CONCURRENCE IN SENATE AMENDMENTS
AB 1844 (Pacheco)
As Amended August 13, 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) relating to the designation of a survivor or beneficiary for purposes of death benefits.

Senate Amendments

1) Restore the term "surviving spouse" to the affected JRS II provisions regulating the survivor benefit, and clarify that a judge may designate non-spouse beneficiaries to the optional settlement benefit.

2) Clarify that a judge who retires on or after January 1, 2027, and elects certain optional settlement 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 spouse.

3) Clarify by expanding 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 a least 20 years of judicial service.

4) Add by providing that under the 100 Percent Beneficiary Option 2 with Benefit Allowance Increase and the 50% Beneficiary Option 3 with a Benefit Allowance Increase, if a non-spouse beneficiary waives entitlement to the allowance, the judge's allowance must be adjusted effective the first day of the month following receipt of the waiver to reflect the benefit that would have been paid had the judge not selected an optional settlement, and that these two optional settlement plans must not result in additional costs to the employer.

5) Add that a surviving spouse of a retired just who elected to be subject to alternative provisions governing certain optional retirement payment plans would receive the surviving spouse allowance, only if the spouse was married to the judge continuously from the date of the judge's retirement until the date of the judge's death.

6) Make related and technical changes for the above-described purposes, among others.

COMMENTS

Background. Depending on when a JRS II judge retires, although they can elect a survivor benefit, or one among several optional settlements upon their service retirement to provide a benefit to a surviving spouse, electing an optional settlement 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 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.

The JRS II - Survivor Allowance Benefit vs. Optional Settlement Benefit. While both benefits are essentially death benefits payable upon the judge's death, among other distinctions, the survivor allowance affords a judge an ability to receive their full pension allowance without a reduction. If they predecease their spouse, the spouse (including a domestic partner) receives a lifelong pension allowance based on the judge's pension. In contrast, the optional settlement benefit requires a reduction in the judge's retirement allowance based on the actuarial cost of providing an ongoing benefit to their designated beneficiary. Unlike other public employee retirement systems, judges can only name their spouse as a beneficiary of the optional settlement benefit. This bill seeks to afford flexibility to JRS II judges regarding beneficiary designation.

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

According to the Author
"[This bill] seeks to address two beneficiary related issues within the JRS II by allowing judges to designate a non-spouse beneficiary to receive survivor retirement benefits and by extending existing survivor protections to older vested judges. [The] JRS II currently prohibits judges from naming a non-spouse beneficiary to receive ongoing pension benefits after death and requires judges to serve 20 years before electing a survivor benefit option despite the judge being fully vested into the retirement system. [This bill] corrects this inequity, aligns JRS II with every other major public retirement system in California, and is actuarially neutral."

Arguments in Support
According to the California Judges Association, "[u]nder 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 [California Public Employees Retirement System] (CalPERS), [California State Teachers Retirement System] (CalSTRS), 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."

According to the Judicial Council of California, "[This bill] 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 five 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. [This bill] 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."

Arguments in Opposition
None.

FISCAL COMMENTS

According to the Senate Committee on Appropriations, the 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 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% to 106.4%. The bill would also increase the total normal cost rate by 0.07 percentage point, from 34.0% to 34.08%, resulting in a corresponding increase in the employer normal cost rate from 22.96% to 23.03%. 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%.

VOTES:

ASM PUBLIC EMPLOYMENT AND RETIREMENT: 7-0-0
YES: McKinnor, Lackey, Alanis, Boerner, Garcia, Nguyen, Michelle Rodriguez

ASSEMBLY FLOOR: 73-0-7
YES: 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
ABS, ABST OR NV: Ávila Farías, Berman, Carrillo, Dixon, Ellis, Flora, Celeste Rodriguez

UPDATED

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