



San Bernardino County Employees'
Retirement Association

MEMORANDUM

DATE May 7, 2026 **PHONE** (909) 885-7980, Ext. 1351
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TO **BOARD OF TRUSTEES**
San Bernardino County Employees'
Retirement Association

SUBJECT 2025-2026 - CALIFORNIA LEGISLATION

*Updated information reflected in [blue](#). This is the second year of the 2025-2026 Legislative Term. Bills listed as Inactive/Dead will **not** appear in future updates.*

2026 - Legislative Update

The second year of California's two-year legislative session is nearing its midpoint. Lawmakers have until August 30, 2026, to adopt and submit bills to the Governor for consideration.

The State Association of County Retirement Systems (SACRS) voted to oppose SB 1319 (the Private Equity Sunshine Act) on April 21, 2026, at the recommendation of the SACRS Legislative Committee. Sacramento County Employees' Retirement System CEO Eric Stern, who serves as chair of the SACRS Legislative Committee, testified in opposition to the bill along with a representative from the California State Association of Counties during a recent Senate committee hearing.

AB 2780, a SACRS-sponsored bill containing five provisions related to the County Employees Retirement Law -- including a clarification that only active and retired members may participate in Board of Retirement elections -- is awaiting a hearing in the Assembly Appropriations Committee.

The table below contains more details about SB 1319 and AB 2780 as well as other bills SBCERA is monitoring because they may impact SBCERA as a public retirement system and/or as an employer or may be of interest to the system. A summary is provided for each bill. Where applicable, a recommended position is provided in line with SBCERA's Legislative Principles and Guidelines.

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A. County Employees Retirement Law and PEPRA

Position Recommendation	Bill and Summary								
None	<p>AB 1383 – Public Employees’ Retirement Benefits: Safety Members (McKinnor)</p> <p>This bill would raise the pensionable compensation cap for PEPRA members to the cap on wages subject to Social Security in Section 430(b) of Title 42 U.S. Code as of January 2027.</p> <p>The current PEPRA cap is based on the same code section; however, it is based on the federal cap set in 2013. Retirement systems would continue to adjust the cap annually based on CPI change.</p> <p>The pensionable compensation limit would be 135% of the Social Security cap for PEPRA members who do not pay into Social Security and 100% for those who do (\$237,735 and \$176,100 respectively based on the 430(b) cap as of 2025).</p> <p>AB 1383 would eliminate the 2% benefit rate and add a 3% rate for Safety Members. It would also lower the retirement age from 57 to 55 for Safety Members.</p> <table border="1" style="width: 100%; border-collapse: collapse; margin: 10px 0;"> <thead> <tr> <th style="text-align: center;">Current PEPRA Safety Formulas</th> <th style="text-align: center;">AB 1383 Formulas</th> </tr> </thead> <tbody> <tr> <td style="text-align: center;">2.0% at 57</td> <td style="text-align: center;">2.5% at 55</td> </tr> <tr> <td style="text-align: center;">2.5% at 57</td> <td style="text-align: center;">2.7% at 55</td> </tr> <tr> <td style="text-align: center;">2.7% at 57</td> <td style="text-align: center;">3.0% at 55</td> </tr> </tbody> </table> <p>Employers would be required to provide one of the formulas to Safety Members hired on or after January 1, 2027.</p> <p>If an employer adopted the 3% at 55 formula, those Safety Members’ pension benefits would be capped at 90% of their average final compensation.</p> <p>For existing PEPRA Safety Members, employers would be required to implement the formula closest to the one in place for those members hired on or after January 1, 2013.</p>	Current PEPRA Safety Formulas	AB 1383 Formulas	2.0% at 57	2.5% at 55	2.5% at 57	2.7% at 55	2.7% at 57	3.0% at 55
Current PEPRA Safety Formulas	AB 1383 Formulas								
2.0% at 57	2.5% at 55								
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Position Recommendation	Bill and Summary
	<p>The bill expressly states the new retirement formulas would apply prospectively.</p> <p>Status: Senate Rules</p> <p>Impact: Increased employer and member contribution requirements, increased UAAL, administrative changes to account for formula changes and new pensionable compensation cap, update benefit information in print and online</p> <p>Sponsor: California Professional Firefighters and California Peace Officers Research Association</p> <p>SACRS: Neutral</p>
None	<p><u>AB 1601</u> – County Employees’ Retirement: Cost-of-Living Adjustments (Rogers)</p> <p>This bill would allow the Sonoma County Board of Supervisors to authorize a cost-of-living adjustment (COLA) to the retirement allowances, optional death allowances, or annual death allowances payable by the retirement system. The bill would require the Board of Supervisors to take various actions (including collaborating with the retirement board to identify eligible retired members, survivors, beneficiaries, or successors in interest designated, or a subset of those benefit recipients, to receive the COLA, the amount thereof, and the funding source) before authorizing a COLA.</p> <p>Sonoma County does not have a recurring COLA policy. The last time it granted a COLA was 2008 for retirees and beneficiaries who had lost more than 20% of their purchasing power, i.e., those whose payments began in 1997 or earlier.</p> <p>Status: Senate Rules</p> <p>Impact: None</p> <p>Sponsor: California State Council of Service Employees International Union</p> <p>SACRS: Neutral</p>

