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GOV. SCHWARZENEGGER SIGNS SENATE BILL 11 (NEGRETE McLEOD)

SBCERA becomes the state's first local fund eligible to invest local governments' funds for Other Post-Employment Benefits (OPEB)

SAN BERNARDINO, CA – Late Sunday evening, October 11, 2009, Gov. Schwarzenegger signed Senator Gloria Negrete McLeod's legislation to allow the award-winning San Bernardino County Employees' Retirement Association (SBCERA) to invest local governments' post-employment retiree health care funds.

"I applaud the Governor for signing this bi-partisan legislation that gives local government a viable investment option as they begin to fund their long-term contractual obligations to pay for retiree health care," stated Senator McLeod.

Senate Bill 11 is modeled after a recommendation from Governor Schwarzenegger's Public Employee Post-Employment Benefit Commission in December 2006. The legislation does not raise taxes, add regulation, or enhance public employee contractually negotiated retirement healthcare coverage. Instead, it allows SBCERA to take advantage of economies of scale by safely investing retirement and health care funds for multiple public agencies throughout California.

It is estimated that state and local government has more than \$118 billion in future retiree health care obligations. Senate Bill 11 gives local government a third option when choosing who to invest their funds with. They can now choose to invest with Wall Street, CalPERS, and/or SBCERA. The legislation allows any local government in California to invest in SBCERA's program.

"We are extremely grateful to Senator McLeod for taking a leadership role on this important issue. She has always been an advocate of public employees and the service they perform to make our community strong. The entire San Bernardino County legislative delegation and board of supervisors supported the legislation," stated Ellen Weiser, Chairwoman of SBCERA's Board of Retirement.

The San Bernardino County Employees' Retirement Association (SBCERA) provides its nearly 30,000 members and their beneficiaries with retirement and related benefits and services which they have earned, commensurate with their years of service and compensation. The Board of Retirement's responsibilities and functions are governed by the applicable provisions of the California Government Code, along with the bylaws and regulations of SBCERA.

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