ASSEMBLY BILL

No. 2727

Introduced by Assembly Member Grayson

February 20, 2020

An act to amend Section 42850 of the Education Code, relating to school districts.

LEGISLATIVE COUNSEL’S DIGEST

AB 2727, as introduced, Grayson. School districts: retiree benefit funds.

Existing law authorizes the governing board of a school district to establish a fund for pension and other employee benefits to accumulate restricted moneys from salary reductions agreements, other contributions for employee retirement benefit payments, or both.

This bill would instead require the governing board of a school district to establish that fund.


The people of the State of California do enact as follows:

SECTION 1. Section 42850 of the Education Code is amended to read:

42850. The governing board of any a school district may shall establish a fund for pension and other employee benefits to accumulate restricted moneys from salary reduction agreements, other contributions for employee retirement benefit payments, or both. Moneys may be transferred to the fund from other funds by periodic expense charges, in amounts based on existing and future
obligation requirements. Payments from the pension plan and other employee benefits fund for insurance, annuities, administrative costs, or any other authorized purpose shall be made in accordance with all warrant approval requirements applicable under this code.