

An act to add Sections 22874.6 and 22958.3 to the Government Code,  
relating to postemployment health benefits.

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

SECTION 1. Section 22874.6 is added to the Government Code, to read:

22874.6. (a) Notwithstanding Section 22870, the following employees of the California State University shall not receive any portion of the employer contribution payable for annuitants unless the person has 10 years of credited state service at the time of retirement:

(1) An employee who is first employed by the California State University and becomes of a member of the system on or after July 1, 2017, and is represented by California State University Bargaining Unit 3.

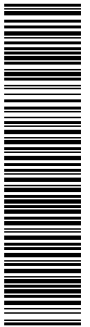
(2) An employee in a nonrepresented employee group under Chapter 12 (commencing with Section 3560) of Division 4 of Title 1 who is first employed by the California State University and becomes of a member of the system on or after July 1, 2017.

(b) This section shall apply only to employees of the California State University who retire for service.

(c) This section shall become operative only if it is specifically adopted by action of the Trustees of the California State University or, if required, provided for in a memorandum of understanding reached pursuant to Chapter 12 (commencing with Section 3560) of Division 4 of Title 1.

SEC. 2. Section 22958.3 is added to the Government Code, to read:

22958.3. (a) Notwithstanding Sections 22953 and 22957, the following employees of the California State University shall not receive any portion of the



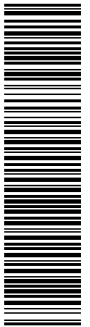
employer contribution payable for annuitants unless the person has 10 years of credited state service at the time of retirement:

(1) An employee who is first employed by the California State University and becomes of a member of the system on or after July 1, 2017, and is represented by California State University Bargaining Unit 3.

(2) An employee in a nonrepresented employee group under Chapter 12 (commencing with Section 3560) of Division 4 of Title 1 who is first employed by the California State University and becomes of a member of the system on or after July 1, 2017.

(b) This section shall apply only to employees of the California State University who retire for service.

(c) This section shall become operative only if it is specifically adopted by action of the Trustees of the California State University or, if required, provided for in a memorandum of understanding reached pursuant to Chapter 12 (commencing with Section 3560) of Division 4 of Title 1.



LEGISLATIVE COUNSEL'S DIGEST

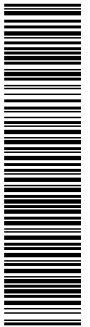
Bill No.

as introduced, \_\_\_\_\_.

General Subject: Postemployment health benefits: California State University.

The Public Employees' Medical and Hospital Care Act authorizes an employee or annuitant, as those terms are defined, of the state to enroll in a health benefit plan approved or maintained by the Board of Administration of the Public Employees' Retirement System. The act generally requires the state and each employee or annuitant to contribute a portion of the cost of providing the benefit coverage afforded under the approved health benefit plan in which the employee or annuitant is enrolled. The act prohibits specified employees from receiving an employer contribution for these benefits for annuitants unless the person is credited with 10 or more years of state service, and prohibits other specified employees from receiving that contribution unless the person is credited with 15 or more years of state service.

The State Employees' Dental Care Act authorizes the state, through the Department of Human Resources, the Trustees of the California State University, or the Regents of the University of California, to contract with carriers for dental care plans for employees, annuitants, and eligible family members, as provided. The act generally authorizes a person who was enrolled in a dental care plan at the time he or she became an annuitant under state or federal provisions to continue his or her



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enrollment. The act prohibits specified employees from receiving an employer contribution for these benefits for annuitants unless the person is credited with 10 or more years of state service, and prohibits other specified employees from receiving that contribution unless the person is credited with 15 or more years of state service.

This bill, with respect to both the Public Employees' Medical and Hospital Care Act and the State Employees' Dental Care Act, would additionally prohibit an employee of the California State University who is first employed and becomes a member of the California Public Employees' Retirement System on or after July 1, 2017, and who is either represented by California State University Bargaining Unit 3 or is a nonrepresented employee, from receiving any portion of the employer contribution for these benefits for annuitants unless the employee has 10 years of credited state service at the time of retirement. The bill would limit its application to employees of the California State University who retire for service. The bill would provide that these provisions would become operative only if specifically adopted by action of the Trustees of the California State University or, if required, provided for in a memorandum of understanding reached pursuant to specified law.

Vote: majority. Appropriation: no. Fiscal committee: yes. State-mandated local program: no.

