

## **Purpose and Background**

1. The purpose of this Legislative Policy is to provide OCERS with a broad framework that OCERS can utilize as a basis for action on legislative matters. The OCERS Board of Retirement (Board) is responsible for administering the System to ensure prompt delivery of benefits and related services to members and their beneficiaries and prudently managing the System's assets. Legislation affecting the System must be closely monitored to determine the potential impact on the System and whether action is necessary.

## **Policy Objectives**

2. The objectives of the Legislative Policy are to:
  - a. Establish a procedure by which the Board can adopt an official position on proposed legislation;
  - b. Identify future legislative action in light of the System's needs;
  - c. Facilitate the timely communication of proposed and enacted legislative changes to the Board and staff;
  - d. Provide guidance in communicating OCERS' official legislative positions to third parties; and
  - e. Identify the optimal sources to promote OCERS' official legislative positions.

## **Roles and Responsibilities**

3. The Board will be responsible for:
  - a. Adopting an official OCERS position for legislative proposals affecting the System;
  - b. Identifying the needs of OCERS for future legislative proposals; and
  - c. Analyzing legislative proposals suggested by Board members, staff, or interested third parties and determining appropriate action.
4. Staff will be responsible for:
  - a. Analyzing and reporting on proposed legislation affecting OCERS (and other public pension funds if relevant) at the beginning of each legislative session;
  - b. Monitoring proposed legislation throughout the legislative session and reporting material modifications and their potential impact on OCERS to the Board;
  - c. Monitoring all chaptered legislation and determining the impact on OCERS;
  - d. Reporting the impact of and, as required, suggesting procedures to implement all chaptered legislation to the Board and staff;
  - e. Communicating with organizations, active and retired OCERS members, or employers, as applicable, to inform them of legislative changes affecting OCERS;

- f. Drafting proposed legislation based upon proposals received from OCERS Board members, staff, and interested parties, in coordination with SACRS' Legislative Committee or other appropriate entities, and presenting the draft legislation to the OCERS Board for consideration; and
- g. Identifying and communicating with elected representatives to serve as authors of OCERS-proposed legislation, when appropriate.

## **Policy Guidelines**

### **Legislative Principles**

- 5. The following legislative principles will guide the Board when considering its position on proposed legislation:
  - a. Promote OCERS' legislative position primarily through organizations in which OCERS participates unless proposed legislation has a specific and unique effect on OCERS;
  - b. Support legislative proposals that strengthen the confidentiality protections for member records;
  - c. Support legislative proposals that clarify statutory interpretation of '37 Act provisions unless inconsistent with OCERS' legally sound interpretation and implementation of the provision;
  - d. Support legislative proposals that strengthen the financial condition of the System and promote administrative efficiency unless inconsistent with the Board's fiduciary duties;
  - e. Oppose legislative proposals that create the potential for increased unfunded actuarial liability without appropriate funding provisions; and
  - f. Oppose legislative proposals that compromise or interfere with OCERS' duty to deliver benefits to participants and beneficiaries.

### **SACRS' Legislative Committee**

- 6. OCERS will attempt to maintain a representative on the SACRS' Legislative Committee. The representative, or any other Board or staff member that participates in the Committee, will adhere to the following standards:
  - a. Represent the official position, if any, taken by the Board on all legislation considered by the Committee;
  - b. Provide information to the CEO and Board on the Committee's activities as needed so that they are well-informed regarding legislation relevant to OCERS.

## **Policy Review**

- 7. The Board will review this policy at least every three years to ensure that it remains relevant and appropriate.

## **Policy History**

8. The OCERS Board adopted this policy on November 17, 2003. The policy was revised on April 16, 2007, June 21, 2010, February 19, 2013, July 20, 2015, August 20, 2018, April 19, 2021, and October 21, 2024.

## **Secretary's Certificate**

I, the undersigned, the duly appointed Secretary of the Orange County Employees Retirement System, hereby certify the adoption of this policy.



Steve Delaney  
Secretary of the Board

**October 21, 2024**

Date