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GOVERNMENT CODE - GOV

TITLE 2. GOVERNMENT OF THE STATE OF CALIFORNIA [8000 - 22980] (Title 2 enacted by Stats. 1943, Ch. 134.)

DIVISION 5. PERSONNEL [18000 - 22980] (Division 5 added by Stats. 1945, Ch. 123.)

PART 5. THE PUBLIC EMPLOYEES' MEDICAL AND HOSPITAL CARE ACT [22750 - 22948] (Part 5 added by Stats. 2004, Ch. 69, Sec. 22.)

CHAPTER 1. Public Employees' Health Benefits [22750 - 22944.6] (Chapter 1 added by Stats. 2004, Ch. 69, Sec. 22.)

ARTICLE 8. Contracting Agency Contributions [22890 - 22905] (Article 8 added by Stats. 2004, Ch. 69, Sec. 22.)

22890. (a) The contracting agency and each employee or annuitant shall contribute a portion of the cost of providing the benefit coverage afforded under the health benefit plan approved or maintained by the board in which the employee or annuitant may be enrolled.

(b) An annuitant is entitled to only one employer contribution. If more than one annuitant is receiving an allowance as the survivor of the same employee or annuitant, there shall be only one employer contribution with respect to all such annuitants.

(c) The contribution of each employee and annuitant shall be the total cost per month of the benefit coverage afforded him or her under the health benefit plan or plans in which he or she is enrolled less the portion thereof to be contributed by the employer. The employer contribution for each employee and annuitant shall commence on the effective date of enrollment.

(Added by Stats. 2004, Ch. 69, Sec. 22. Effective June 24, 2004.)

22892. (a) The employer contribution of a contracting agency shall begin on the effective date of enrollment and shall be the amount fixed from time to time by resolution of the governing body of the agency. The resolution shall be filed with the board and the contribution amount shall be effective on the first day of the second month following the month in which the resolution is received by the system.

(b) (1) The employer contribution shall be an equal amount for both employees and annuitants, but may not be less than the following:

(A) Prior to January 1, 2004, sixteen dollars (\$16) per month.

(B) During calendar year 2004, thirty-two dollars and twenty cents (\$32.20) per month.

(C) During calendar year 2005, forty-eight dollars and forty cents (\$48.40) per month.

(D) During calendar year 2006, sixty-four dollars and sixty cents (\$64.60) per month.

(E) During calendar year 2007, eighty dollars and eighty cents (\$80.80) per month.

(F) During calendar year 2008, ninety-seven dollars (\$97) per month.

(2) Commencing January 1, 2009, the employer contribution shall be adjusted annually by the board to reflect any change in the medical care component of the Consumer Price Index and shall be rounded to the nearest dollar.

(c) A contracting agency may, notwithstanding the equal contribution requirement of subdivision (b), establish a lesser monthly employer contribution for annuitants than for employees, provided that the monthly contribution for annuitants is annually increased to equal an amount not less than the number of years that the contracting agency has been subject to this subdivision multiplied by 5 percent of the current monthly employer contribution for employees, until the time that the employer contribution for annuitants equals the employer contribution paid for employees. This annual adjustment to the minimum monthly employer contribution for an

annuitant as authorized by this subdivision shall not exceed one hundred dollars (\$100). This subdivision shall only apply to agencies that first become subject to this part on or after January 1, 1986.

(Amended by Stats. 2006, Ch. 862, Sec. 1. Effective January 1, 2007.)

22893. (a) Notwithstanding Section 22892, the percentage of employer contribution payable for postretirement health benefits for an employee of a contracting agency subject to this section shall, except as provided in subdivision (b), be based on the member's completed years of credited state service at retirement as shown in the following table:

Credited Years of Service	Percentage of Employer Contribution
10 ____	50 ____
11 ____	55 ____
12 ____	60 ____
13 ____	65 ____
14 ____	70 ____
15 ____	75 ____
16 ____	80 ____
17 ____	85 ____
18 ____	90 ____
19 ____	95 ____
20 or more ____	100 ____

This subdivision shall apply only to employees who retire for service and are first employed after this section becomes applicable to their employer, except as otherwise provided in paragraph (6). The application of this subdivision shall be subject to the following provisions:

