THE INTERCOM

Newsletter of the California Retired County Employees Association (CRCEA)

January 2024

www.crcea.org

Issue #1-2024

PRESIDENT'S MESSAGE

Schools are in session, Halloween with the neighborhood's kids in costume is gone. The conferences of CRCEA and SACRS are completed. Thanksgiving, a time of peace and thanks, as well as its overindulgence of food, is now behind us. The store decorations and sales along with houses of varying decorations signifying the Christmas holiday that is right around the corner (as I write this).

It seems like so many of us are very busy during these last 3 months of the year. We get focused on the family things that eat up our time – that's not a negative thing – and we work diligently to tie up all the loose ends of the year as we head into the new year of 2024.

Looking forward to the new year seems to be a bit cloudy at the moment. The economic unknowns and inflation issues. Continuing strife in the mid-east which could escalate into an even bigger situation. Strained relations among certain countries throughout Asia with continued unknowns on solutions or at least a calming status quo still to be seen. Unrest in various parts of Europe. All this along with the on-going rift and disagreements among the "players" in our own government houses along with the very partisan positions taken by many.

We can only hope that the future can possibly bring some calming and "common sense" of understanding among the parties involved, no matter which situation could be included above. I try to be optimistic that things will always get better. This is particularly true if you look at it with the hope that things will be better for our kids and our grandkids and maybe great grandkids.

But, back to the busy schedules. Since the last message, I have been involved in 29 different meetings for various different things I am involved with. Okay, I did it to myself and I admit it.

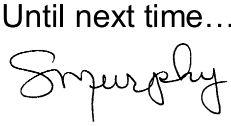
I briefly touched on the fact that our CRCEA conference "is in the books". It seems like I can run out of ways to offer the accolades to our host associations following a conference. San Joaquin County RPESJC provided an excellent mix of speakers and information useful to us. It was good to hear from our legislative consultant on the actions and issues happening in Sacramento. A different but interesting presentation was given by the representative of the Lodi Wine Association, who not only told us about the wine industry in the Lodi area, but also provided a tasting of the various type of wine from the region. While I was privy to some of the "glitches" that they incurred during the conference, the changes made on the fly were hardly noticeable by the overall audience. Well done by Bill and Joe and the entire conference group. You should be proud of your work and the representation of your association.

The situation surrounding the Spring 2024 Conference is still somewhat in flux. Vice President Doug Fletcher, and the group of members working on the overall future of CRCEA Conferences, is rapidly coming up with its recommendations. As we work through the already planned and in the works conferences through 2025, some major discussion and directions will need to be done. As to this coming Spring, a fair amount of work and research has already been done and a decision should be made very soon. You can be assured that all members will be advised.

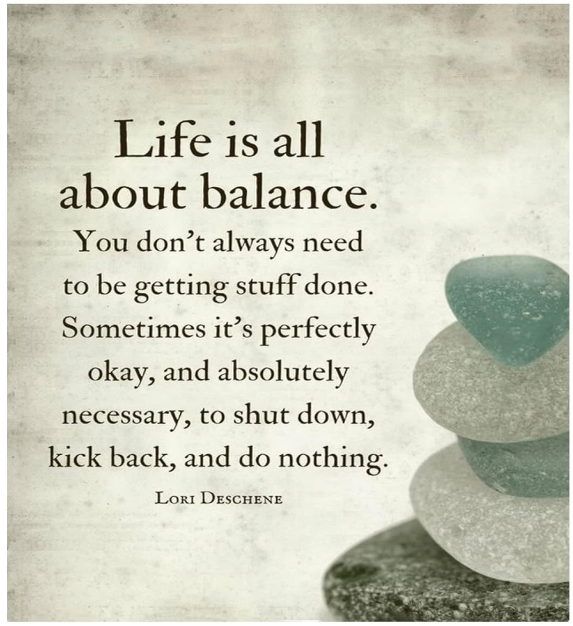
As always, members of the Executive Committee are committed to working with local associations to discuss CRCEA. If anyone wants a visit to talk about CRCEA to let your board and/or membership know more, please let us know and we will try to accommodate.

I close by going back to early in this message. My hope is 2024 will be a better time for all than the past has shown us. We can have a positive view so long as we treat both friends and strangers with respect and understanding.

Until next time…..



SKIP MURPHY, President



**Upcoming
CRCEA
Conferences**

**Spring 2024
(work in progress)**

**Fall 2024
Contra Costa (CCCREA)
November 3 — 6, 2024**

**Spring 2025
Santa Barbara (RESBC)
(consideration ongoing regarding joint conference with Ventura)**

**Fall 2025
Alameda (REAC)**

WE HOPE YOU WILL BE ABLE TO JOIN US FOR GREAT INFORMATION, NETWORKING, AND, OF COURSE, FRIENDS AND FUN!