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Position Recommendation	Bill and Summary
None	<p>AB 1619 – County Employees’ Retirement: Administration (Valencia)</p> <p>This bill would allow a CERL system to increase the per-meeting pay for trustees up to \$320 (max of five meetings per month) with majority approval by the board of supervisors.</p> <p>Additionally, it would raise the per-meeting pay for members of the CalSTRS Teachers’ Retirement Board and the CalPERS Board of Administration to \$320.</p> <p>Status: Assembly Floor</p> <p>Impact: None</p> <p>Sponsor: Orange County Employees Retirement System</p> <p>SACRS: Neutral</p>
None	<p>AB 2780 – Public Employees’ Retirement (Labor, Public Employment and Retirement Committee)</p> <p>For CERL systems, the bill would:</p> <ul style="list-style-type: none"> • Clarify that only active and retired members can vote or be candidates in retirement board elections, • Establish a 10-year statute of limitation for the collection of overpayments for all CERL systems, • Correct Government Code sections that use the term “earnable compensation” instead of “compensation earnable,” • Make it so only the last retirement system a member worked for pays the burial allowance to the member’s beneficiary,

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	<ul style="list-style-type: none"> • Allow a 30-day window between retirement dates at reciprocal systems—with no service between the retirement dates— to count as concurrent retirement. <p>Status: Referred to Appropriations Committee</p> <p>Impact: None</p> <p>Sponsor: SACRS and CalSTRS</p> <p>SACRS: Support</p>

B. Public Employment

Position Recommendation	Bill and Summary
None	<p>AB 2336 – Personal Income Tax Law: exclusions from income: retirement: overtime (Macedo)</p> <p>This bill would, for taxable years beginning on or after January 1, 2026, and before January 1, 2031, exclude from gross income the first \$25,000 of overtime pay received by a taxpayer during the taxable year. The bill would also exclude the first \$25,000 received by a taxpayer as proceeds from a defined benefit plan, as defined.</p> <p>Status: Approved by Committee on Revenue and Taxation; referred to Appropriations</p> <p>Impact: None</p> <p>Sponsor:</p> <p>SACRS:</p>

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Position Recommendation	Bill and Summary
	<p>AB 2098 – Workers’ compensation: medical treatment (Kalra)</p> <p>This bill would require employees injured at work to make a reasonable effort to schedule treatment outside work hours and notify their employer when treatment occurs during work. It would also allow time off for treatment unless business necessity prevents it. The bill also would require the leave to run concurrently with FMLA/CFRA. An employer’s denial of time off for treatment during work hours would be considered a misdemeanor.</p> <p>Status: Assembly Appropriations</p> <p>Impact: No, SBCERA already abides by provisions</p> <p>Sponsor:</p> <p>SACRS:</p>

C. Local Government (Brown Act, Public Records Act, and Conflict of Interest)

Position Recommendation	Bill and Summary
None	<p>SB 1319 – California Public Records Act: public investment funds (Durazo and Cortese)</p> <p>This bill would require public investment funds, including retirement systems, to disclose a comparison of the results from their alternative investment vehicles against the performance the public investment funds would have experienced from investing the same amount in a public market index of corresponding assets traded in the public securities markets, after controlling for risk, liquidity, and expense.</p> <p>In addition, it would require funds to disclose specific information about the businesses owned by the private funds they invest in. Specifically, it would require the disclosure of the names and address of businesses</p>