(1) The employer contribution with respect to each annuitant shall be adjusted by the employer each year. Those adjustments shall be based upon the principle that the employer contribution for each annuitant may not be less than the amount equal to 100 percent of the weighted average of the health benefit plan premiums for an employee or annuitant enrolled for self-alone, during the benefit year to which the formula is applied, for the four health benefit plans that had the largest state enrollment, excluding family members, during the previous benefit year. For each annuitant with enrolled family members, the employer shall contribute an additional 90 percent of the weighted average of the additional premiums required for enrollment of those family members, during the benefit year to which the formula is applied, in the four health benefit plans that had the largest state enrollment, excluding family members, during the previous benefit year. Only the enrollment of, and premiums paid by, state employees and annuitants enrolled in basic health benefit plans shall be counted for purposes of calculating the employer contribution under this section.

(2) The employer shall have, in the case of employees represented by a bargaining unit, reached an agreement with that bargaining unit to be subject to this section.

(3) The employer shall certify to the board, in the case of employees not represented by a bargaining unit, that there is not an applicable memorandum of understanding.

(4) The credited service of an employee for the purpose of determining the percentage of employer contributions applicable under this section shall mean state service as defined in Section 20069, except that at least five years of service shall have been performed entirely with that employer.

(5) The employer shall provide the board any information requested that the board determines is necessary to implement this section.

(6) The employer may, once each year without discrimination, allow all employees who were first employed before this section became applicable to the employer to individually elect to be subject to the provisions of this section, and the employer shall notify the board which employees have made that election.

(b) Notwithstanding subdivision (a), the contribution payable by an employer subject to this section shall be equal to 100 percent of the amount established pursuant to paragraph (1) of subdivision (a) on behalf of any annuitant who either:

(1) Retired for disability.

(2) Retired for service with 20 or more years of service credit entirely with that employer, regardless of the number of days after separation from employment. The contribution payable by an employer under this paragraph shall be paid only if it is greater than, and made in lieu of, a contribution payable to the annuitant by another employer under this part. The board shall establish application procedures and eligibility criteria to implement this paragraph.

(c) This section does not apply to any contracting agency, its employees, or annuitants unless and until the agency files with the board a resolution of its governing body electing to be so subject. The resolution shall be adopted by a majority vote of the governing body and shall be effective at the time provided in board regulations.

(Added by Stats. 2004, Ch. 69, Sec. 22. Effective June 24, 2004.)

22893.1. (a) Notwithstanding any other provision of this part, the percentage of employer contribution payable for postretirement health benefits for an employee of the City of Carson, California, shall be based on the employee's completed years of credited service, provided that the City of Carson shall not pay an employer contribution for the first five years of that credited service, and shall pay thereafter as shown in the following table:

Credited Years of Service _____
Percentage of Employer Contribution
5 50
6 60
7 70
8 80
9 90
10 100

The application of this subdivision shall be subject to the following:

(1) (A) The employer contribution with respect to each annuitant shall be mutually agreed upon through collective bargaining by the City of Carson and the exclusive representatives of employees of the city. The employer may adjust the amount from time to time through a collectively bargained memorandum of understanding. Changes to the employer contribution shall be ratified by a resolution passed by the city council of the City of Carson and that resolution shall be filed with the board. The employer contribution established by this paragraph shall not be less than the adjusted employer contribution required by subdivision (b) of Section 22892.

(B) In the case of employees not represented by a bargaining unit, the employer contribution with respect to each annuitant shall be determined pursuant to a resolution passed by a majority of the city council of the City of Carson and that resolution shall be filed with the board.

(2) The employer shall certify to the board, in the case of employees not represented by a bargaining unit, that there is not an applicable memorandum of understanding.

(3) The credited service of an annuitant for the purpose of determining the percentage of employer contributions applicable under this section shall mean credited service performed with the City of Carson.

(4) The employer shall provide the board any information requested that the board determines is necessary to implement this section.

(b) This section applies only to the City of Carson and only with regard to an employee of the city who is first hired on or after January 1, 2014.

(Added by Stats. 2013, Ch. 244, Sec. 1. (AB 1144) Effective January 1, 2014.)

