

## **Title 2. California Public Employees' Retirement System (CalPERS)**

### **Proposed Amendment of Article 4, Section 574 of Chapter 2 of Division 1 of Title 2 of the California Code of Regulations**

#### 574. Definition and Reporting of Full-Time Employment

(a) Each employer may determine the number of hours that constitute the normal work period or periods for full-time employment for its employees, provided that such periods must satisfy the applicable requirements of subsection (b) or subsection (c) in order to be considered full-time for the purposes of this section. Each employer shall notify CalPERS of the normal work period or periods which the employer considers to be full-time, and such periods are to be established for all employees in the same "group or class of employment" within the meaning of the Public Employees' Retirement Law and the regulations thereunder.

(b) Except as set forth in subsection (c), for purposes of determining CalPERS membership eligibility, reporting overtime positions, and determining compensation earnable and pensionable compensation, "full-time" employment means a minimum of 34 hours per calendar week, or a minimum of 67 hours bi-weekly, 72 hours semi-monthly, 133 hours quadri-weekly, or 144 hours monthly.

(c) For purposes of determining CalPERS membership eligibility, reporting overtime positions, and determining compensation earnable and pensionable compensation for classified members, "full-time" employment means 40 hours per week; payments for services rendered, not to exceed 40 hours per week, shall be reported as compensation earnable or pensionable compensation for all months of the year in which work is performed. ~~"Classified members" means members who retain membership under this system while employed with a school employer in positions not subject to coverage under the Defined Benefit Program under the State Teachers' Retirement System.~~

(1) For purposes of reporting a classified member's full-time payrate, an employer shall report the classified member's hourly, daily, or monthly full-time equivalent (FTE) payrate. The FTE payrates shall be calculated to the nearest cent and shall be determined as set forth below. The number of work days per year and the number of hours in a work day shall include compensated time during which the member is excused from work because of holidays, sick leave, industrial disability leave, vacation, compensatory time off, and leaves of absence as set forth in Government Code section 20630. Overtime and compensation based on overtime shall be excluded.

(A) The classified member's hourly FTE payrate shall be determined by dividing the classified member's annual base salary by the number of work days per year, then dividing the result by the number of hours in a work day.

(B) The classified member's daily FTE payrate shall be determined by dividing the classified member's annual base salary by the number of work days per

year, dividing the result by the number of hours in a work day, then multiplying the result by 8.

(C) The classified member's monthly FTE payrate shall be determined by dividing the classified member's annual base salary by the number of work days per year, dividing the result by the number of hours in a work day, then multiplying the result by the result of multiplying 52 by 40 then dividing by 12.

(2) For purposes of this subsection, "classified members" means members who retain membership under this system while employed with a school employer in positions not subject to coverage under the Defined Benefit Program under the State Teachers' Retirement System.

NOTE: Authority Cited: Sections 7522.02, 20120, 20121, 20122, 20123 and 20124, Government Code. Reference: Sections 7522.34, 20305, 20630, 20635, 20635.1, 20636, 20636.1 and 20967, Government Code.

HISTORY:

1. New section filed 2-21-2019; operative 4-1-2019 (Register 2019, No. 8).