



District Business & Advisory Services

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Bulletin: 13-022

Date: August 31, 2012

To: District Fiscal Directors

From: Joyce Shen

Re: CalPERS Work after Retirement Limitations – Effective Fiscal Year 2012-13

The purpose of this bulletin is to provide clarification on the statutory changes governing California Public Employees' Retirement System (CalPERS) retirees returning to work; based on provisions in Assembly Bill (AB) 1028 (effective January 1, 2012) and in Senate Bill (SB) 1021 (effective June 27, 2012).

CalPERS retirees of at least normal retirement age can work up to 960 hours per fiscal year without impacting their retirement benefits. Under current law CalPERS school plan, normal retirement age for school district employees is Age 55. Recent statutory changes impose additional limitations:

- Retiree can fill a position on a temporary basis only if it is vacant and only during recruitment for a permanent replacement (AB 1028). Based on Government Code 21221 (h):
 - The temporary position should be deemed by the governing board as requiring “specialized skills or during an emergency to prevent stoppage of public business.”
 - The retiree should be appointed only once to this vacant position.
- The 960-hour limitation applies to total hours worked for all employers combined. An extension is no longer allowed.
- The compensation cannot exceed the maximum hourly rate for the vacant position on a publicly available pay schedule (AB 1028), and no additional benefits or compensation can be provided (SB 1021).

References:

- CalPERS Circular Letter No. 200-002-12: <http://www.calpers.ca.gov/eip-docs/employer/circulars/2012/200-002-12.pdf>
- AB 1028: http://www.leginfo.ca.gov/pub/11-12/bill/asm/ab_1001-1050/ab_1028_cfa_20110329_131522_asm_comm.html
- SB 1021: http://leginfo.legislature.ca.gov/faces/billNavClient.xhtml?bill_id=201120120SB1021
- Government Code Section 21111(h), 21224, 21229: <http://www.leginfo.ca.gov/cgi-bin/displaycode?section=gov&group=21001-22000&file=21220-21230>

Please distribute this memo within your District as deemed appropriate.

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