absence as applied to school employees who serve as an elected officer of an employee organization, among other provisions.

*Status:* Chapter 539, Statutes of 2021.

**SB 411 (Cortese) Public Employees' Retirement System: employment without reinstatement.**

Grants discretionary authority to the California Public Employee's Retirement System (CalPERS) relating to reinstatement of retirees to active membership if they work more than the 960-hour per fiscal year limit under current law in CalPERS-covered positions, and to address violations in a manner that does not impose harsh financial terms on retirees.

*Status:* Chapter 136, Statutes of 2021.

**SB 422 (Pan) Personal services contracts: state employees: physician and professional registry.**

Amends existing law relating to the use of personal services contracts by the state by establishing a health professional registry consisting of existing state employees for supplemental, temporary work that would otherwise be performed by health contractors from private company medical

registries, and among other provisions, repeals and recasts existing law relating to the standards of use for personal service contracts, among other provisions.

**Status:** This bill was substantially amended to address the underlying subject in a different manner. Vetoed by the Governor.

#### Governor's Veto Message

*To the Members of the California State Senate:*

*I am returning Senate Bill 422 without my signature.*

*This bill requires the Department of State Hospitals (DSH) to establish a three-year physician registry pilot program (program) comprised of State Bargaining Unit 16 (physicians, dentists, and podiatrists) members for the Patton State Hospital to provide an alternative to contract registries with non-state employees, no later than January 1, 2024.*

*This bill is unclear on implementation and does not demonstrate how it would significantly reduce DSH's reliance on contractors. While I am supportive of ideas to reduce state reliance on contractors, the creation of a registry and the determination of associated compensation are matters that are more appropriately handled through the budget and labor negotiation processes.*

*For these reasons, I cannot sign this bill.*

*Sincerely,  
Gavin Newsom*

#### **SB 457 (Portantino) Public employee retirement systems: investment portfolios: divestment from Turkey.**

Requires the boards of administration of the California Public Employees' Retirement System (CalPERS) and the California State Teachers' Retirement System (CalSTRS) to provide employers that are school districts and cities that participate in the systems an option to elect an investment portfolio that does not contain investment vehicles that are issued or owned by the government of the Republic of Turkey.

**Status:** This bill was subsequently, substantially amended to address an unrelated matter. Vetoed by the Governor.

#### Governor's Veto Message

*To the Members of the California State Senate:*

*I am returning Senate Bill 457 without my signature.*

*This bill creates a \$1,000 tax credit for households with no registered vehicles until the 2028 tax year and makes the credit refundable or eligible for carry over.*

*Addressing climate change is one of our state's highest priorities. We have made historic investments in programs to reduce emissions and improve public transportation. I support approaches to incentivize a transition from vehicles to more sustainable transportation, however the estimated cost to implement this bill is nearly one billion dollars per year and is not accounted for in the budget.*

*With our state facing lower-than-expected revenues over the first few months of this fiscal year, it is important to remain disciplined when it comes to spending, particularly spending that is ongoing. We must prioritize existing obligations and priorities, including education, health care, public safety, and safety-net programs.*

*The Legislature sent measures with potential costs of well over \$20 billion in one-time spending and more than \$10 billion in ongoing commitments not accounted for in the state budget. Bills with a significant fiscal impact, such as this measure, should be considered and accounted for as part of the annual budget process.*

*For these reasons, I cannot sign this bill.*

*Sincerely,  
Gavin Newsom*

**SB 598 (Pan) Sacramento Regional Transit District: employee relations.**

Repeals, recasts, and modifies certain provisions of the Public Utilities Code (PUC) relating to the Sacramento Regional Transit District (SacRT) governing employer-employee relations and grants the Public Employment Relations Board (PERB) jurisdiction over certain disputes affecting those relations, among other provisions.

**Status:** Chapter 492, Statutes of 2021.

**SB 634 (Senate Committee on Labor, Public Employment and Retirement) Public employees' retirement.**

Makes technical, conforming, and noncontroversial changes to public employee retirement laws administered by the California State Teachers' Retirement System (CalSTRS), California Public Employees' Retirement System (CalPERS), and 1937 Act County Retirement Systems (CERL systems), respectively.

**Status:** Chapter 186, Statutes of 2021.

**SB 647 (Laird) Public employment: appointment.**

Clarifies existing law relating to the date of appointment (i.e., hire or employment) of a state employee into the state civil service.

