



On June 15, 2014, the California Legislature passed Assembly Bill 1469 (Bonta) to address the CalSTRS projected \$74 billion unfunded liability. The legislation, once signed by the governor, will make significant changes to the CalSTRS contribution rates for employees, employers and the state beginning July 1, 2014.

The new CalSTRS Fund formula includes the following:

- Contribution increases for the employee and the state will be phased in over 3 years.
- Contribution increases for districts will be phased in over 7 years
- The system will be funded at 100% in 32 years.

Fiscal Year	State	Employee Non-PEPRA* (2% at age 60)	Employee PEPRA* (2% at age 62)	District
2013-2014	3.04%	8.00%	8.00%	8.25%
2014-2015	3.45%	8.15%	8.15%	8.88%
2015-2016	4.89%	9.20%	9.20%	10.73%
2016-2017	6.33%	10.25%	10.25%	12.58%
2017-2018	6.33%	10.25%	10.25%	14.43%
2018-2019	6.33%	10.25%	10.25%	16.28%
2020-2021	6.33%	10.25%	10.25%	19.10%

*PEPRA = Public Employees’ Pension Reform Act of 2013. Employees who were a member of CalSTRS prior to the effective date of this legislation (January 1, 2013) fall into the “Non-PEPRA” category.