

**RPEA Formal Press Release: SB 1038
FOR IMMEDIATE RELEASE**

**THE RETIRED PUBLIC EMPLOYEES' ASSOCIATION OF CALIFORNIA PRAISES PASSAGE OF
SENATE BILL 1038 WHICH ENHANCES TRANSPARENCY IN CalPERS AUDITS**

SACRAMENTO, CA — The Retired Public Employees' Association of California (RPEA) is grateful for the passage of **Senate Bill 1038**, recently signed into law by Governor Gavin Newsom. Authored by Senator John Laird, the legislation introduces essential transparency protocols to the California Public Employees' Retirement System (CalPERS) employer audit process, establishing critical protections for public retirees and active employees across the state. The bill becomes effective January 1, 2027.

Statutory Changes Under SB 1038

Senate Bill 1038 establishes new mandates designed to eliminate ambiguity in public pension oversight. Under the law's provisions, CalPERS is required to provide advance public notification of upcoming employer audits on its website, detailing the specific purpose and scope of the review. Additionally, public employers are now statutorily obligated to forward audit notifications to exclusive employee representatives and provide a comprehensive list of members whose benefits may be impacted by final audit findings.

"While a CalPERS audit begins as a routine review of employer reporting, its consequences can directly impact individual retirees—potentially reducing pensions or forcing the repayment of earned benefits," said Margaret Brown, RPEA State President. "SB 1038 provides the vital transparency needed to ensure public servants are never left in the dark about actions affecting their lifetime retirement security."

RPEA's Commitment to Fiscal Accountability

RPEA has long maintained that institutional transparency is a cornerstone of effective retirement system governance. The association strongly supports SB 1038 because it grants retirees, employees, and their designated legal representatives an early opportunity to monitor audit proceedings, pose necessary inquiries, and advocate effectively for affected individuals prior to the finalization of adverse actions. RPEA extends its gratitude to Senator Laird for his legislative stewardship and his ongoing dedication to safeguarding the earned pension and healthcare benefits of California's public workforce.

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About the Retired Public Employees' Association of California (RPEA):

RPEA is a professional organization dedicated to protecting and promoting the stable pension and healthcare systems that California's public retirees earned over a lifetime of public service.



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