*Status:* This bill was subsequently, substantially amended and held in the Assembly Committee on Public Employment and Retirement at the request of the author.

**SB 835 (Newman) Employee benefits: Legislature: employees and officers: benefits**

Requires the Legislature, upon the death of a legislative employee while in service, to continue to pay employer health contributions for a specified period upon the death of an employee, among other provisions.

*Status:* Chapter 189, Statutes of 2022.

**SB 850 (Laird) Special death benefits: additional percentages: children of members.**

Modifies existing law administered by the California Public Employees' Retirement System (CalPERS) relating to payment of the special death benefit to a spouse or survivor of the member.

*Status:* Chapter 219, Statutes of 2022.

**SB 868 (Cortese) State teachers' retirement: supplemental benefits.**

Establishes, effective July 1, 2023, a schedule for increases to quarterly supplemental payments made to retired or disabled members, or beneficiaries from the Supplemental Benefit Maintenance Account (SBMA) administered by the California State Teachers' Retirement System (CalSTRS), among other provisions.

*Status:* Chapter 818, Statutes of 2022.

**SB 874 (Cortese) Classified school district and community college employees: probation: promotion.**

Amends existing law to require reemployment of permanent employees in K-12 school districts and community college districts (hereinafter, both referred to as "district") that have adopted the merit system, if the employee fails the probationary period for the promotion, among other provisions.

*Status:* Chapter 150, Statutes of 2022.

**SB 931 (Leyva) Deterring union membership: violations.**

Authorizes an employee organization that is subject to the jurisdiction of the Public Employee Relations Board (PERB) to bring a claim to the PERB alleging that a public employer has violated existing law relating to the public employer prohibition against deterring or discouraging union membership, and in which the public employer may be subject to a civil penalty and other costs, among other provisions.

*Status:* Chapter 823, Statutes of 2022.

**SB 957 (Laird) Public Employment Relations Board: Santa Cruz Metropolitan Transit District: employee relations.**

Requires the Santa Cruz Metropolitan Transit District (SCMTD) and its employees to adjudicate claims regarding unfair labor practice charges (UPC) before the Public Employment Relations Board (PERB), among other provisions.

*Status:* Chapter 240, Statutes of 2022.

**SB 984 (Archuleta) Military service: leave of absence: pay and benefits.**

Makes changes to existing law relating to leave of absence, pay, and benefits of state employees who are members of reserve military units and the National Guard.

*Status:* Chapter 384, Statutes of 2022.

**SB 1168 (Cortese) Public employees' retirement: beneficiary payment.**

Increases the lump sum postretirement death benefit payable to the beneficiary of a California Public Employees' Retirement System (CalPERS) annuitant from \$500 to \$2,000 for a death occurring on or after July 1, 2023.

*Status:* Chapter 193, Statutes of 2022.

**SB 1173 (Gonzalez) Public retirement systems: fossil fuels: divestment.**

Prohibits the boards of the Public Employees' Retirement System (CalPERS) and State Teachers' Retirement System (CalSTRS) from making new investments or renewing existing investments of public employee retirement funds in a fossil fuel company, as defined and provided, among other provisions.

*Status:* Held in the Assembly Committee on Public Employment and Retirement without a hearing.

**SB 1313 (Hertzberg) Local public employee organizations: health benefits: discrimination.**

Prohibits the County of Los Angeles from discriminating against an employee who is a member of a recognized employee organization (i.e., union) by engaging in acts relating to the employee's health benefit plan, among other provisions.

*Status:* Vetoed by the Governor.

Governor's Veto Message

*To the Members of the California State Senate:*

*I am returning Senate Bill 1313 without my signature.*

*This bill prohibits the County of Los Angeles from offering separate health benefit plan options that are less advantageous than those offered to its employees that are not members of a union.*

*The State of California stands firmly against employee discrimination in all forms. This bill, however, suggests the final outcome of good faith bargaining between parties is inherently unfair because unrepresented workers may have access to better benefits. If enacted, it would upend existing collectively bargained contracts by effectively codifying the setting of local employee benefits which is best addressed through the collective bargaining process.*

*Additionally, if determined to be a state mandate, this bill would result in additional costs to the state in the hundreds of millions of dollars not accounted for in the budget. With our state*