List: Here are 24 new California laws to know in 2024
by Jasmine Mendez

California lawmakers sent hundreds of bills to Gov. Gavin Newsom's desk in 2023.

Many were signed by the governor just ahead of an October deadline to approve or veto, meaning some significant new rules for the nation's most populous state in 2024.

From employment to public health, here is a list of 24 new state laws coming to California in 2024.

2024 California employment laws

State Minimum Wage Increase: The state minimum wage will increase to $16 per hour starting on January 1, 2024. California's minimum wage previously stood at $15.50. Some cities and counties have a higher local minimum wage, according to the Department of Industrial Relations.

Minimum Wage Increase for Healthcare Workers: Introduced by State Senator Maria Elena Durazo, SB 252 will raise the minimum wage for health care workers to $23. Workers must be employed under covered health care facilities in California. This bill goes into effect starting June 1, 2024.

Paid Sick Leave: Introduced by State Senator Lena Gonzalez, SB 616 would apply to employees who have been working in California for the same employer for 30 or more days within their starting year. The bill will require an employee to have no less than 40 hours or five days of accrued sick leave or paid time off by the 200th calendar day of employment, or in each 12-month period. The bill will go into effect starting on January 1, 2024.

Reproductive Leave: Introduced by State Senator Susan Rubio, SB 848 would require employers to offer reproductive leave. The California Fair Employment and Housing Act makes it unlawful to refuse or grant a request by an employee to take up to five days upon the death of a family member. This bill would allow reproductive leave within three months of the event and will use other leave balances otherwise available to the employee. An employer may deny leave for more than one reproductive loss within 12 months. The bill will go into effect starting January 1, 2024.

Work From Home: Introduced by State Senator Angelique Ashby, SB 731 requires an employer to provide a 30-day advance written notice before requiring remote employees to return to an in-person setting. The notice would also explain the employee's right to remain remote as an accommodation, if applicable, to their disabilities. This bill will go into effect starting Jan.uary 1, 2024.

Penalizing Cannabis: Introduced by State Senator Steven Bradford, SB 700 would make it unlawful for an employer to discriminate against a person in hiring, termination, or any term or condition of employment.

H-2A Information for Agricultural Workers: Introduced by Assemblymember Ash Kalra, AB 635 Section 2810.5, would require an employer to give an employee written notice of the federal H-2A visa in English or Spanish, at the employee's request. Other languages may also be included and require the Labor Commissioner to create a template that complies with these requirements. The bill will go into effect starting March 15, 2024.

2024 California housing laws

Security Deposits: Introduced by Assemblymember Matt Haney, AB 12 would cap security deposits at one month's rent even if the unit is furnished or not. This new law will allow owners of no more than two rental properties, or no more than four units, to request up to two months of rent. The bill will go into effect starting July 1, 2024.

Rent Control: Introduced by Assemblyman Zbur, AB 1620 would require that tenants in rent-controlled units who have permanent disabilities related to mobility be allowed to relocate to an available and accessible unit at the same rental rate and terms. This requirement will apply to properties with five or more rental units and will take effect on January 1, 2024.

Credit History: Introduced by State Senator Susan Eggman, SB 267 prohibits the use of a person's credit history as part of the application process for a rental housing accommodation. Tenants must offer the application the option to provide reasonable evidence to pay such as government benefit payments, pay records and bank statements. The bill will go into effect starting January 1, 2024.

2024 California transportation and traffic laws

Bicycle Signals: A new section to AB 1909 will require bicyclists to obey bicycle signals whenever an official traffic control signal exhibiting different colored bicycle symbols is shown concurrently with official traffic control signals or pedestrian control signals exhibiting different colored lights or arrows. This section will go into effect starting January 1, 2024.

Speed Cameras: Introduced by Assemblymember Laura Friedman, AB 645 would allow the cities of Long Beach, San Jose, Oakland, Glendale, Los Angeles, and San Francisco to establish a Speed Safety System Pilot Program. The program would require the listed cities to engage in a 30-day public information campaign before implementation to determine where systems would be detecting violations. Violations captured by speed cameras will be subject to civil penalties up to $25. The pilot program is authorized until 2032.

Shared Mobility Devices: Introduced by Assemblymember Reggie Jones-Sawyer, AB 410 will expand on the definition of mobility devices to include electrically motorized board, motorized scooter, electric bicycle, and non-electric bicycles. The new law would require a shared mobility service provider to place a tactile sign containing raised characters and accompanying braille, as specified, to identify the device for the purpose of reporting illegal or negligent activity. The bill will go into effect starting on January 1, 2024.