22894. (a) Notwithstanding any other provision of this part, the City of San Diego, the employees' exclusive representative, and unrepresented employees may agree that the employer contribution for postretirement health coverage shall be subject to the following:

(1) Credited years of service that the employee worked with the City of San Diego.

(2) A memorandum of understanding regarding postretirement health coverage mutually agreed upon through collective bargaining. This issue may not be subject to the impasse procedures set forth in Article 9 (commencing with Section 3548) of Chapter 10.7 of Division 4 of Title 1.

(b) This section is not applicable to any employee who retired before the effective date of the memorandum of understanding. In the event that the memorandum of understanding establishes a retroactive effective date, this section applies only prospectively and any employee who retires before the memorandum of understanding is signed may not be affected by it.

(c) No agreement reached pursuant to subdivision (a) shall be valid if it provides an employer contribution for employees with less than 10 years of credited service with the City of San Diego.

(d) The City of San Diego shall provide, in the manner prescribed by the board, a notification of the agreement established pursuant to this section and any additional information necessary to implement this section.

(e) This section shall only apply to employees who are either of the following:

(1) Members of the San Diego Police Officers Association.

(2) Unclassified or unrepresented employees of the City of San Diego.

(Added by Stats. 2010, Ch. 600, Sec. 1. (AB 2510) Effective January 1, 2011.)

22895. (a) Notwithstanding any other provision of this part, a school employer, the employees' exclusive representative, and unrepresented employees may agree that the employer contribution for postretirement health coverage shall be subject to the following:

(1) Credited years of service that the employee worked with the contracting agency.

(2) A memorandum of understanding regarding postretirement health coverage mutually agreed upon through collective bargaining. This issue may not be subject to the impasse procedures set forth in Article 9 (commencing with Section 3548) of Chapter 10.7 of Division 4 of Title 1.

(b) No agreement reached pursuant to subdivision (a) shall be valid if it imposes separate postretirement health coverage vesting requirements on employees in the same category and doing similar job duties.

(c) This section is not applicable to any employee who retired before the effective date of the memorandum of understanding. In the event that the memorandum of understanding establishes a retroactive effective date, this section applies only prospectively and any employee who retires before the memorandum of understanding is signed may not be affected by it.

(d) No agreement reached pursuant to subdivision (a) shall be valid if it provides an employer contribution for employees with less than five years of credited service with the school employer.

(e) The contracting agency shall provide, in the manner prescribed by the board, a notification of the agreement established pursuant to this section and any additional information necessary to implement this section.

(Added by Stats. 2004, Ch. 69, Sec. 22. Effective June 24, 2004.)

22896. (a) Notwithstanding Section 22892, the percentage of employer contribution payable for postretirement health benefits for an employee of the Sacramento Metropolitan Fire District subject to this section shall, except as provided in subdivision (b), be based on the member's completed years of credited state service at retirement as shown in the following table:

Credited Years of Service	Percentage of Employer Contribution
5 _____	25 _____

6 ____	30 ____
7 ____	35 ____
8 ____	40 ____
9 ____	45 ____
10 ____	50 ____
11 ____	55 ____
12 ____	60 ____
13 ____	65 ____
14 ____	70 ____
15 ____	75 ____
16 ____	80 ____
17 ____	85 ____
18 ____	90 ____
19 ____	95 ____
20 or more ____	100 ____

The application of this subdivision shall be subject to the following:

(1) (A) In the case of the employees represented by a bargaining unit, the employer contribution with respect to each annuitant shall be determined pursuant to a memorandum of understanding approved through a meet and confer process pursuant to the Meyers-Milias-Brown Act (Chapter 10 (commencing with Section 3500) of Division 4 of Title 1) with any recognized employee organization. The issue shall not be subject to the impasse procedures set forth in Article 9 (commencing with Section 3548) of Chapter 10.7 of Division 4 of Title 1.

(B) In the case of employees not represented by a bargaining unit, the employer contribution with respect to each annuitant shall be determined pursuant to a resolution adopted by a majority of the Sacramento Metropolitan Fire District Board of Directors and shall be in accordance with Section 7522.40.

