

# AB-1997

Teachers'  
Retirement Law.



Prepared by the  
ELDERLY CARE  
EVERYWHERE POLICY  
TEAM



## ELDERLY CARE EVERYWHERE

Largest youth lobbying group for senior citizens and senior care in California.

### Executive Summary

AB 1997, introduced by Assembly Member McKinnor during the 2023-2024 Regular Session of the California Legislature, significantly revises the Teachers' Retirement Law to refine the operations and definitions within the State Teachers' Retirement System (STRS). This bill is a pivotal legislative step in modernizing the mechanisms through which retirement benefits are calculated and provided to California's educators, aiming to enhance clarity, fairness, and accuracy in the administration of retirement benefits.

The bill introduces detailed amendments to various sections of the Education Code, specifically targeting the definitions of "annualized pay rate," "creditable compensation," and "service." These modifications are designed to close gaps in the current law that could potentially lead to discrepancies in benefit calculations, thus ensuring that retirement contributions reflect true earnings and service periods.

AB 1997 goes further to redefine "creditable service," expanding its scope to include diverse educational activities and roles that reflect contemporary educational practices and employment conditions. This broader definition ensures that all relevant forms of educational service are recognized and valued in the retirement process, acknowledging the evolving nature of educational roles and responsibilities.

The bill also institutes new protocols for the operational dates for implementing these changes, with a clear timeline set by the STRS Board. This structured approach ensures that the system has adequate capacity to adapt to these updates without disruption. Moreover, AB 1997 introduces caps on compensation for retirement benefit calculations, aligning these caps with federal standards to maintain equity, prevent abuse, and ensure fiscal responsibility within the retirement system.

This legislative measure addresses the pressing need for transparency in how educational service and compensation are reported and calculated within STRS. By setting stringent guidelines and definitions, AB 1997 protects the integrity of the retirement fund from potential misrepresentations and ensures that educators' retirement benefits are based on accurate and fair assessments of their service and compensation.

In summary, AB 1997 not only makes critical updates to the way retirement benefits are calculated for California's educators but also reinforces the system's capacity to manage these benefits effectively. This bill is essential as it ensures that the educators of California, who play a crucial role in shaping future generations, are supported with a retirement system that is robust, fair, and responsive to their needs. The adjustments proposed by AB 1997 are vital for the state's educational system as it adapts to changing demographics and employment practices, guaranteeing that all educators receive the retirement benefits they rightfully deserve.



## ELDERLY CARE EVERYWHERE

Largest youth lobbying group for senior citizens and senior care in California.

# Our Position

Assembly Bill No. 1997 (AB-1997) introduces essential reforms to the Teachers' Retirement Law in California, significantly enhancing the system's equity and efficiency. Elderly Care Everywhere wholeheartedly supports AB-1997, as it aligns with our enduring commitment to advocate for the rights and well-being of seniors, particularly those who have dedicated their careers to the noble field of education.

AB-1997 meticulously revises critical definitions within the retirement system, such as "creditable compensation" and "service," to ensure that pensions are calculated more accurately and fairly. These changes are crucial for maintaining a retirement system that equitably reflects the true earnings and service durations of educators. This aligns with our organization's goals of promoting justice and equity for all seniors, especially those who have served in educational capacities.

Moreover, the bill proposes to streamline the procedures for calculating retirement benefits, addressing longstanding inefficiencies that often disadvantaged retirees. This reform is vital for preventing systemic disparities that could lead to unequal treatment of retired educators, ensuring that all receive the benefits commensurate with their contributions.

AB-1997 also focuses on modernizing the interaction between retirees and the retirement system by enhancing transparency and accessibility. This effort includes the adoption of new technologies and methodologies for communication, which is particularly beneficial for older adults who may find traditional systems challenging to navigate. These updates are crucial for empowering retirees with better access to their benefit information and making informed decisions about their retirement planning.

Elderly Care Everywhere supports AB-1997 as it not only secures the financial stability of retired educators but also respects and honors their lifetime of service by ensuring they receive the benefits they rightly deserve. This bill exemplifies our dedication to upholding the dignity of all seniors by advocating for systems that support their specific needs.

In conclusion, AB-1997 is a legislative measure that reflects a deep understanding of the challenges faced by retired educators and addresses these with thoughtful and impactful reforms. By endorsing this bill, we advocate for a future where educators retire with the security and dignity they have earned, promoting a broader societal recognition of their valuable contributions. This support of AB-1997 is an extension of our mission to foster a society that respects and actively supports its older members, ensuring they continue to live with the respect and quality of life they deserve.



## ELDERLY CARE EVERYWHERE

Largest youth lobbying group for senior citizens and senior care in California.

# Letter of Support for AB-1997

June 2, 2024

The Honorable Lola Smallwood-Cuevas, Chair  
Senate Labor, Public Employment and Retirement Committee  
Sacramento, CA 95814

### Re: Support for AB 1997 - Teachers' Retirement Law

Dear Senator Smallwood-Cuevas and Members of the Senate Labor, Public Employment and Retirement Committee,

On behalf of Elderly Care Everywhere, I am writing to express strong support for AB 1997, which proposes essential amendments to the Teachers' Retirement Law. This bill is vital for ensuring retired educators' financial stability and well-being; many seniors depend on their pensions for essential living expenses and healthcare.

AB 1997 addresses significant aspects of the Teachers' Retirement Law, including the definitions of "annualized pay rate," "compensation earnable," and "creditable compensation." These changes are crucial for accurately calculating and distributing retirement benefits, directly impacting retired teachers' financial security. By ensuring a more precise and fair determination of retirement benefits, AB 1997 will help retired educators with the financial resources they need to maintain a good quality of life in their senior years.

Reliable pension income is a cornerstone of financial security for seniors, allowing them to access healthcare, housing, and other critical services. Supporting AB 1997 will help safeguard these essential benefits, ensuring that retired teachers receive the support they deserve after years of dedicated service to our educational system.

We strongly urge you to vote for AB 1997 to maintain our senior population's financial and health security. Your support will significantly impact the lives of many elderly residents in California.

Sincerely,  
Aakrisht Mehra  
Founder/CEO  
Elderly Care Everywhere



## **ELDERLY CARE EVERYWHERE**

Largest youth lobbying group for senior citizens and senior care in California.

# **About Elderly Care Everywhere**

Elderly Care Everywhere is a transformative nonprofit organization dedicated to improving the lives of senior citizens. Since its inception, the organization has positively impacted over 40,000 seniors through a variety of programs aimed at enhancing their quality of life.

Elderly Care Everywhere has been instrumental in alleviating hundreds of thousands of dollars in medical debt, ensuring that seniors have access to the healthcare they need without the burden of financial stress. With more than 20 chapters across the United States, the organization extends its reach and resources to numerous communities, providing support and advocacy on a national scale.

Beyond U.S. borders, Elderly Care Everywhere has established flood relief camps in India, showcasing its commitment to global humanitarian efforts. The organization's impactful work has been recognized by the government of New Delhi, further highlighting its significant contributions to senior care and welfare. Through these efforts, Elderly Care Everywhere continues to lead the way in senior advocacy, ensuring that the elderly are treated with dignity and respect worldwide.

Thank you for your support of AB-1997. If you have any questions, feel free to email us at [connect@elderlycareeverywhere.org](mailto:connect@elderlycareeverywhere.org)