

Calif. court upholds 'pension spiking' reforms

By Richard Halstead, Marin Independent Journal

A state appeals court has upheld the Marin pension board's interpretation of a 2013 state law aimed at eliminating "pension spiking."

Marin County Employees' Retirement Association, commonly known as the pension board, was sued by four labor organizations – the Marin Association of Public Employees, the Marin County Management Employees Association, Service Employees International Union 1021 and the Marin County Fire Department Firefighters' Association.

As the court noted in its decision, Marin County was one of the first pension organizations to implement the Pension Reform Act. On Dec. 18, 2012, MCERA's board reacted to the legislation by announcing a new policy for the calculation of retirement benefits – a move aimed at so-called pension spiking. Pension spiking occurs when a governmental agency includes additional pay as part of a calculation in order to drive up an individual's pension benefits.

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