



DEBRA BOWEN

CALIFORNIA SECRETARY OF STATE NEWS RELEASE

DB12:055

FOR IMMEDIATE RELEASE
May 8, 2012

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Public Employee Pension Initiative Enters Circulation

*Reduces Pension Benefits for Public Employees.
Initiative Constitutional and Statutory Amendment.*

SACRAMENTO – Secretary of State Debra Bowen today announced that the proponent of a new initiative may begin collecting petition signatures for his measure.

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, and the initiative may be circulated for signatures. The Secretary of State then provides calendar deadlines to the proponent and to county elections officials. The Attorney General's official title and summary for the measure is as follows:

**REDUCES PENSION BENEFITS FOR PUBLIC EMPLOYEES.
INITIATIVE CONSTITUTIONAL AND STATUTORY AMENDMENT.**

Requires all current and future public employees pay annually at least half projected costs of their pension plan's defined benefit. Requires hybrid pension plans for new employees, composed of defined benefits, defined contribution, and Social Security. Requires hybrid plans be designed to pay 75% of final salary after full career, capped at federal Social Security base. Increases minimum retirement age for future law enforcement and firefighters to 52, for others 57. Requires 15 years service for new state employees to receive any retirement health benefits, and reduces employer contribution. Summary of estimate by Legislative Analyst and Director of Finance of fiscal impact on state and local government: **Over the next few decades, reduced state and local government personnel costs, offset by some potential additional expenses. The net effect would vary from one public employer to another based on how this measure is interpreted and administered, among other factors. In the long run (a few decades from now), depending on how this measure is administered, potential annual savings in state and local government personnel costs of a few billion dollars per year (in current dollars), offset to some extent by increases in other employee compensation costs. (12-0008.)**

The Secretary of State's tracking number for this measure is 1582 and the Attorney General's tracking number is 12-0008.

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The proponent for this measure, Thomas W. Hiltachk, must collect signatures of 807,615 registered voters – the number equal to eight percent of the total votes cast for governor in the 2010 gubernatorial election – in order to qualify it for the ballot. The proponent has 150 days to circulate petitions for this measure, meaning the signatures must be collected by October 4, 2012.

The initiative proponent can be reached at (916) 442-7757.

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