

AB-2770

Public Employees' Retirement



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-2770, introduced during the 2023-2024 Regular Session of the California Legislature, is a comprehensive legislative bill that amends multiple sections of the Education Code and the Government Code to enhance the administration and benefits of public employees' retirement systems. This bill meticulously revises the Teachers' Retirement Law and the County Employees Retirement Law of 1937 (CERL), aiming to simplify and update the regulatory framework governing retirement contributions, benefits calculations, and disability retirement conditions.

The bill introduces significant changes to the interest calculations for purchasing additional service credit within the State Teachers' Retirement System (STRS). Specifically, it streamlines the process by setting precise deadlines for members to sign and return necessary documentation related to their contributions. This aims to eliminate delays and confusion, ensuring that members can more efficiently manage their retirement planning.

Additionally, AB-2770 extends the presumption for disability retirement due to post-traumatic stress disorder until January 1, 2029, within CERL. This extension reflects a growing recognition of the long-term impacts of mental health issues arising from employment, particularly in roles with high emotional and psychological demands. The bill also removes the requirement for return receipt communications, modernizing and expediting interactions between retirement boards and their members.

This legislation also addresses procedural efficiencies and compliance with federal tax laws concerning retirement distributions. By clarifying and adjusting the distribution requirements in line with the Internal Revenue Code, AB-2770 ensures that the retirement systems adhere to national standards, safeguarding the financial interests of public employees post-retirement.

The Governor approved AB-2770, and it was filed with the Secretary of State on July 15, 2024, marking a significant update to the legislative framework that governs California's public employee retirement systems. The bill's passage represents a pivotal enhancement to the operational procedures and legal standards of these systems, promising improved management and fairness in the distribution of retirement benefits.

In summary, AB-2770 is a critical piece of legislation that modernizes the administration of public employee retirement systems in California, ensuring they are equitable, efficient, and compliant with federal regulations. By updating procedures and extending disability retirement protections, the bill enhances the financial security of California's public employees. This adaptation is vital as the state navigates evolving employment landscapes and demographic shifts, guaranteeing continued support and benefits for its public servants in retirement.



ELDERLY CARE EVERYWHERE

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

Our Position

Assembly Bill No. 2770 (AB-2770) represents a significant advancement in the governance of California's public employee retirement systems, with a direct positive impact on many of our organization's constituents—especially retired public servants, including a considerable segment of older adults. Elderly Care Everywhere is enthusiastic in its support for AB-2770, as the bill aligns closely with our mission to advocate for the well-being and security of seniors.

AB-2770 proposes essential reforms such as revising the methods for calculating interest on purchased service credits and simplifying the process for redepositing refunded contributions. These changes aim to make the retirement system more accessible and fair, ensuring that senior public employees receive the benefits they have diligently earned, both promptly and efficiently. Moreover, the extension of disability retirement benefits for conditions like post-traumatic stress disorder until 2029 shows a deep understanding and recognition of the long-term challenges faced by our older public servants.

These reforms are crucial not only for their immediate financial impact but also for their broader influence on the dignity and quality of life of retired public workers. By enhancing the responsiveness and fairness of the retirement system, AB-2770 helps ensure that our seniors receive the respect and equity they deserve.

Additionally, AB-2770's provisions for streamlining communication and interaction with the retirement system, notably through the elimination of outdated administrative requirements, resonate with our advocacy efforts to reduce unnecessary barriers for seniors. This facilitates a more straightforward and respectful engagement with public institutions, aligning with our values of dignity and accessibility.

Elderly Care Everywhere believes that supporting AB-2770 is essential for the continued advocacy of rights and resources for our seniors, enabling them to enjoy their retirement years with stability and dignity. The comprehensive approach of the bill in updating and improving the retirement system ensures that our seniors are recognized not only for their past contributions but are also supported in addressing their current needs.

By endorsing AB-2770, we advocate for a future where retired public servants are guaranteed to receive their rightful benefits without undue hardship, reinforcing our commitment to a society that values and actively upholds the rights of its older members. This legislative support is a critical component of our ongoing efforts to ensure that all seniors have access to the resources they need to thrive in retirement. This is more than policy; it's a commitment to honoring the lifetime of service our elder public employees have dedicated to our community, ensuring they are well cared for in their golden years.



ELDERLY CARE EVERYWHERE

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

Letter of Support for AB-2770

June 2, 2024

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

Re: Support for AB 2770 - Public Employees' Retirement

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 2770, which proposes vital amendments to the public employees' retirement systems in California. This bill is crucial for ensuring the continued financial stability and well-being of retired public employees, many of whom are seniors relying on their pensions for essential living expenses and healthcare needs.

AB 2770 addresses several important aspects of public employee retirement, including the adjustment of interest calculations for service credit purchases and redeposits, the extension of the presumption period for post-traumatic stress disorder claims, and technical updates to streamline the administration of benefits. These amendments will help protect and enhance public employees' retirement benefits, ensuring they receive the support they need after years of dedicated service.

Reliable pension income is a cornerstone of financial security for seniors, allowing them to access healthcare, housing, and other critical services. By supporting AB 2770, you will help safeguard these essential benefits, thereby improving the quality of life for retired public employees who have contributed significantly to our communities.

We strongly urge you to vote in favor of AB 2770 to uphold our senior population's financial and health security. Your support will have a significant positive impact on 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-2770. If you have any questions, feel free to email us at connect@elderlycareeverywhere.org