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Position Recommendation	Bill and Summary
	<p>owned by the private equity fund, the number and job classifications of the businesses' employees, and the names of general partners and managers of alternative investment vehicles.</p> <p>Status: Senate Appropriations on May 4</p> <p>Impact: None</p> <p>Sponsor:</p> <p>SACRS:</p>
None	<p>SB 1159 – Artificial intelligence: transparency and governance (Cabaldon)</p> <p>This bill would specify that, for purposes of the California Public Records Act, the Bagley-Keene Open Meeting Act, the Ralph M. Brown Act, the Political Reform Act of 1974, the Administrative Procedure Act, and CEQA, "person," "interested person," "participant," "member of the public," as applicable, and any other similar terms under each act referring to those who may engage with governmental agencies, do not include artificial intelligence, as defined, systems, autonomous agents, robots, or other nonhuman entities, whether physical or digital.</p> <p>Status: Awaiting third reading in Senate</p> <p>Impact: None</p> <p>Sponsor:</p> <p>SACRS:</p>
None	<p>AB 1821 – California Public Records Act (Pacheco)</p> <p>The bill would revise response timelines for public records requests. It would shift from calendar days to business days, giving agencies 10 business days to determine whether requested records are disclosable, with an extension of up to 14 additional business days when warranted.</p>

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Position Recommendation	Bill and Summary
	<p>Status: Assembly floor</p> <p>Impact: None</p> <p>Sponsor:</p> <p>SACRS:</p>
None	<p>AB 1578 – State and local officials: sexual harassment training and education: anti-hate speech training (Jackson)</p> <p>Starting in January 2028, an employer that is a state or local agency would be required to include anti-hate speech training as a component of its sexual harassment training curriculum for all elected state and local officials.</p> <p>Status: Appropriations Committee</p> <p>Impact: SBCERA would be required to incorporate anti-hate speech training in its sexual harassment training curriculum for elected officials.</p> <p>Sponsor:</p> <p>SACRS:</p>
None	<p>SB 1187 – Open Meetings: Majority (Durazo)</p> <p>This bill would define “majority” for purposes of the Brown Act to mean the number of members of the legislative body equaling more than half of the total number of seats on the legislative body. The bill would specify that if a seat on the legislative body is vacant, that seat would still be counted as a seat on the legislative body.</p> <p>Status: Local Government Committee hearing on April 29</p>

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Position Recommendation	Bill and Summary
	<p>Impact: This bill may negate the attendance-based voting policy the Board of Retirement adopted in December 2025.</p> <p>Sponsor:</p> <p>SACRS:</p>
None	<p><u>SB 1389</u> – The Political Reform Act of 1974: late filing of reports (Dahle)</p> <p>This bill would remove the \$10/day penalty when officials file copies of statements or reports after the deadline.</p> <p>It would also eliminate the 30-day grace period that applies after a filing officer sends written notice of a late original filing. It would also establish a \$100 maximum fine for late filings.</p> <p>Status: Senate Appropriations</p> <p>Impact:</p> <p>Sponsor:</p> <p>SACRS:</p>

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D. Other Bills of Interest Re CalPERS, STRS, and JRS I and II

Position Recommendation	Bill and Summary
None	<p>AB 1054 – Public Employees’ Retirement: Deferred Retirement Option Program (Gipson)</p> <p>This bill would establish a voluntary Deferred Retirement Option Program (DROP) within PERS for Highway Patrol officers and state firefighters. The bill would require the state bargaining units to bargain with the Department of Human Resources to implement the program. The bill requires the DROP program to result in cost savings or be cost neutral. The bill would also require the department to work with the PERS board to develop the program.</p> <p>Status: Senate Rules</p> <p>Impact: None</p> <p>Sponsor: California Association of Highway Patrolmen and Cal Fire Local 2881, IAFF, AFL-CIO</p> <p>SACRS:</p>
None	<p>AB 1439 – Public Retirement Systems: Development Projects: Labor Standards (Garcia)</p> <p>This bill would require CalPERS and CalSTRS to commission a study to determine how prohibiting pension funds from investing in California development projects without certain labor standards would affect pension systems’ investment returns.</p> <p>The study would be due in January 2028.</p> <p>Status: Senate Rules</p> <p>Impact: None</p> <p>Sponsor: State Building and Construction Trades Council of California</p>

