



September 2024 Legislative Advocate Report

By Jennifer Baker, CalRTA Legislative Advocate

Teachers' Retirement Board Update

The Teachers' Retirement Board met September 24-26 and included a number of important updates. The California State Teachers' Retirement System (CalSTRS) included an update on their employer audit plan which completed 65 audits over the first six months of 2024, which included approximately 40,000 members and 97 new audit findings. It is too early to know how many retirees may have been impacted by these audit results. If the results were positive, retirees would see an increase in their retirement benefit. If the results were negative, retirees would see a decrease in their retirement benefit but they would not have to pay back any excess payments to CalSTRS, thanks to the implementation of CalRTA co-sponsored [AB 1667](#).

Teachers' Retirement Board: Gubernatorial Appointment

Governor Newsom has appointed Steve Juarez to the Teachers' Retirement Board to fill an open vacancy on the Board. Mr. Juarez worked for the Treasurer's office from 2016-18 and was previously Associate Vice President of State Government Relations for the University of California. He also worked as a Senior Investment Banker at J.P. Morgan and for the J. Paul Getty Trust. His appointment requires Senate confirmation which will take place in 2025.

Growth Expands into the Fall

The California [Department of Finance](#) (DOF) issued their [September Finance Bulletin](#) today, indicating continued U.S. real GDP growth at 3% in the second quarter of 2024, which was recently revised up from 2.8% due to an increase in personal consumption.

General Fund agency cash receipts continue to outperform Budget Act forecasts by 5.5%, totaling \$710 million due to higher sales tax as well as personal income tax. Overall personal income tax cash receipts equaled \$332 million, which was 4.1% above the August forecast and \$2.1 billion overall since April. Corporation tax cash receipts were \$1 million below the August forecast but are \$1.9 billion cumulatively higher since April. Sales and use tax receipts equaled \$435 million, 12.1%, above the August forecast and cumulatively total \$133 million since April.

This information is important to process because it means that the overall budget shortfall could be reduced by at least \$4 billion by the time the Governor's January budget proposal is introduced. Currently, the budget shortfall is estimated to be somewhere between \$28-30 billion.

CalRTA Position Bills

The following list includes CalRTA-supported bills and the Governor's action. Bills that were chaptered into law will go into effect on January 1, 2025.

Health Care/Healthy Aging: Support

AB 1975 (Bonta): Medi-Cal: Medically Supportive Food and Nutrition Interventions – Would add medically supportive food and nutrition to be included in interventions that would be a covered benefit under Medi-Cal beginning in 2026 and specifies the timelines for interventions as well as offerings. It would first require federal approval and guidance. The Governor vetoed this bill on September 25th.

AB 2207 (Reyes): State Boards and Commissions: Representatives of Older Adults – Would ensure that there is increased representation from older adults on a number of key California Boards and Commissions. The Governor signed this bill on September 21st.

AB 2258 (Zbur): Health Care Coverage: Cost Sharing – Would prevent non-grandfathered health care plans or policies created, amended, or renewed after 2025 from charging cost-sharing requirements for items or services that are needed for preventive care services and screenings, including sexually transmitted diseases and particular cancer screenings. This Governor signed this bill on September 27th.

AB 2270 (Maienschein): Healing Arts: Continuing Education: Menopausal Mental and Physical Health – Would expand what continuing education and professional development doctors and therapists can take to include menopausal mental and physical health. This Governor signed this bill on September 27th.

AB 2297 (Friedman): Hospital and Emergency Physician Fair Pricing Policies – Would allow emergency doctors to find discounts for patients with incomes under 400 percent of the federal poverty level to reduce patient costs. It would also prohibit a hospital from considering the monetary assets of a patient to determine eligibility for charity care and discount payment policies while prohibiting them from imposing time limits for eligibility. Further, it prohibits a hospital or emergency doctor from using liens on property to collect unpaid hospital or emergency physician bills, and collection agencies as well. The Governor signed this bill on September 24th.

AB 2620 (Bains): California Commission on Aging – Reduces the number of members on the Commission on Aging to 18 members and requires them to have experience in the field of aging, including health, behavioral health, and housing. The Governor signed this bill on September 21st.

SB 1213 (Atkins): Health Care Programs: Cancer – Would allow individuals to receive free treatment for cancer screening, including breast cancer and cervical cancer, if they are low-income at or below 300 percent of the federal poverty level. The Governor vetoed this bill on September 27th.

SB 1354 (Wahab): Health Facilities: Payment Source – Requires long-term health care providers under Medi-Cal to provide services to Medi-Cal members with the same care and scope provided to others, regardless of the payment source. The Governor signed this bill on September 21st.

SB 1406 (Allen): Residential Care Facilities for the Elderly: Resident Services – Adds the right for a resident in a residential care facility for the elderly to request, refuse, or discontinue a service. It eliminates the exemption from rent control for their facilities and prohibits annual fee increases for residents from exceeding 10 percent or the annual Consumer Price Index for the previous year, except for rate increases due to a change in the level of care. The Governor signed this bill on September 21st.

Public Education: Support

AB 247 (Muratsuchi): Education Finance: School Facilities: TK Through Community College Public Education Facilities Bond Act of 2024 – Would place a \$10 billion TK-community bond act on the November ballot to build and/or modernize much-needed school facilities. This bill was signed by the Governor on July 3rd and has moved to the November ballot as Proposition 2.

SB 956 (Cortese): School facilities: Design-Build Contracts – Reauthorizes K-12 districts to use the design-build delivery method when constructing and designing school facilities. The Governor signed this bill on August 19th.

CalSTRS Retirement: Support

AB 1997 (McKinnor): Teachers' Retirement Law: Creditable Compensation - Would create an updated process for school and community colleges to report creditable compensation and service earned to the California State Teachers' Retirement System (CalSTRS). It would create a much more simplified definition of creditable service and would enhance transparency requirements regarding both pay rates and salary. The Governor signed this bill on September 27th.

AB 2134 (Muratsuchi): School Employees: Transfer of Leave of Absence for Illness or Injury - Would ensure that teachers and classified employees who change school districts are entitled to keep their earned sick time by explicitly stating that there is no time frame during which unused sick leave must be transferred between school employers, requiring unused sick leave to be transferred between school employers in days and requiring charter schools to accept transfer of unused sick leave. The Governor signed this bill on September 22nd.