

CALSTRS

Update on AB 1667 Implementation

Employer Advisory Committee
February 1, 2023



AB 1667 Overview

- Makes changes to the overpayment liability rules
- Makes changes to the previous employer audit process
- Creates a new Advisory Letter process
- Creates requirements for CalSTRS publishing additional resources

AB 1667 Overpayment Liability Implementation

- Overpayments caused by CalSTRS information
 - Collected annually beginning July 1, 2024
 - The employer share is 15 % total collectable amount
 - The state share is 85% total collectable amount
- Overpayments caused by employer information
 - Billed to counties quarterly
 - Tentative schedule:
 - first billing period is January 1-March 31 and invoice mail date May 1.

AB 1667 Audit and Appeals Implementation

- Employers:
 - Provide CalSTRS with local union contact information
 - Provide CalSTRS a list of members impacted by each finding in the audit 60 days after the date of the final audit report
 - May request administrative hearing in writing within 90 days of the final audit report
- All necessary information will be included in the communications sent to the employer involved in the audit

AB 1667 Advisory Letters and Resources

- Effective July 1, 2023
- Implementation conversations happening now
- We will have more information for employers at the next EAC

Resources

- Employer FAQ :
calstrs.com/assembly-bill-1667-employer-faq
- Employer Circular EIC22-4 Volume 38, Issue 4:
calstrs.com/2022-employer-information-circulars
- Adjustment and Overpayment FAQ:
calstrs.com/adjustments-and-overpayments-faq
- Member FAQ:
calstrs.com/assembly-bill-1667-member-faq