



BETTY T. YEE
California State Controller

The Family or Estate of Honorable [FIRST NAME] [LAST NAME]
[ADDRESS 1]
[ADDRESS 2]
[CITY], [STATE] [ZIP]

June 19, 2019

SUBJECT: *Mallano v. Chiang*, Case No. BC533770, Superior Court of the State of California, County of Los Angeles – Payments to the Class

Dear family or estate of Judge [LAST NAME]:

In *Mallano v. Chiang*, Plaintiff Robert M. Mallano, on behalf of a class consisting of all California State justices and judges who were active justices and judges since the commencement of fiscal year 2008-2009; all persons who are receiving, or any time since the commencement of fiscal year 2008-2009 have received benefits from the Judges Retirement System; and all persons who are receiving, or have received benefits from the Judges Retirement System II based on a final compensation that includes salary paid at any time since the commencement of fiscal year 2008-2009, brought suit based on the alleged failure to increase judicial salaries and benefits pursuant to Government Code Section 68203 since the start of the 2008-2009 fiscal year.

Judge [LAST NAME] has been identified as a member of the class.

The court in *Mallano v. Chiang* ordered the payment of back wages, benefits, and interest to members of the plaintiff class of judges and justices.

The State Controller's Office (SCO) is writing this letter for two purposes: to determine the correct recipient of the funds described above, and to make the recipient aware of the process, potential payments, approximate timing, and sources for more information.

1. Identifying the Executor, Administrator, or Successor

For funds owed to a deceased person, the SCO is required to identify the executor or administrator of the estate of the decedent before releasing the funds. Therefore, we respectfully request that you contact our team at mallano@sco.ca.gov with the following information:

- The name and contact information for the executor or administrator of the estate of Judge [LAST NAME]; and

- Certified copies of letters testamentary or letters of administration. If you do not currently have certified copies, we will work with you to identify the payment process.

In certain circumstances, there may not have been an executor or administrator of the estate. If the following conditions apply, SCO can provide an affidavit that can be used to obtain the payments pursuant to Probate Code section 13101:

- At least 40 days have elapsed since the death of the decedent, and a certified copy of the decedent's death certificate is available;
- Either of the following, as appropriate:
 - No proceeding is now being or has been conducted in California for administration of the decedent's estate; or
 - The decedent's personal representative has consented in writing to payment, transfer, or delivery to the affiant or declarant of the property described in the affidavit or declaration.
- The current gross fair market value of the decedent's real and personal property in California, excluding the property described in California Probate Code section 13050, does not exceed one hundred fifty thousand dollars (\$150,000).
- The person(s) signing the affidavit is/are the successor(s) of the decedent (as defined in California Probate Code section 13006) with respect to the decedent's interest in the described property.
- The person(s) signing the affidavit is/are authorized under California Probate Code section 13051 to act on behalf of the successor of the decedent with respect to the decedent's interest in the described property.
- No other person has a superior right to the interest of the decedent in the described property.

If you have questions about applicable law, we urge you to consult with an attorney. SCO cannot provide legal advice regarding the administration of a decedent's estate.

2. Payments and Timing

The amounts owed have been calculated based upon the rates in the court order. The court ordered specific salary and benefits increases for the fiscal years beginning with July 1, 2008 and ending on June 30, 2016 and that those specific adjustments be reflected in salary and benefits going forward. To implement the order, additional adjustments are also being made for the fiscal year beginning on July 1, 2016 and ending on June 30, 2017. For affected class members, the court-ordered adjustments will also result in adjustments to AJP payments, JRS and JRS II benefits, as addressed in the chart below. With these adjustments, the salaries and benefits of all class members will be paid in conformance with the court's order through the date of these payments and going forward. The timetable below is approximate.

Judge [LAST NAME] may fall within more than one of the different groups of judicial officers covered by the court's order. For example, if Judge [LAST NAME] was an active judge or justice for some portion of time following July 1, 2008, and later received benefits pursuant to the Judges Retirement System, you will receive separate payments as outlined in the table below.

In such event, you may also receive another letter from the State Controller’s Office or JRS similar to this one.

Finally, we note that if the judge or justice received a monthly retirement allowance after July 1, 2008, you will receive a separate letter from the Judges’ Retirement System regarding the payments that will be made for those additional retirement benefits. We include general information regarding the JRS, JRS II, ESIP and JRS II Monetary Credits payments below for your convenience. If you have any questions regarding those payments, please refer to the letter from the Judges’ Retirement System or contact that office directly at (916) 795-3688.

If you receive another letter similar to this letter (from the State Controller’s Office or from JRS), the timetable will be identical to this one.

