

General Pension Policy Discussion
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CALIFORNIA LEGISLATURE —2021–22 REGULAR SESSION

ASSEMBLY BILL No. 1133

Introduced by Assembly Member Chen
February 18, 2021

An act relating to a state employee hybrid pension system.

Legislative Counsel’s Digest

AB 1133, as introduced, Chen. State employee hybrid pension system.

Existing law creates the Public Employees’ Retirement System (PERS), which offers a defined benefit pension and other benefits to its members based on age at retirement, service credit, and final compensation, subject to certain variations. Existing law generally provides that state employees become members of PERS upon employment. Existing law authorizes the Department of Personnel Administration to create a tax-deferred savings plan, which has been named Savings Plus, that permits state employees to build a retirement savings account using payroll deductions.

The bill would state the intent of the Legislature to enact legislation that would create a hybrid retirement benefit, consisting of a defined benefit pension and a defined contribution program for new employees, within the Public Employees’ Retirement System, that state employees would have the option of electing.

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

The people of the State of California do enact as follows:

SECTION 1. It is the intent of the Legislature to enact legislation that would create a hybrid retirement benefit for new employees, consisting of a defined benefit pension and a defined contribution program, within the Public Employees’ Retirement System, that state employees would have the option of electing into upon hire.