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Position Recommendation	Bill and Summary
	<p>SACRS:</p>
<p style="text-align: center;">None</p>	<p>AB 1844 – Judges’ Retirement System II: beneficiaries (Pacheco)</p> <p>This bill would allow judges who elect one of the optional retirement plans in lieu of receiving the maximum benefit to name a non-spouse beneficiary to receive continuance payments. It would also remove the 20-year service requirement for certain survivor benefits when a judge who has reached the minimum retirement age dies in office.</p> <p>Under current law, JRS II judges can only name a spouse or registered domestic partner as their beneficiary for continuance payments.</p> <p>Status: Senate Rules</p> <p>Impact: None</p> <p>Sponsor:</p> <p>SACRS:</p>
<p style="text-align: center;">None</p>	<p>AB 1444 – Employment (Labor, Public Employment and Retirement Committee)</p> <p>This bill would extend the time a CalPERS member has to change their retirement choice after retiring from 30 days to 60 days after their first payment.</p> <p>Status: Senate Appropriations</p> <p>Impact: None</p> <p>Sponsor:</p> <p>SACRS:</p>

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Position Recommendation	Bill and Summary
None	<p>SB 1038 – The Public Employees’ Retirement System (Laird)</p> <p>Under this bill, CalPERS would be required to post specific information about any audit it plans to conduct, including the scope and purpose of the audit, on the CalPERS website before initiating the audit.</p> <p>It would also require CalPERS to provide written notice of the planned audit to the employer prior to initiating the audit.</p> <p>It would also require employers to forward a CalPERS’s audit notice to the unions representing potentially impacted members.</p> <p>Within 60 days of receiving the final audit report, the employer must provide the CalPERS Board and the unions that represent affected members with the names of members affected by the final audit report.</p> <p>Unions would only receive the names of their affected members.</p> <p>Status: Awaiting Third Read in Senate</p> <p>Impact:</p> <p>Sponsor: California School Employees Association</p> <p>SACRS:</p>
None	<p>SB 939 – Public employees’ retirement: death benefits (Laird)</p> <p>This bill would repeal a payment option for a member of CalPERS to finance the balance due on a purchase of additional service credit through a permanent actuarial equivalent reduction to their pension allowance effective January 1, 2028.</p> <p>Thereafter, any outstanding balance on the service credit purchase must be paid in full at the time of retirement (or death of the member). Otherwise, CalPERS must reduce the service credit in proportion to the outstanding balance.</p>

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Position Recommendation	Bill and Summary
	<p>Status: Senate Appropriations</p> <p>Impact: None</p> <p>Sponsor: CalPERS</p> <p>SACRS:</p>
None	<p>AB 2628 – County Fire Service Retirement Law: benefits (Rodriguez)</p> <p>Existing law, the County Fire Service Retirement Law, administered by the County Foresters, Fire Wardens, and County Fire Protection District Firemen’s Retirement Board, prescribes additional retirement benefits to county foresters, fire wardens, and firefighters who are members of the system when specified conditions are met. Existing law provides that a person retiring for service, as specified, shall receive a pension payable in equal monthly installments during their lifetime, equal to one-half of the person’s terminal salary, not to exceed \$250 a month.</p> <p>This bill would make nonsubstantive changes to that provision.</p> <p>This is likely a spot bill that may be amended with more substantive legislative language.</p> <p>Status: Introduced in Assembly</p> <p>Impact: None</p> <p>Sponsor:</p> <p>SACRS:</p>
	<p>AB 1660 – Public guardians and public administrators (Schiavo)</p> <p>This bill would authorize a court to impose sanctions of no less than \$1,000 per violation when a financial institution, including a public pension, does not provide information or surrender</p>

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Position Recommendation	Bill and Summary
	<p>property of a decedent, minor, or conservatee to a Public Administrator or Public Guardian authorized to take possession and control of such property.</p> <p>Status: Assembly third reading</p> <p>Impact:</p> <p>Sponsor: California State Association of Public Administrators, Public Guardians, and Public Conservators</p> <p>SACRS:</p>
	<p>SB 1207 – California Conservation Corps (Laird)</p> <p>Among other things, this bill would allow PERS members to purchase service credit for their service in the California Conservation Corps.</p> <p>Status: Senate Appropriations Committee</p> <p>Impact:</p> <p>Sponsor:</p> <p>SACRS:</p>

End of Memo.

BMH:SV:ycb