(C) The employer contribution established by this paragraph shall not be less than the adjusted employer contribution required by subdivision (b) of Section 22892.

(2) The credited service of an employee for the purpose of determining the percentage of employer contributions applicable under this section shall mean state service as defined in Section 20069, except that at least five years of service shall have been performed entirely with the Sacramento Metropolitan Fire District.

(3) The Sacramento Metropolitan Fire District shall provide, in the manner prescribed by the board, a notification of the agreement and resolution adopted pursuant to paragraph (1) and any additional information necessary to implement this section.

(4) The Sacramento Metropolitan Fire District shall certify to the board, in the case of employees not represented by a bargaining unit, that there is not an applicable memorandum of understanding.

(b) Notwithstanding subdivision (a), the contribution payable by the Sacramento Metropolitan Fire District shall be equal to 100 percent of the amount established pursuant to paragraph (1) of subdivision (a) on behalf of any annuitant who either:

(1) Retired for disability.

(2) Retired for service with 20 or more years of service credit entirely with the Sacramento Metropolitan Fire District, regardless of the number of days after separation from employment. The contribution payable by the Sacramento Metropolitan Fire District under this paragraph shall be paid only if it is greater than, and made in lieu of, a contribution payable to the annuitant by another employer under this part. The board shall establish application procedures and eligibility criteria to implement this paragraph.

(c) This section applies only to the Sacramento Metropolitan Fire District, or its successor. This section applies only with regard to the employees of the district hired on or after December 1, 2011.

(Added by Stats. 2013, Ch. 774, Sec. 1. (AB 1346) Effective January 1, 2014.)

22897. (a) Notwithstanding any other provision of this part, a contracting agency and the employees' exclusive representative may agree that the employer contribution for postretirement health benefit coverage for an employee subject to this section shall be based on the employee's completed years of service credited with the contracting agency at retirement, with the contracting agency paying no employer contribution for the first 15 years of that credited service and paying 100 percent of the employer contribution for employees with credited service of 15 years or more.

This section applies only to the North Orange County Community College District and the Riverside County Superintendent of Schools, only with regard to the employees of those agencies who are first hired on or after July 1, 1993.

(b) An agreement entered into pursuant to subdivision (a) shall provide that the employer contribution for a part-time employee, with 20 years or more of credited service with the contracting agency, shall be 100 percent of the employer contribution.

(Added by Stats. 2004, Ch. 69, Sec. 22. Effective June 24, 2004.)

22898. (a) Notwithstanding any other provision of this part, the percentage of employer contribution payable for postretirement health benefits for an employee of the Alameda County Transportation Improvement Authority shall, except as provided in subdivision (b), be based on the employee's completed years of credited service, provided that the Alameda County Transportation Improvement Authority shall not pay an employer contribution for the first five years of that credited service, and shall pay thereafter as shown in the following table:

Credited Years of Service _____	Percentage of Employer Contribution
5	50
6	55
7	60
8	65
9	70
10	75
11	80
12	85
13	90
14	95
15	100

The application of this subdivision shall be subject to the following:

(1) The employer contribution with respect to each annuitant shall be adjusted by the employer each year. Those adjustments shall be based upon the principle that the employer contribution for each annuitant may not be less than the amount equal to 100 percent of the weighted average of the health benefits plan premiums for an employee or annuitant enrolled for self-alone, during the benefit year to which the formula is applied, for the four health benefit plans that had the largest agency enrollment, excluding family members, during the previous benefit year. For each annuitant with enrolled family members, the employer shall not pay an additional contribution.

(2) The employer shall certify to the board, in the case of employees not represented by a bargaining unit, that there is not an applicable memorandum of understanding.

(3) The credited service of an annuitant for the purpose of determining the percentage of employer contributions applicable under this section shall mean state service as defined in Section 20069, except that at least five years of credited service shall have

been performed with the Alameda County Transportation Improvement Authority.

(4) The employer shall provide the board any information requested that the board determines is necessary to implement this section.

(b) Notwithstanding subdivision (a), the contribution payable by the employer subject to this section shall be equal to 100 percent of the amount established pursuant to paragraph (1) of subdivision (a) on behalf of any annuitant who either:

(1) Retired for disability.

