

ASSEMBLY THIRD READING

AB 1844 (Pacheco)

As Amended March 19, 2026

Majority vote

SUMMARY

Makes changes to various provisions within the Judges' Retirement System II (JRS II) body of law, administered by the California Public Employees' Retirement System (CalPERS), by: (i) authorizing a JRS II judge to designate a beneficiary other than their spouse; (ii) providing survivor benefits to a surviving designated beneficiary other than judge's spouse; (iii) authorizing the surviving designated beneficiary to receive an allowance, and (iv) removing the requirement that the judge must have a minimum of 20 years of service, among technical or conforming and related changes.

Major Provisions

- 1) Authorizes a JRS II judge who elects one among several optional settlements for the payment of their retirement allowance, to designate a surviving beneficiary other than their spouse to receive a retirement benefit or monthly allowance upon the death of the JRS II judge, subject to the community property rights of the judge's spouse.
- 2) Authorizes a JRS II judge to designate a surviving designated beneficiary other than their spouse, to receive survivor benefits if the judge dies but was eligible to retire, and removes the requirement that judge had minimum of 20 years of service by allowing those who are 70 years of age with at five years of service, or those who defer their retirement, i.e., 60 years of age with at least 15 years of service, or 65 years of age with at least 10 years of service.
- 3) Authorizes a JRS II judge at any time prior to or after reaching retirement age, to designate a beneficiary to receive benefits payable to the beneficiary by a signed writing filed with CalPERS, but prohibits the beneficiary designation from being made in derogation of the community property share of any nonmember spouse when any benefit is derived, in whole or in part, unless the nonmember spouse has previously obtained an alternative order for divisions.

COMMENTS

Depending on when a JRS II judge retired or retires, although they can elect one among several optional settlements upon their service retirement to provide a benefit to a surviving spouse, electing any one of these options largely limits a benefit payable to their surviving spouse, or their estate in certain circumstances. As such, existing law does not explicitly afford the judge the ability to designate a beneficiary or surviving designated beneficiary other than the spouse to receive a benefit upon the death of the judge. This matter is a particularly acute challenge if the judge is not married, has a long-term partner, adult children, or other dependents, as examples.

What is a JRS II optional settlement?

If a JRS II judge retires for service or elects to receive a monetary credit annuity, there are various payment options available to them. An optional settlement is an option that a JRS II judge may elect at the time of retirement to provide an allowance payable to their survivor if the judge predeceases their survivor.

What are the optional settlements from which a JRS II judge may elect?

A JRS II judge can choose to receive the highest retirement benefit payable, i.e., an "unmodified allowance" when they retire, which provides them with 100% of their retirement benefit for life. This provides the highest monthly retirement allowance payable to a JRS II judge for their lifetime, but provides no continuing monthly allowance to their spouse and no return of unused member contributions upon their death. Alternatively, a JRS II judge may elect a "*modified allowance*." Generally, this provides a reduced retirement allowance payable to the JRS II judge for their lifetime, and the reduction provides an allowance payable to their surviving spouse for their lifetime. For JRS II judges who retired prior to January 1, 2018, there are four optional settlements from which to choose. For those who retire on or after January 1, 2018, there are six from which to choose.

In addition, Section 75590 of this bill relates to survivor and insurance benefits. Among other things, under this section, a surviving spouse of a JRS II judge who is eligible to retire, must elect to receive a monthly retirement allowance equal to one-half of the judge's benefit factor, or the JRS II judge's monetary credits, within 90 days after the judge's death. Commonly referred to as a "survivor continuance," this provides a lifetime benefit to the judge's surviving spouse.

By amending existing law to allow a surviving designated beneficiary to, instead, make this election, this may increase costs particularly if the judge's surviving designated beneficiary is young or younger and who would make the election to receive a lifetime benefit, in comparison to a surviving spouse who may not be as young or younger where the costs of a lifetime benefit would be less or significantly less. The author is committed to addressing this specific matter.

Please see the policy committee analysis for a full discussion of this bill.

According to the Author

"[This bill] corrects an inequity in the [JRS II] by addressing two gaps in current law. First, the bill allows judges to name someone other than a spouse as the beneficiary of their survivor retirement benefits. Second, it ensures that all judges who have earned a vested retirement benefit can make choices about how those survivor benefits are paid. Under current law, [the] JRS II prohibits judges from naming a non-spouse beneficiary to receive ongoing pension payments after their death. It also requires judges to complete 20 years of service before selecting a survivor benefit option, even though some judges already are vested and eligible to retire with fewer years of service. [This bill] aligns JRS II with every other major California public retirement system and ensures fair and consistent treatment of judges without increasing costs to the retirement system."

Arguments in Support

The California Judges Association states, "[This bill] updates the [JRS II] to allow judges to designate a non-spouse beneficiary to receive survivor retirement benefits and to extend existing survivor protections to vested judges. Under current law, JRS II generally permits only a spouse or registered domestic partner to receive ongoing survivor pension benefits. As a result, unmarried judges – including those with long-term partners, adult children, or other dependents – cannot designate a beneficiary to receive continuing retirement benefits following their death. This limitation is unique to JRS II; other major California public retirement systems, including CalPERS, [the California State Teachers' Retirement System], and the University of California Retirement Plan, permit the designation of non-spouse beneficiaries. [This bill] modernizes the system by authorizing judges to designate a non-spouse beneficiary to receive survivor

retirement benefits and by aligning survivor benefit elections with standard vesting requirements. These changes ensure that vested judges are able to protect a beneficiary in the event of death while maintaining actuarial neutrality within the system."

Arguments in Opposition

None.

FISCAL COMMENTS

None. This bill is keyed nonfiscal by Legislative Counsel.

VOTES

ASM PUBLIC EMPLOYMENT AND RETIREMENT: 7-0-0

YES: McKinnor, Lackey, Alanis, Boerner, Garcia, Nguyen, Michelle Rodriguez

UPDATED

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