



### 2020 SACRS LEGISLATIVE PLATFORM WORKSHEET PLEASE COMPLETE AND RETURN

Title of Issue: Military Service Purchases

Association: SBCERA

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Please answer the following questions as fully as possible:

1. Description of issue.

The Uniformed Services Employment and Reemployment Rights Act of 1994 (USERRA) is a federal statute that provides certain reemployment rights for employees who serve in the military. Included in these rights is the option for the employee to purchase the military service time in the employer's retirement plan. This is an optional purchase for the employee, and the retirement plan may not charge interest. Section 31649 of the CERL does not conform to USERRA because the CERL section allows the member to opt out of the purchase but does not have a provision that allows for a later purchase.

Sections 31649.5 and 31649.6 are repetitive. The history of section 31649.6 was to address the perception that PEPRA might disallow all military service purchases. That issue with PEPRA has not materialized.

If section 31649 is amended to comply with USERRA, sections 31650 and 31651 become superfluous because they provide implementing language for section 31649.

2. Recommended solution.

Amend 31649 to specifically comply with USERRA by referencing the federal statute. Add the language in 31649.5 and 31649.6 to 31649 for use in cases where USERRA is not applicable.

3. Specific language that you would like changed in, or added to, '37 Act Law, and suggested code section numbers.

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Government Code section 31649 should be amended to read:

- (a) This chapter shall comply with the Uniformed Services Employment and Reemployment Act of 1994 (USERRA) (38 U.S.C. § 4301 et. seq.) as amended from time to time. Any member who was absent from county or district employment for military service and is eligible for reemployment benefits pursuant to USERRA, may, as provided in USERRA, make contributions and receive service credit for the time absent.
- (b) Any member who does not qualify for reemployment benefits under (a) due to the length of the military service and who returns to county or district employment within one year of being honorably discharged from the Armed Forces of the United States, shall receive credit for service for all or any part of his or her military service, if, before retirement from the county or district, he or she contributes what he or she would have paid to the fund based on his or her compensation earnable as defined by section 31461 or pensionable compensation as defined in section 7522.34, whichever is applicable, at the time of the beginning of the absence together with regular interest thereon.
- (c) Nothing in this section shall affect any arrangement to pay contributions pursuant to section 31653.

Sections 31649.5, 31649.6, 31650, and 31651 should be repealed.

- 4. Why should the proposed legislation be sponsored by SACRS rather than by your individual retirement association?

This is an issue that affects all CERL systems. The proposed changes would clarify the CERL and bring it into compliance with federal law.

- 5. Do you anticipate that the proposed legislation would create any major problems such as conflicting with Proposition 162 or create a problem with any of the other 19 SACRS retirement associations?

No. These changes are consistent with current law and practice.

- 6. Who will support or oppose this proposed change in the law?

Veterans group and unions should support this change because it brings CERL into compliance with USERRA. I do not anticipate opposition because these changes are consistent with current law.

- 7. Who will be available from your association to testify before the Legislature?

David Lantzer

Email or mail your legislative proposals to:

Mike Robson and Trent Smith  
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