(2) Retired for service with 15 or more years of service credit entirely with that employer, regardless of the number of days after separation from employment. The contribution payable by the employer under this paragraph shall be paid only if it is greater than, and made in lieu of, a contribution payable to the annuitant by another employer under this part. The board shall establish application procedures and eligibility criteria to implement this paragraph.

(c) This section applies only to the Alameda County Transportation Improvement Authority, or its successor, and only with regard to the employees of the agency who are first hired on or after October 1, 2004.

(Amended by Stats. 2010, Ch. 328, Sec. 88. (SB 1330) Effective January 1, 2011.)

22899. (a) The contributions required of a contracting agency, along with contributions withheld from salaries of its employees, shall be forwarded monthly, no later than the 10th day of the month for which the contribution is due. The contributions shall be credited to the Public Employees' Contingency Reserve Fund as specified by Section 22910.

(1) Deferrals or contributions paid by a contracting agency shall be paid through an electronic funds transfer method prescribed by the board. This payment requirement is effective upon declaration by the board.

(2) A contracting agency that is unable, for good cause, to comply with paragraph (1), may apply to the board for a waiver that allows the agency to pay in an alternate manner as prescribed by the board, but not by credit card payment.

(3) For the purpose of this subdivision, "electronic funds transfer" has the same meaning as that set forth in Section 20027.5.

(b) A county superintendent of schools shall draw requisitions against the county school service fund and the funds of the respective school districts for the amount equal to the total of the employer contributions and the employee contributions deducted from compensation paid from those funds. The amounts shall be deposited in the county treasury to the credit of the contract retirement fund established pursuant to Section 20617. The county superintendent thereafter shall draw his or her requisitions against the fund in favor of the board which, when allowed by the county auditor, shall constitute warrants against the fund and shall forward the warrants to the board in accordance with this section.

(c) If a contracting agency fails to remit the contributions when due, the agency may be assessed interest at an annual rate of 10 percent and the costs of collection, including reasonable legal fees, when necessary to collect the amounts due. In the case of repeated delinquencies, the contracting agency may be assessed a penalty of 10 percent of the delinquent amount. That penalty may be assessed once during each 30-day period that the amount remains unpaid. Additionally, the contracting agency may be required to deposit one-month's premium as a condition of continued participation in the program.

(Amended by Stats. 2009, Ch. 118, Sec. 5. (AB 637) Effective January 1, 2010.)

22900. (a) Notwithstanding any other provision of this part, the County of Mariposa and the employees' exclusive representative may agree that the employer contribution for health coverage shall be subject to the following:

(1) In the case of employees represented by a bargaining unit, a memorandum of understanding regarding health coverage, mutually agreed upon through collective bargaining, or, in the case of employees not represented by a bargaining unit, a resolution adopted by a majority of the county board of supervisors, providing as follows:

(A) Establishing the amount of its employer contribution for its annuitants or employees at any amount equal to or above that of the adjusted employer contribution required by subdivision (b) of Section 22892.

(B) Providing an employer contribution amount for annuitants that is higher than the employer contribution provided for employees, except that any employer contribution may not be less than the adjusted employer contribution required by subdivision (b) of Section 22892. This subparagraph shall only apply to an employee who retired before the effective date of the memorandum of understanding or resolution adopted pursuant to subdivision (a). If the memorandum of understanding or resolution establishes a retroactive effective date, this subparagraph shall apply only prospectively, and any employee who retires before the memorandum of understanding is signed or the resolution is adopted shall be subject to this subparagraph.

(2) This subdivision shall not affect the obligations or benefits of either the annuitants or the county that exist at the time of the enactment of this section.

(b) The County of Mariposa shall provide, in the manner prescribed by the board, a notification of the agreement established pursuant to this section and any additional information necessary to implement this section.

(Added by Stats. 2012, Ch. 836, Sec. 1. (SB 1294) Effective January 1, 2013.)

22901. Each contracting agency shall contribute to the Public Employees' Contingency Reserve Fund, an amount sufficient to bear all of the administrative costs incurred by the board in providing to the employees and annuitants of that agency the health benefits provided by this part. The amount of the contributions required by this section shall be determined by the board and may include an appropriate share of overhead costs of the program. A contracting agency shall, in addition, contribute to the fund for each of its employees and annuitants the same amount as is required of the state under paragraph (2) of subdivision (b) of Section 22885.