2024 California public health laws

Conservatorship for Gravely Disabled Persons: Code 5350 would establish the procedure of establishing, administering, and terminating a conservatorship for persons who are disabled as a result of a mental health disorder or impairment by chronic alcoholism. Minors with disabilities can now be appointed a conservator, who will undergo a background check and may be subject to stand before a court. This new code will go into effect on January 1, 2024.

Electronic Medical Records: Code 14046 would allow the establishment of the Medi-Cal Promoting Interoperability Program for the purposes of providing federal incentive payments to Medi-Cal providers for the implementation and use of electronic health records systems. This statute will go into effect on January 1, 2024.

LGBTQ Youth Support: Under SB 407, the California Department of Social Services will be directed to ensure LGBTQ youth are placed with supportive and gender-affirming foster parents. The law requires a family demonstrate the ability and willingness to meet a child's needs, regardless of sexual orientation, gender identity, or gender expression.

2024 California public safety laws

Concealed Carry Revision: SB 2 prevents concealed carry of a firearms in some public spaces, including sidewalks and school zones.

Fentanyl Distribution Penalty: AB 701 increases potential prison sentences for criminals convicted of dealing high amounts of fentanyl.

Child Sex Trafficking: SB 14 classifies child sex trafficking as a serious felony. It includes harsher penalties on people convicted of such crimes.

Ebony Alerts: SB 673 creates a new emergency alert called an Ebony Alert, used to help locate missing Black women and youth.

'Excited Delirium': AB 360 prohibits coroners, medical examiners, and physicians from using the controversial term "excited delirium" as a cause of death and from being recognized as a valid medical diagnosis. The bill would prohibit a peace officer from using the term to describe an individual in an incident report.

2024 California consumer laws

Campsite Reservations: AB 618 imposes fees on state campsite reservation holders who cancel within two to six days of their stays. Those fees can include the cost of the first night.

Gender-Neutral Toy Section: Under AB 1084, department stores with at least 500 employees in California are required to have a gender-neutral section of children's toys.

2024 California state symbols

State Mushroom: Finally, there's AB 261. This law establishes the California golden chanterelle as the official state mushroom.

www.msn.com/news

OPINION: What Public Pensions Could Do for Private-Sector Retirees

Many Americans are at risk of outliving their retirement savings.
State pension plans could have a new role: selling longevity insurance.
It could even save states money in the long run.

by Girard Miller, Finance Columnist
GOVERNING

Once upon a time, before the era of 401(k) plans and takeover capitalists eviscerating many company pension funds, defined-benefit pension plans were America's primary supplement to Social Security. Back then, the actuarial assumptions were generally reasonable, even for the public pension systems, before some of the latter strayed down the path of unsustainable benefits promises and fishy math. Needless to say, times have changed, and nowadays the vast majority of Americans have very few guarantees of lifetime income other than their modest Social Security benefits.

As an occupational category, most retired public employees and military personnel enjoy lifetime pension incomes they can count on. The problem now is that they have come to be viewed as a privileged caste, and politically that's not a good situation for public workers: It invites "pension envy" from their cohorts who retire from nongovernmental employment. America needs a better system of "longevity insurance" whereby private-sector 401(k) and IRA savers can convert some of their nest eggs into annuities, providing guaranteed lifetime income with an earnings rate at least a little better than what insurance companies typically offer. There could be an important role for public pension systems in making that happen.

Arguably, 401(k)s and IRAs would be fine if they were properly funded for 30 or more years for most workers and had a built-in back-end annuity feature, but only a minority of Americans enjoy a retirement account balance likely to provide income security for a lifetime. Almost no private-sector plans include a retirement medical cost coverage strategy, so many of those retiree assets will be chewed up with bills that Medicare doesn't cover. Although life expectancies had a hiccup lately because of COVID-19, the long-term trend worldwide has been for longevity to keep increasing.

So even though American senior citizens' household wealth has improved over the years, a good number still face the prospect of living longer than their savings will cover, and that's particularly bad news for the bottom 80 percent of the elderly demographic who face a rather bleak lifestyle adjustment if they outlive their average life expectancies. Some studies show that, on average, Americans save only 78 percent of what they need for retirement. Even those who take out reverse mortgages can run the risk of outliving their home equity. The numbers get far worse for those who live beyond age 85, when many will have consumed virtually all of their life savings.

Advocates for retirement security, including prominent public pension officials and associations, have promoted efforts in some states to provide a retirement option for private-sector workers. That's a laudable first step: Anything legislators can do to encourage payroll savings for retirement will be helpful. But for today's retirees, it's too late for those programs to be of much help unless they rejoin the workforce, as some will have no choice but to do. And so far, none of those programs have a lifetime-income option because their participants have not accumulated enough savings to make that feasible.

