

Board of Retirement Regular Meeting

Sacramento County Employees' Retirement System

Agenda Item 6 MEETING DATE: February 19, 2025 SUBJECT: State Association of County Retirement Systems Legislative Update—February 2025 SUBMITTED FOR: X_Action ____Information

RECOMMENDATION

Receive and file the State Association of County Retirement Systems (SACRS) Legislative Update for February 2025.

PURPOSE

This item complies with the Strategic Management Plan goal of stakeholder communication and outreach by participating in the legislative process to monitor changes in state law affecting public pension plans.

DISCUSSION

The attached report highlights recent legislative activity affecting California public pension plans and is produced by SACRS' legislative advocates.

SACRS is composed of the 20 systems operating under the County Employees' Retirement Law. The association's mission is to provide education and analysis to trustees and staff so that they can be more effective stewards of their systems' pension plans.

ATTACHMENTS

- Board Order
- SACRS Legislative Update—February 2025

Prepared by: /s/

Eric Stern Chief Executive Officer



Before the Board of Retirement February 19, 2025

AGENDA ITEM:

State Association of County Retirement Systems Legislative Update— February 2025

THE BOARD OF RETIREMENT hereby approves Staff's recommendation to receive and file the State Association of County Retirement Systems (SACRS) Legislative Update for February 2025.

I HEREBY CERTIFY that the above order was passed and adopted on February 19, 2025 by the following vote of the Board of Retirement, to wit:

AYES:

NOES:

ABSENT:

ABSTAIN:

ALTERNATES: (Present but not voting)

James Diepenbrock Board President Eric Stern Chief Executive Officer and Board Secretary



TO:State Association of County Retirement SystemsFROM:Cara Martinson, Public House Consulting
Laurie Johnson, LJ Consulting & AdvocacyRE:Legislative Update – February 2025

The Legislature has been in session for about a month and unlike previous years, this is a more chaotic start to the two-year session. Precipitated by massive fires in southern California and the new Trump Administration, the Legislature has already taken budget action to address key priorities. After the November election, Governor Newsom called an extraordinary session to "Trump-proof" California, focusing on reproductive rights and immigration issues to start. This week, the Legislature voted to support the Governor's \$50 million appropriation request to the Attorney General's office in anticipation of federal litigation. Following the LA fires in January, the Governor declared a state of emergency and called for another special session to expedite disaster funding and rebuilding efforts. Thus far, the Legislature passed a \$2.5 billion immediate relief bill to provide assistance with emergency housing and begin clean-up efforts. These two special sessions collided when President Trump visited LA and threatened to tie any federal aid (which usually amounts to 75% of total cost) with the Delta Conveyance Project and requiring voter IDs. This uncertainty is casting a shadow on the state's budget as budget subcommittee hearings will begin this month.

Amid these events, the Legislature is also focused on bill introductions with the deadline approaching February 21st. As reported in December, legislative leadership curbed bill introductions for the legislative session to 35 measures per legislator, down from 50 in the Assembly and 40 in the Senate. In his remarks in December, Speaker Rivas directed his House to begin to tackle issues of affordability, and while we have seen some intent bills around the subject, there has been nothing substantive introduced thus far.

SACRS is tracking the following bills:

<u>ACA 2 (Jackson)</u> – This bill would establish a retirement system for Members of the Legislature elected to or serving in the Legislature on or after November 1, 2010. A Member would be required to serve at least 10 years in the Legislature to be eligible to receive benefits. Those with fewer than 10 years of service would be eligible to transfer the service credit earned as a result of service in the Legislature to any other public employees' pension or retirement system in which the Member participates.



<u>SB 239 (Arreguin)</u> – This bill would remove the 2026 sunset that allow subsidiary bodies to use alternative teleconferencing procedures and include updated processes. The bill is nearly identical to last year's AB 817, which stalled in the Senate Local Government Committee. This bill is sponsored by the California State Association of Counties (CSAC).

<u>AB 259 (Rubio)</u> – This bill would remove the 2026 sunset on existing laws governing teleconferencing procedures for public meetings. This bill is sponsored the CA Special District's Association (CSDA).

Contact:

If you have any questions, please feel free to contact Cara Martinson at <u>cara@publichouseconsulting.net</u>, or Laurie Johnson at <u>lauriejconsult@gmail.com</u>.