

DEBRA BOWEN

CALIFORNIA SECRETARY OF STATE NEWS RELEASE

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Two Public Pension and Retirement Initiatives Enter Circulation

SACRAMENTO – Secretary of State Debra Bowen today announced that the proponent of two new initiatives may begin collecting petition signatures for her measures.

The Attorney General prepares the legal title and summary that is required to appear on initiative petitions. When the official language is complete, the Attorney General forwards it to the proponent and to the Secretary of State. The Secretary of State then provides calendar deadlines to the proponent and to county elections officials, and the initiative may be circulated for signatures. The Attorney General's official title and summary for the first measure is as follows:

REDUCES PUBLIC PENSION AND RETIREMENT HEALTH-CARE BENEFITS. INITIATIVE CONSTITUTIONAL AMENDMENT. For peace officers, firefighters, public safety, and other public employees hired after July 1, 2011, this measure: reduces pension and retirement health-care benefits; increases minimum retirement age; restricts early retirement; increases minimum age and years of employment needed for retirement health-care benefits; and limits post-retirement pension increases. For current and new public employees this measure: prohibits retroactive increases in retirement benefits and requires public employers to make annual payments for future benefit costs. Allows public employers to adjust retirement contribution rates for new employees in future labor agreements. Summary of estimate by Legislative Analyst and Director of Finance of fiscal impact on state and local government: **Major reductions in annual public sector pension costs—potentially in the range of 50 percent or more—over the long run. Possible increases in other public employee compensation costs, depending on future decisions made by governmental entities and voters. Major near-term increase in annual governmental payments to prefund retiree health benefits, more than offset in the long run by annual reductions in these costs.** (09-0075.)

The Secretary of State's tracking number for this measure is 1433 and the Attorney General's tracking number is 09-0075.

The Attorney General's official title and summary for the second measure is as follows:

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REDUCES PUBLIC PENSION AND RETIREMENT HEALTH-CARE BENEFITS. INITIATIVE CONSTITUTIONAL AMENDMENT. For peace officers, firefighters, public safety, and other public employees hired after July 1, 2011, this measure: reduces pension and retirement health-care benefits; increases minimum retirement age; restricts early retirement; increases minimum age and years of employment needed for retirement health-care benefits; and limits post-retirement pension increases. For current and new public employees this measure: prohibits retroactive increases in retirement benefits and requires public employers to make annual payments for future benefit costs. Allows public employers to adjust retirement contribution rates for new employees in future labor agreements. Summary of estimate by Legislative Analyst and Director of Finance of fiscal impact on state and local government: **Major reductions in annual public sector pension costs—potentially in the range of 50 percent or more—over the long run. Possible increases in other public employee compensation costs, depending on future decisions made by governmental entities and voters. Major near-term increase in annual governmental payments to prefund retiree health benefits, more than offset in the long run by annual reductions in these costs.** (09-0076.)

The Secretary of State's tracking number for this measure is 1434 and the Attorney General's tracking number is 09-0076.

The proponent for these measures, Marcia Fritz, must collect signatures of 694,354 registered voters – the number equal to eight percent of the total votes cast for governor in the 2006 gubernatorial election – for each measure in order to qualify it for the ballot. The proponent has 150 days to circulate petitions for these measures, meaning the signatures must be collected by June 14, 2010.

The initiative proponent can be reached at (916) 966-9366.

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