*facing lower-than-expected revenues over the first few months of this fiscal year, it is important to remain disciplined when it comes to spending, particularly spending that is ongoing. We must prioritize existing obligations and priorities, including education, health care, public safety and safety-net programs.*

*The Legislature sent measures with potential costs of well over \$20 billion in one-time spending commitments and more than \$10 billion in ongoing commitments not accounted for in the state budget. Bills with significant fiscal impact, such as this measure, should be considered and accounted for as part of the annual budget process.*

*For these reasons, I cannot sign this bill.*

*Sincerely,  
Gavin Newsom*

**SB 1328 (McGuire) Prohibited investments and contracts: Russia and Belarus.**

Prohibits, except as provided, the boards of specified state and local retirement systems from making additional or new investments in prohibited companies, as defined, domiciled in Russia or Belarus, as defined; companies that the United States government has designated as complicit in the aggressor countries', as defined, war in Ukraine, or companies that supply military equipment to the aggressor countries, among other provisions.

**Status:** Held in Assembly Committee on Public Employment and Retirement without a hearing.

**SB 1343 (Leyva) Public employees' retirement: charter schools.**

Requires charter schools initially authorized to commence operations on and after January 1, 2023, to participate in the California State Teachers' Retirement System (CalSTRS), the California Public Employees' Retirement System (CalPERS), or both, but does not apply to charter schools seeking renewal authorization after January 1, 2023, if the charter school initially received authorization to commence operations prior to that date, and has continuously operated as such since that initial authorization, among other provisions.

**Status:** Died on the Assembly Floor.

**SB 1402 (Umberg) Public employees' retirement: armed forces: service credit.**

Amends existing law regarding the purchase of service credit in the California State Teachers' Retirement System (CalSTRS) and California Public Employees' Retirement System (CalPERS), respectively, by veterans of the United States (U.S.) Armed Forces and former Merchant Marines, among other provisions.

*Status:* Chapter 196, Statutes of 2022.

**SB 1406 (Durazo) Excluded employees: binding arbitration**

Establishes the Excluded Employee Arbitration Act to provide state excluded employees, such as managers and supervisors, the option of requesting binding arbitration as a method for resolving disputes with their employers after first exhausting the current grievance resolution procedures.

*Status:* Vetoed by the Governor.

Governor's Veto Message

*To the Members of the California State Senate:*

*I am returning Senate Bill 1406 without my signature.*

*SB 1406 would allow state employee supervisors to request binding arbitration as part of the grievance process. Current law allows managers and supervisors to pursue resolution of disagreements through a four-step grievance process and pursue a claim with the State Personnel Board. SB 1406 would add a costly step to this process.*

*Additionally, SB 1406 would permit excluded employees to arbitrate the Department of Human Resources' (CalHR) authorizing statutes, regulations, policies, and/or practices before non-governmental entities. This could lead to conflicts with the statutory authority delegated to CalHR and the Legislature's authority. These are the same concerns I had with previous, nearly-identical bills, SB 179 (2019), and SB 76 (2021) which I also vetoed.*

*Sincerely,  
Gavin Newsom*

**SJR 5 (Wilk) Social Security benefits: COVID-19.**

Urges the United States (U.S.) Congress to amend the U.S. Social Security Administration's (SSAs) index of earnings to ensure that a decline in the aggregate wages due to COVID-19 do not result in decreased benefits and to either base the national average wage off first quarter earnings for federal Social Security benefits for those who turn 60 in 2020 or 2021, or use the 2019 national average wage for federal Social Security benefits for those who turn 60 in 2020 or 2021.

*Status:* Resolution Chapter 181, Statutes of 2022.

**SJR 11 (Skinner) The Social Security 2100 Act: A Sacred Trust.**

Expresses and affirms the Legislature’s support for expanding Social Security and requests California’s representatives in Congress to support expanding the federal program by voting in favor of House Resolution (HR) 5723 (Larson, CT-1): the Social Security 2100 Act – A Sacred Trust.

In supporting current federal efforts to expand Social Security, this joint resolution generally makes legislative statements regarding the history, important dependence among households, and supportive economic impacts of this program, and its continuing importance to millions of households and the economy for the foreseeable future.

*Status:* Resolution Chapter 157, Statutes of 2022.