SENATE RULES COMMITTEE AB 1844
Office of Senate Floor Analyses
(916) 651-4171

THIRD READING

Bill No: AB 1844
Author: Pacheco (D)
Amended: 8/13/26 in Senate
Vote: 21

SENATE LABOR, PUB. EMP. & RET. COMMITTEE: 5-0, 6/10/26
AYES: Smallwood-Cuevas, Strickland, Cortese, Durazo, Laird

SENATE APPROPRIATIONS COMMITTEE: 7-0, 8/13/26
AYES: Cervantes, Seyarto, Cabaldon, Dahle, Grayson, Richardson, Wahab

ASSEMBLY FLOOR: 73-0, 3/26/26 - See last page for vote

SUBJECT: Judges' Retirement System II: beneficiaries

SOURCE: California Judges Association

DIGEST: The bill allows a judge in the Judges' Retirement System II (JRS II) who retires on or after January 1, 2027, and elects specified optional retirement payment plans to designate a beneficiary other than their spouse to receive continuing retirement benefits after the judge's death, subject to the community property rights of the judge's spouse.

ANALYSIS:

Existing law:

1) Establishes the Judges' Retirement System II System (JRS II) to provide a defined benefit retirement plan for judges who were first elected or appointed to the bench on or after November 9, 1994. (Government Code § 75500 et seq.)

2) Designates the California Public Employees' Retirement System (CalPERS) board as JRS II's board of administration. (Government Code § 75502 (h))

3) Authorizes JRS II to pay a pension allowance to a judge upon qualifying for retirement either by serving on the bench for 20 years and reaching age 65; serving on the bench 5 years and reaching age 70; or leaving the bench after serving 15 years and reaching age 60, or after serving 10 years and reaching age 65, and deferring retirement until the number of years that would have qualified them for retirement. (Government Code §§ 75522 and 75522.5)

4) Caps a judge's retirement allowance to no more than 75 percent of the judge's final compensation. (Government Code § 75522 (d)(2))

5) Requires the state to contribute monthly to a judge's personal retirement account, 18 percent of the judge's monthly salary and an additional amount credited monthly at a rate, not less than zero, equal to JRS II's annual investment return from the prior fiscal year. These monies are designated as the judge's Monetary Credits. (Government Code § 75520)

6) Allows a retiring judge to opt to receive the judge's Monetary Credits, either as a lump sum or an annuity, instead of the judge's JRS II retirement allowance.

7) Requires the state to make variable, actuarial-determined employer contributions to JRS II, currently projected to be 22.18 percent of judges' payroll for 2026-27. (Government Code § 75600.5)

8) Requires judges to make employee contributions equal to 8 percent of their monthly salary for JRS II classic members and one-half the normal cost for JRS II PEPRA members, projected to be 16.75 percent for 2026-27. (Government Code § 75601)

9) Provides a judge who does not qualify for a retirement allowance but who has served at least 5 years to receive the judge's Monetary Credits.

10) Provides a judge who does not serve 5 years an amount equal to the judge's employee contributions.

11) Provides, in the event of a judge's death, a survivor's benefit to the judge's spouse, including domestic partner. The survivor benefit available depends on if the judge died before or after retirement, and if the former, whether the judge was eligible for a service or deferred retirement. The survivor benefit is designed into the funding mechanism of the JRS II plan and does not require

the judge to opt for a reduced pension to fund it. (Government Code § 75590 et seq.)

12) Provides, in the event of a judge’s death, a separate benefit from the survivor benefit, known as an optional settlement benefit which is also payable to the judge’s surviving spouse. The optional settlement benefit available depends on if the judge died before or after retirement, and if the former, whether the judge was eligible for a service or deferred retirement. In contrast to the survivor benefit, if the judge chooses to provide a retirement allowance to the judge’s surviving spouse under the optional settlement benefit, the judge must take a reduction in the judge’s pension allowance to fund the optional settlement. (Government Code § 75571 et seq.)

13) Restricts or reduces certain JRSII benefits if the judge is divorced based on the community property rights of the judge’s ex-spouse. (Government Code § 75550 et seq.)

