



BOARD OF SUPERVISORS
AGENDA LETTER

Agenda Number:

Clerk of the Board of Supervisors
105 E. Anapamu Street, Suite 407
Santa Barbara, CA 93101
(805) 568-2240

Department Name: SBCERS
Department No.: 810
For Agenda Of:
Placement: Administrative
Estimated Time:
Continued Item: No
If Yes, date from:
Vote Required: Majority

TO: Board of Supervisors

FROM: Department
Director(s)
Contact Info:

DocuSigned by:
Gregory Levin
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Gregory E. Levin, CPA, CEO
Maria Elena De Guevara, Director of Human Resources
(805) 770-1120

DocuSigned by:
Maria Elena De Guevara
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SUBJECT: Adoption of Government Code Section 31646(b)

County Counsel Concurrence

As to form: Yes

Other Concurrence:

As to form: N/A

Auditor-Controller Concurrence

As to form: Yes

Recommended Actions:

That the Board of Supervisors:

- a) Adopt the Resolution in Attachment A making the provisions of Government Code Section 31646(b) applicable to the County, which would allow SBCERS members to purchase retirement service credit for an unpaid parental leave; and
- b) Determine pursuant to California Environmental Quality Act (CEQA) Guidelines Section 15378(b)(5) that the above action is an organizational or administrative activity of government that will not result in direct or indirect physical changes in the environment.

Summary Text:

Effective January 1, 2021, Government Code (Govt. Code) §31646(b) was amended to allow SBCERS members to purchase retirement service credit after returning to work after a period of unpaid absence due to a parental leave (not due to illness). SBCERS members who want to purchase such credit must pay for their own contributions plus those of their employer, including the interest that the contributions would have earned had they been on deposit if the employee had not been on leave. This provision is not operative until the Board of Supervisors, by Resolution adopted by majority vote, makes it applicable to the County of Santa Barbara and applies it to parental leave that commences after adoption by the Board.

Background:

In accordance with Govt. Code §31646, the County Employees' Retirement Law ("CERL") authorizes a member who returns to active service following an uncompensated leave of absence on account of illness, to receive service credit for the period of the absence upon payment of the contributions that the member would have paid during that period, together with the interest that the contributions would have accrued. This provision has been construed by SBCERS, as well as by other CERL retirement systems, as permitting the purchase of time related to a member's period of disability due to pregnancy, but not any leave periods for any period of paternity or child bonding leave.

On September 29, 2020, Governor Gavin Newsom signed into law Assembly Bill 2101, amending Govt. Code §31646 effective January 1, 2021. This bill expands the scope of Section 31646 to include the optional purchase by members of periods of unpaid parental leave of up to 12 consecutive months in addition to leave periods when a member is disabled due to pregnancy. This new provision is not operative in a county until the board of supervisors, by resolution adopted by a majority vote, makes the provisions applicable to that county and applies it to parental leave that commences after the adoption of the resolution.

Unlike the purchase of leave due to illness, which allows a member to purchase unpaid leave time by the payment of member contributions for the leave period, Govt. Code §31646 (b)(1) requires that the member electing to purchase service credit due to parental leave pay contributions that both the member and the member's employer would have made during that period. In the view of SBCERS, adoption of this additional provision allowing purchase of parental leave will not impact the ability of members who give birth to continue to purchase pregnancy disability leave for the lesser amount of member contributions during the affected period.

Performance Measure: N/A

Contract Renewals and Performance Outcomes: N/A

Fiscal and Facilities Impacts: N/A

Budgeted: No

Fiscal Analysis:

There are no additional costs associated with adoption of Govt. Code §31646(b). The statute requires that the member pay all contributions, including County/employer contributions, for parental leave. Accordingly, the adoption of Government Code Section 31646(b) should not have an adverse actuarial impact on the system or materially impact employer contributions.

Key Contract Risks: N/A

Staffing Impacts: N/A

Legal Positions: N/A

FTEs: N/A

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Special Instructions:

Please send one copy of the adopted Resolution to Cristal Rodriguez, Disability Program Manager, SBCERS, at CriRod@sbcers.org.

Attachments:

Attachment A: Resolution adopting the provisions of Government Code Section 31646(b)

Attachment B: Text of Section 31646

Attachment C: Letter from Cheiron, SBCERS Actuaries

Authored by:

Gregory E. Levin, CEO, SBCERS

cc:

Mona Miyasato, County Executive Officer

Rachel Van Mullem, County Counsel

Betsy Schaffer, Auditor-Controller

All Special District Employers participating in SBCERS

Michael Vidal, Chair of the Board of Retirement