<p>June 30, 2019</p>	<p>Judges’ Retirement System (JRS). If the judge or justice received a monthly retirement allowance from JRS at any time between July 1, 2008, and June 30, 2017, the estate or beneficiary should expect a payment on or after this date for additional benefits owed. Taxes will be withheld based on the current tax election on file, and the amount paid will be included in the IRS Form 1099R issued for 2019.</p>
<p>July 31, 2019</p>	<p>Interest on JRS payment. For a judge or justice entitled to the JRS payment described above, the interest owed on the back benefits will also be included on the warrant dated on or after June 30, 2019. Interest is calculated based upon 10% per year from the date the benefits should have been paid. Taxes will be withheld based on the current tax election on file, and the amount paid will be included in the IRS Form 1099R issued for 2019.</p>
<p>July 31, 2019</p>	<p>Back wages. If the judge or justice was active at any time between July 1, 2008, and June 30, 2017, a payment will be issued on or about this date for back wages from the same entity that paid the judge while active – SCO, Los Angeles County, Judicial Council (for Riverside County judges), or Ventura County. There will not be tax withholding on this payment, and the amount paid will be included in a Form 1099-Misc for 2019.</p>
<p>July 31, 2019</p>	<p>Interest on back wages. For a judge or justice who received a payment for back wages, a separate payment will be issued for interest owed on the back wages (also from the same entity that paid the judge while active). There will not be separate tax withholding on this payment, and the amount paid will be reported to the IRS in a Form 1099-Misc for 2019.</p>
<p>August 30 to September 30, 2019</p>	<p>Assigned Judges Program (AJP). If the judge or justice received an assignment under the AJP during any period of time between July 1, 2008, and June 30, 2017, a separate payment will be issued by the State Controller’s Office during or after this window for back wages. There will not be separate tax withholding on this payment, and the amount paid will be included in a Form 1099-Misc for 2019.</p>

August 30 to September 30, 2019	Interest on AJP back wages. For a judge or justice who received the AJP payment described above, a separate payment will be issued during or after this window for interest owed on the back wages. There will not be separate tax withholding on this payment, and the amount paid will be reported to the IRS in a Form 1099-Misc for 2019.
September 30 to October 31, 2019	JRS II. If the judge or justice retired from JRS II any time between July 1, 2008, and June 30, 2017, and received a monthly retirement allowance, the estate or beneficiary should expect a payment during or after this window for additional benefits owed. Taxes will be withheld based on the current tax election on file, and the amount paid will be included in the IRS Form 1099R issued for 2019.
November 1 to December 1, 2019	Interest on JRS II payment. For a judge or justice entitled to the JRS II payment described above, the estate or beneficiary will receive a separate payment from JRS II for interest owed on the back benefits. Interest is calculated based upon 10% per year from the date the benefits should have been paid. Taxes will be withheld based on the current tax election on file, and the amount paid will be included in the IRS Form 1099R issued for 2019.
November 1 to December 1, 2019	Extended Service Incentive Program (ESIP). If the judge or justice retired from JRS on or after July 1, 2008, and received an ESIP distribution, the estate or beneficiary should expect a payment during or after this window for any adjustment to the ESIP account between July 1, 2008, and June 30, 2017. JRS will contact the beneficiary or estate prior to issuing payment to determine whether the payment should be paid in a lump sum or to roll the money into a qualified plan
November 1 to December 1, 2019	JRS II Monetary Credits. If the judge or justice retired from JRS II on or after July 1, 2008, and received a one-time lump sum payment of her or his Monetary Credits, the estate or beneficiary should expect a payment during or after this window for any adjustment to the Monetary Credits accrued between July 1, 2008, and June 30, 2017. JRS will contact the estate or beneficiary prior to issuing payment to determine whether the payment should be paid in a lump sum or to roll the money into a qualified plan.
November 1 to December 1, 2019	Interest on ESIP payment. For a judge or justice entitled to an ESIP or Monetary Credit payment described above, the interest owed will be paid along with the adjusted benefit. Interest is calculated based upon 10% per year from the date the benefits should have been paid. Taxes will be withheld based on the distribution type, and the amount paid will be included in the IRS Form 1099R issued for 2019.

*Please note that a Form 1099-Misc will only be issued if the total payment from that payor is at least \$600.00.

In the coming weeks, you will receive details about the amount and date of your payment. Meanwhile, you may access up-to-date information and submit questions online at

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<https://sco.ca.gov/mallano>. For information regarding JRS, JRS II, ESIP and JRS II Monetary Credits benefit payments, please contact the Judges' Retirement System directly at (916) 795-3688. You may also wish to contact class counsel William Casey with Skadden, Arps, Slate, Meagher & Flom LLP at (650) 470-3173 or william.casey@skadden.com.

Sincerely,



MARISSA REVELINO, CHIEF
Personnel and Payroll Services Division

cc: Teri Martinez, Judges' Retirement System
Jonathan Rich, Deputy Attorney General
William Casey, Skadden Arps, Slate, Meagher & Flom LLP
Felizia Nava-Kardon, Judicial Council of California

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