This bill:

1) Expands beneficiary designation options under JRS II by allowing judges who retire on or after January 1, 2027, and elect specified optional retirement payment plans, to designate a beneficiary other than their spouse to receive continuing retirement benefits after the judge's death, subject to the community property rights of the judge's spouse.

2) Provides that if a nonspouse beneficiary waives the continuing benefit, the judge's retirement allowance would be restored to the amount that would have been payable had the optional settlement not been elected.

3) Specifies that these changes must be implemented on a cost-neutral basis and may not increase employer costs.

4) Expands eligibility for the survivor benefit available to the surviving spouse of a judge who dies while in office by eliminating the requirement that the judge have at least 20 years of judicial service.

FISCAL EFFECT: Appropriation: No Fiscal Com.: No Local: No

According to the Senate Appropriations Committee:

- The California Employees Retirement System (CalPERS) indicates that implementation costs would be minor and absorbable.

- This bill would increase state costs by expanding eligibility for survivor benefits and eliminating certain actuarial gains currently recognized by the Judges' Retirement System II (JRS II). According to CalPERS' most recent actuarial cost analysis, the bill would increase JRS II's accrued liability by approximately \$3 million, from \$2.802 billion to \$2.805 billion, and reduce the system's funded status by 0.1 percentage point, from 106.5 percent to 106.4 percent. The bill would also increase the total normal cost rate by 0.07 percentage point, from 34.01 percent to 34.08 percent, resulting in a corresponding increase in the employer normal cost rate from 22.96 percent to 23.03 percent. This increase would result in additional annual employer costs of approximately \$297,000 (Judges' Retirement System II Fund). The PEPRA member contribution rate would remain unchanged at 16.75 percent.

SUPPORT: (Verified 8/12/26)

California Judges Association (source)
Judicial Council of California

OPPOSITION: (Verified 8/12/26)

None received

ARGUMENTS IN SUPPORT:

According to the California Judges Association:

"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, CalSTRS, and the University of California Retirement Plan, permit the designation of non-spouse beneficiaries."

"AB 1844 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."

According to the Judicial Council of California:

"Assembly Bill 1844 ensures that all judges have the same access to survivor benefits for their loved ones on an equal basis and thereby assists the branch in recruiting and retaining a diverse and highly qualified bench. Under current law, judges who are unmarried are at a disadvantage relative to those who are married in providing support for their heirs if they outlive them.

Similarly, judges who are vested by virtue of reaching age 70 and at least 5 years of service cannot provide the same level of survivor benefit as those who are vested by reaching age 65 with 20 years of service. Assembly Bill 1844 will remedy those inequities in an actuarially neutral manner to ensure that these features of JRS II do not provide a disincentive to taking or continuing judicial service for those judges who are unable to access these survivor benefits under existing law."

ASSEMBLY FLOOR: 73-0, 3/26/26
AYES: Addis, Aguiar-Curry, Ahrens, Alanis, Alvarez, Arambula, Bains, Bauer-Kahan, Bennett, Boerner, Bonta, Bryan, Calderon, Caloza, Castillo, Chen, Connolly, Davies, DeMaio, Elhawary, Fong, Gabriel, Gallagher, Garcia, Gipson, Jeff Gonzalez, Mark González, Hadwick, Haney, Harabedian, Hart, Hoover, Irwin, Jackson, Johnson, Kalra, Krell, Lackey, Lee, Lowenthal, Macedo, McKinnor, Muratsuchi, Nguyen, Ortega, Pacheco, Papan, Patel, Patterson, Pellerin, Petrie-Norris, Quirk-Silva, Ramos, Ransom, Michelle Rodriguez, Rogers, Blanca Rubio, Sanchez, Schiavo, Schultz, Sharp-Collins, Solache, Soria, Stefani, Ta, Tangipa, Valencia, Wallis, Ward, Wicks, Wilson, Zbur, Rivas
NO VOTE RECORDED: Ávila Farías, Berman, Carrillo, Dixon, Ellis, Flora, Celeste Rodriguez

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