

STATE CONTROLLER'S OFFICE
PERSONNEL AND PAYROLL SERVICES DIVISION
P.O. BOX 942850
SACRAMENTO, CA 94250-5878

DATE: September 27, 2023

PAYROLL LETTER #23-014
(Civil Service Only)

TO: All Agencies in the Uniform State Payroll System

FROM: Jil Barraza, Chief
Personnel and Payroll Services Division

RE: EXCESSIVE CALSTRS CONTRIBUTION REFUNDS PER ASSEMBLY BILL 1469

Per [Assembly Bill Number 1469, Chapter 47, Section 6, 22905 \(a\), \(b,1\), \(e\)](#) member contributions pursuant to Sections 22901, 22901.3, and 22901.7, employer contributions pursuant to Section 22903 or 22904, and member contributions made by an employer pursuant to Section 22909 on compensation for creditable service that exceeds one year in a school year shall be credited to the member's individual account under the Defined Benefit Supplement Program. As determined by the system, any excess member contributions shall be returned to the member through the employer and any excess employer contributions shall be returned to the employer.

Per [CalSTRS Funding Plan Fact Sheet](#), employers are responsible for returning excess member contributions to their employees, and the returned pretax contributions are considered taxable income in the year they are received by the employee. This occurs regardless of when the contribution was initially paid.

CalSTRS has issued refunds for some Civil Service employees who are/were enrolled in a CalSTRS Retirement Plan (Retirement Account Codes TA or TC). The State Controller's Office will be issuing refunds to those employees in the September 2023 pay period using Deduction Code 316-STRS AB1469 Retirement Refund (See PPM Section B 016 Deduction Code).

Contacts:

- Affordable Care Act (ACA) Email ACASupport@sco.ca.gov
- [Cal Employee Connect \(CEC\) - Help and Feedback](#)
- [ConnectHR - Help and Feedback](#)
- California Leave Accounting System (CLAS) Email CLAS@sco.ca.gov
- CS Escalation Email (HR Supervisors and Managers) PPSDOps@sco.ca.gov
- Decentralized Security Administration (DSA) & ViewDirect Access (916) 619-7234 or DSA@sco.ca.gov
- HR Suggestions Email (All HR Staff) PPSDHRSuggestions@sco.ca.gov
- Management Information Retrieval System (MIRS) Email PPSDMIRS@sco.ca.gov
- [Statewide Customer Contact Center](#) (916) 372-7200

SCO Key Initiatives:

- [Cal Employee Connect Project](#)
- [California State Payroll System Project](#)

Websites:

- [HR](#)
- [State Employees](#)

JEB:PMAB:PM