



Home	Bill Information	California Law	Publications	Other Resources	My Subscriptions	My Favorites
------	------------------	----------------	--------------	-----------------	------------------	--------------

AB-512 Public employees' retirement: safety members: industrial disability retirement. (2017-2018)

SHARE THIS:  

Date Published: 10/16/2017 02:00 PM

Assembly Bill No. 512

CHAPTER 841

An act to amend Section 21400 of the Government Code, relating to public employees' retirement, and making an appropriation therefor.

[Approved by Governor October 15, 2017. Filed with Secretary of State October 15, 2017.]

LEGISLATIVE COUNSEL'S DIGEST

AB 512, Rodriguez. Public employees' retirement: safety members: industrial disability retirement.

The Public Employees' Retirement Law, until January 1, 2018, provides a state safety member of the Public Employees' Retirement System who retires for industrial disability a retirement benefit equal to the greatest amount resulting from 3 possible calculations. In this regard, the benefit amount is based on an actuarially reduced service retirement, a service retirement allowance, if the member is qualified, or 50% of his or her final compensation, plus an annuity purchased with his or her accumulated contributions, if any. Existing law establishes the Public Employees' Retirement Fund, which is appropriated continuously for various purposes, including the payment of benefits.

This bill would extend the operation of these provisions until January 1, 2023. By providing that a continuously appropriated fund may be spent for a new purpose, this bill would make an appropriation. The bill would also make a statement of legislative findings.

Vote: majority Appropriation: yes Fiscal Committee: yes Local Program: no

THE PEOPLE OF THE STATE OF CALIFORNIA DO ENACT AS FOLLOWS:

SECTION 1. The Legislature finds and declares all of the following:

(a) A career in public safety is uniquely dangerous and includes repeated exposure to life-threatening or career-threatening risks and physical and mental demands well beyond those of most professions.

(b) Working as a public safety officer can take an incredible toll on the physical health of a firefighter or police officer in the form of injuries, shortened lives or shortened careers, all of which underlie the longstanding policy that all public safety officers should be afforded a secure, guaranteed retirement, including adequate occupational disability safeguards.

(c) Public safety officers view the need to preserve their retirement security as a profound and personal commitment, and they have invested heavily in it through substantial employee contributions and even forgoing salary increases at the collective bargaining table to protect this core benefit.

(d) According to a 2010 study conducted by the RAND Center for Health and Safety in the Workplace, firefighters today are 3.5 times more likely to suffer a workplace injury than nonsafety workers, and firefighters over 55 years of age have a nearly two-thirds greater risk of being injured than those under 45 years of age.

(e) Current law, due to be repealed at the end of 2017, provides an actuarially reduced industrial disability retirement (IDR) for public safety officers who work for a public agency contracting with the Public Employees' Retirement System who are forced out of the usual duties of their current position because of a job-related illness or injury but who have not yet reached the minimum normal retirement age established by the retirement system, a benefit that is equivalent with that provided to public safety officers who retire from a retirement system organized under the County Employees Retirement Law of 1937.

(f) Some occupationally injured public safety officers, oftentimes severely disabled firefighters and law enforcement officers, are forced by these job-related injuries to sacrifice long careers of service begun at a very young age.

(g) These often severely injured public safety officers who have dedicated decades of service to their professions and their communities are forced to take the actuarially reduced disability retirement as the only alternative for providing for their families and the secure retirement they have earned.

(h) Without access to an IDR allowance that is equitable across all retirement systems, the retirement of some disabled public safety officers could be devastated, creating additional hardship for their families and imposing a potential additional burden on taxpayers and the social safety net.

(i) The equitable and consistent Public Employees' Retirement System IDR safety calculation currently in law allows disabled firefighters or police officers to retire with dignity after a long and full career of service, without forfeiting the full secure retirement they have earned over decades of commitment.

(j) Since enactment in 2012, the Public Employees' Retirement System IDR safety calculations have not resulted in an appreciable fiscal impact, confirming predictions offered when they were established.

(k) It is, therefore, the intent of the Legislature in enacting this measure to extend until January 1, 2023, the operation of Public Employees' Retirement System IDR safety calculations so that California's public safety officers and their families are not punished by a job-related illness or injury that forced them to forfeit the secure retirements that they spent decades earning on the job.

SEC. 2. Section 21400 of the Government Code is amended to read:

21400. (a) A safety member who retires on or after January 1, 2013, for industrial disability shall receive a disability retirement benefit equal to the greater of the following:

(1) Fifty percent of his or her final compensation, plus an annuity purchased with his or her accumulated additional contributions, if any.

(2) A service retirement allowance, if he or she is qualified for service retirement.

(3) An actuarially reduced factor, as determined by the actuary, for each quarter year that his or her service age is less than 50 years, multiplied by the number of years of safety service subject to the applicable formula, if he or she is not qualified for service retirement.

(4) Nothing in this section shall require a member to receive a lower benefit than he or she would have received prior to January 1, 2013, as the law provided prior to that date.

(b) This section shall remain in effect only until January 1, 2023, and as of that date is repealed, unless a later enacted statute that is enacted before January 1, 2023, deletes or extends that date.