

# ANALYSIS OF ORIGINAL BILL

Franchise Tax Board

Author: Caballero Analyst: Deborah Barrett Bill Number: AB 2202  
Related Bills: See Legislative History Telephone: 845-4301 Introduced Date: February 20, 2008  
Attorney: Patrick Kusiak Sponsor: \_\_\_\_\_

**SUBJECT:** State Agencies Provide Part-Time, Seasonal, Or Temporary Employees Service And Compensation Information To PERS Administration Board

## SUMMARY

This bill would require a state agency to provide service and compensation information to the Public Employees Retirement System (PERS) on part-time, seasonal, or temporary employees who do not meet the requirements for mandatory coverage by PERS.

## PURPOSE OF THE BILL

According to the author's staff, the purpose of this bill is to assist PERS to identify members who should be brought into membership and help determine eligibility criteria sooner, thereby reducing the number of arrears calculations that arise in these categories of employees.

## EFFECTIVE/OPERATIVE DATE

This bill would be effective January 1, 2009, and operative as of that date.

## POSITION

Pending.

## ANALYSIS

### STATE LAW

With express exceptions, a person who enters into employment with the State becomes a member of PERS. In addition to other classifications, part-time, seasonal or temporary employees are exceptions to automatic membership in PERS unless certain requirements are met. Those requirements include, but are not limited to the following:

- The individual is already a member.
- The individual position requires regular, part time service for one year or longer with an equivalent of hours of at least an average of 20 hours a week.

Board Position:

\_\_\_\_\_ S      \_\_\_\_\_ NA      \_\_\_\_\_ NP  
\_\_\_\_\_ SA      \_\_\_\_\_ O      \_\_\_\_\_ NAR  
\_\_\_\_\_ N      \_\_\_\_\_ OUA        X   PENDING

Department Director

Date

Selvi Stanislaus

4/2/08

PERS determines that employment is on a seasonal, limited-term, on-call, emergency, substitute, or other irregular basis that is compensated and meets one of several specified conditions. Other exclusions from automatic PERS membership include but are not limited to inmates, independent contractors, student assistants employed in state colleges, employees whose wages are paid through federal funds, and members of a teachers retirement system.

FTB provides a monthly report that includes a retirement code indicator on every employee to the State Controller's Office. The State Controller's Office provides required retirement membership data to PERS.

### THIS BILL

This bill would require a state agency to provide PERS with information relating to service and compensation earned by part-time, seasonal, or temporary employees who do not meet the requirements for mandatory coverage by PERS. The agency is required to provide this information in the same manner as the agency provides similar information for members of the system.

### IMPLEMENTATION CONSIDERATIONS

Because the reports FTB provides to the Controller already include the information required under the provisions of this bill and the Controller would provide the information on behalf of FTB, implementing this bill would not significantly impact the department's programs or operations.

### **FISCAL IMPACT**

Implementing the provisions of this bill would not significantly impact the department's costs.

### **ECONOMIC IMPACT**

This bill would not impact state income tax revenues.

### **SPONSOR**

California Public Employees Retirement System

### **LEGISLATIVE STAFF CONTACT**

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