(Added by Stats. 2004, Ch. 69, Sec. 22. Effective June 24, 2004.)

22902. (a) For the purposes of this section, the term "district" shall mean the San Francisco Bay Area Rapid Transit District.

(b) Notwithstanding any other provision of this part, the district may make contributions for postretirement health benefits for its unrepresented employees, including members of the district board of directors to the extent that they are eligible for contributions under existing law, and members of any unit of employees whose terms and conditions of employment are determined through collective bargaining. Those contributions shall be subject to the following:

(1) Credited years of service that the employee worked with the district.

(2) An agreement with all represented employees regarding postretirement health coverage mutually agreed upon through collective bargaining.

(3) Contributions for postretirement health benefits for the district's unrepresented employees, including members of the district board of directors to the extent that they are eligible for contributions under existing law, may only be made in accordance with the eligibility criteria and schedule below.

(c) An agreement reached pursuant to subdivision (b) shall provide that employer contributions for postretirement health benefits for employees shall be made in the following percentages for the applicable credited years of service:

Credited Years of Service	Percentage of Employer Contribution
10	50
11	60
12	70
13	80
14	90
15	100

(d) An agreement reached pursuant to subdivision (b) shall authorize full employer contributions for postretirement health benefits for those employees who retire for disability with five years of credited service with the district.

(e) (1) This section shall only apply to district employees first hired on or after January 1, 2014, and to directors who first serve as a director on or after January 1, 2014.

(2) This section shall apply to employees whose terms and conditions of employment are determined through collective bargaining only if the agreement is expressly incorporated by reference into, or made a part of, a memorandum of understanding.

(f) This section is not applicable to any employee who retires before the effective date of the memorandum of understanding referenced in paragraph (2) of subdivision (e). In the event that the memorandum of understanding establishes a retroactive effective date, this section shall apply only to retirements occurring on or after the effective date of this section.

(g) The district shall provide, in the manner prescribed by the board, a notification of each agreement established pursuant to this section or personnel action incorporating or applying this section, and any additional information necessary to implement this section.

(Added by Stats. 2014, Ch. 216, Sec. 1. (AB 2582) Effective January 1, 2015.)

22904. (a) Notwithstanding any other provision of this part, the City of San Gabriel, the employees' exclusive representative, and unrepresented employees may agree that the employer contribution for postretirement health coverage shall be subject to all of the following:

(1) Credited years of service that the employee worked with the City of San Gabriel.

(2) A memorandum of understanding regarding postretirement health coverage mutually agreed upon through collective bargaining. This issue shall not be subject to the impasse procedures set forth in Chapter 10 (commencing with Section 3500) of Division 4 of Title 1.

(3) The employer contribution established by this section shall not be less than the adjusted employer contribution required by subdivision (b) of Section 22892.

(b) This section does not apply to any employee who retired before the effective date of the memorandum of understanding. In the event that the memorandum of understanding establishes a retroactive effective date, this section applies only prospectively and any employee who retires before the memorandum of understanding is signed shall not be affected by it.

(c) An agreement reached pursuant to subdivision (a) is not valid if it provides an employer contribution for employees with less than five years of credited service with the City of San Gabriel.

(d) The City of San Gabriel shall provide, in the manner prescribed by the board, notice of the agreement established pursuant to this section and any additional information necessary to implement this section.

(e) This section applies only to the City of San Gabriel and only with regard to employees who are first hired on or after January 1, 2023, and elected officials who first served as elected officials on or after January 1, 2023.

(Added by Stats. 2023, Ch. 538, Sec. 1. (AB 658) Effective January 1, 2024.)

22905. Any person or entity subject to the requirements of this chapter shall comply with the standards set forth in Chapter 7 (commencing with Section 3750) of Part 1 of Division 9 of the Family Code and Section 14124.94 of the Welfare and Institutions Code.

(Added by Stats. 2004, Ch. 69, Sec. 22. Effective June 24, 2004.)