



DEBRA BOWEN

CALIFORNIA SECRETARY OF STATE

NEWS RELEASE

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FOR IMMEDIATE RELEASE

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Pension Initiative Enters Circulation

Reduces Pension Benefits for Public Employees. Creates a New State Retirement System for Private Sector Employees. Initiative Statute.

SACRAMENTO – Secretary of State Debra Bowen today announced that the proponents of a new initiative may begin collecting petition signatures for their 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 proponents and to the Secretary of State. The Secretary of State then provides calendar deadlines to the proponents and to county elections officials, and the initiative may be circulated for signatures. The Attorney General's official title and summary for the measure is as follows:

REDUCES PENSION BENEFITS FOR PUBLIC EMPLOYEES. CREATES A NEW STATE RETIREMENT SYSTEM FOR PRIVATE SECTOR EMPLOYEES. INITIATIVE STATUTE. Reduces pension benefits for current and future public employees, including teachers, nurses, and peace officers. For two years, and beyond if system pension obligations are underfunded, changes the minimum retirement age and further reduces annual pension amount received. Restricts the availability of defined contribution plans including 401(k) plans for public employees. Creates a new state retirement system for private sector employees. Requires audits of pension systems. Caps base pay for new employees and employees in underfunded systems. Fiscal Impact: **It is the opinion of the Legislative Analyst and Director of Finance that the measure could result in a substantial net change in state of local finances if adopted, given the magnitude of the changes proposed in this measure.** (11-0026)

The Secretary of State's tracking number for this measure is 1504 and the Attorney General's tracking number is 11-0026.

The proponents for this measure, Edward J. "Ted" Costa and Robert J. Matteoli, must collect signatures of 504,760 registered voters – the number equal to five percent of the total votes cast for governor in the 2010 gubernatorial election – in order to qualify it for the ballot. The proponents have 150 days to circulate petitions for this measure, meaning the signatures must be collected by February 10, 2012.

The initiative proponents can be reached at (916) 482-6175.

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