

2 CCR § 599.944

Cal. Admin. Code tit. 2, § 599.944

Barclays Official California Code of Regulations [Currentness](#)

Title 2. Administration

Division 1. Administrative Personnel

Chapter 3. Department of Personnel Administration

Subchapter 1. General Civil Service Rules

[Article 27.](#) 457 Deferred Compensation Plan

§ 599.944. Corrective Contributions and Lost Earnings.

(a) If an employee directed contribution transaction is not processed appropriately causing the employee's 457 Deferred Compensation Plan account to be underfunded, it is the responsibility of the entity that made the error to make the account whole. This includes all corrective contributions and lost earnings that would have been deposited in the account if the error had not occurred. The entity responsible will also be required to pay five hundred dollars (\$500), per underfunded account, to cover administrative costs.

(b) If contributions made by, or for, an employee under the 457 Deferred Compensation Plan are not deposited in the employee's Plan account by the date required by federal law, state law, or regulations governing the Plan, the entity responsible for the error must pay all lost earnings that would have been deposited in the account if the error had not occurred. The entity responsible will also be required to pay five hundred dollars (\$500), per underfunded account, to cover administrative costs.

(c) Corrective contributions and any lost earnings as addressed in (a) and (b) above, will be funded by the entity responsible for the error and may not be deducted from or offset against any employee's compensation.

(d) The California Department of Human Resources will determine the amount of lost earnings required to make the account whole.

(e) The California Department of Human Resources will receive reimbursement for the corrective contributions, any lost earnings, and administrative costs through the State Controller's Office in accordance with Government Code Section 11255. The State Controller's Office and the California Department of Human Resources shall each receive one half of the five hundred dollar administrative fee paid by the responsible entity. If the responsible entity is not a state agency subject to Government Code Section 11255, the California Department of Human Resources will obtain reimbursement directly from the entity, and shall retain the full amount of any administrative fee collected from the entity.

Note: Authority cited: Section 19815.4, Government Code; and Article XVI, Section 17, California Constitution. Reference: Section 19993, Government Code.

HISTORY

1. New section filed 10-22-2012; operative 11-21-2012 (Register 2012, No. 43).

2 CCR § 599.944, 2 CA ADC § 599.944

This database is current through 10/26/12 Register 2012, No. 43

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