For educators and health-care workers, by contrast, the 403(b) retirement plan market has long included a lifetime-income feature whereby a private or nonprofit insurance company can convert defined-contribution savings into a life annuity for the worker and spouse. Likewise, retired IRA investors can convert their accounts to a life annuity. For savvy IRA savers, there is also a little-known provision for “qualified life annuity contracts” that enables the IRA owner to exchange up to $200,000 of those assets for a deferred annuity that pays out lifetime income, beginning as late as age 85 for those with enough assets to get by until then. For a married couple at age 70 who agree to wait 15 years for such lifetime payouts, that transfer buys them maybe $30,000 of future annual income to supplement their Social Security benefits as long as one of them is still living.

All of these payouts are typically subject to state and federal income taxes. There are other variations, and I have no doubt that the private-sector insurance industry will be inventing and promoting many more such arrangements in coming years as healthier baby boom retirees face up to this inevitable longevity problem and think harder about the risks of outliving their money.

A Competitive Yardstick

If your expectation is that the private sector will figure this all out and that competition will drive the economics for retirees so favorably that they can all get a maximum return on their annuity investments, then you will see no need whatsoever for a public-sector alternative. But if you harbor the average American’s distrust of insurance companies, then you might want to get behind the idea of a competitive yardstick to be provided by public pensions. The idea here is not to replace the insurance and annuity industries, just to keep them honest and price competitive.

Here's how it might work: Statewide public pension funds could be authorized by state law, subject to securing favorable federal tax code provisions, to make a tax-deferred exchange of 401(k), 457 and IRA account assets for a lifetime pension payable to state residents by that state’s public retirement system. A separate common trust account would be established to hold and invest the assets in accordance with the system’s normal pension fund practices, but with a 50 percent limit on risk-asset allocations to stocks and other volatile assets. The advantage of public pension math is that the assumed — and probable — rate of return on such a diversified portfolio is likely to be a bit higher than the actuarial rate that private insurers use for their annuity calculations, which of course are net of profit margins. And public-plan participants would not need to worry about an insurance company going broke.

The pricing of such public pension exchanges would have to be based on strict actuarial rules and practices to prevent unsustainable “giveaway” and “adverse selection” features. (California’s notorious experience with “air time” pension purchases has clearly shown how *not* to do this.) To focus the program on the middle class, the exchanges should be limited in size so that nobody can receive an annual annuity payout greater than the national median annual household income (around $70,000 today). That’s enough for a modest retirement when paired with Social Security, but not for cushy benefits underwritten at the risk of state taxpayers. And unlike many public pensions, there should be no cost-of-living adjustments unless prudently funded actuarially by a lower initial benefit and capped at perhaps 3 or 4 percent per year.

Costly Indigent Elder Care

Pension hawks and insurance industry lobbyists will squawk that this arrangement simply invites the same kinds of gamesmanship with actuarial assumptions that have already driven so many public pension systems into their underfunded positions. Clearly there would be an underwriting and investment risk if the annuity programs are not carefully designed. But if you think about it, it's state governments that will ultimately bear much of the megabillion-dollar costs of indigent elderly who run out of money from outliving their savings, so a case can be made for this arrangement as a prudent social insurance prophylactic. Nobody has anything to gain from getting this wrong: There is no union of annuitizing retirees, and if anything this constituency would be fiscal conservatives.

That said, legislators would need to decide who backstops any actuarial shortfalls. But a fractional underwriting shortfall would be far less painful to state budgets than elder-care welfare costs. I would thus have no moral or policy problem with this being a valid public purpose as long as it's overseen by an independent and accountable fiduciary board obligated by a fiscally conservative mandate and including both the state controller and insurance commissioner.

From a purely political standpoint, having this lifetime income feature available to private citizens would help overcome some of the pension envy that is often directed toward public employees, viewed as cashing in at taxpayer expense. And it's unlikely that such programs will ever swamp the pension systems: States could even cap the total number of such exchange annuitants to no more than perhaps 5 or 10 percent of their governmental retiree headcount. With a new feature like this, public pension systems could eventually be viewed as taxpayer-friendly and serving the broader public purpose of promoting retirement security for senior citizens from all walks of life.

Given the obvious political hurdles and vested interests, I don't expect this idea to see the light of day anytime soon, but the next time public pension reform comes up in state legislatures, it's a worthy idea to consider. States that already mandate that most businesses provide retirement benefits to their employees should lead the way, as it's a logical extension of those initiatives and their sponsors already understand the merits of middle-class retirement security.

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