



DEBRA BOWEN

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Two Pension Initiatives Enter Circulation

SACRAMENTO – Secretary of State Debra Bowen today announced that the proponent of two new initiatives may begin collecting petition signatures for his 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 PENSION BENEFITS FOR PUBLIC EMPLOYEES. INITIATIVE CONSTITUTIONAL AMENDMENT. Reduces pension benefits for current and future public employees, including teachers, nurses, and peace officers, but excluding judges. Eliminates constitutional protections for current and future public employees' vested pension benefits. Limits employer contributions toward pensions for new employees. Prohibits defined-benefit pensions for new employees. Limits cost-of-living adjustments for retired and current employees. Prohibits public retirement systems from providing death or disability benefits to future employees. Requires that current employees add up to three percent of their salary to their pension contribution per year, when pension plan is underfunded. Summary of estimate by Legislative Analyst and Director of Finance of fiscal impact on state and local government: **Over the next two or three decades, potentially significant increased annual costs or some savings in state and local government personnel costs, depending on how this measure is interpreted and administered. In the long run (several decades from now), annual savings in state and local government personnel costs of billions of dollars per year (in current dollars), offset to some extent by increases in other employee compensation costs.** (11-0063)

The Secretary of State's tracking number for this measure is 1545 and the Attorney General's tracking number is 11-0063.

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

REDUCES PENSION BENEFITS FOR PUBLIC EMPLOYEES. INITIATIVE CONSTITUTIONAL AMENDMENT. Reduces pension benefits for current and future public employees, including teachers, nurses, and peace officers, but excluding judges. Eliminates constitutional protections for current and future public employees' vested pension benefits. Creates hybrid pension plan for new employees, capping collective benefits at 75 percent of salary. Limits cost-of-living adjustments for retired and current employees. Prohibits public retirement systems from providing death or disability benefits to future employees. Requires that current employees add up to three percent of their salary to their pension contribution annually, when pension plan is underfunded. Summary of estimate by Legislative Analyst and Director of Finance of fiscal impact on state and local government: **Over the next two or three decades, either increased annual costs or annual savings in state and local government personnel costs, depending on how this measure is interpreted and administered. In the long run (several decades from now), depending on how the Legislature designs the required hybrid retirement plan, potential annual savings in state and local government personnel costs of billions of dollars per year (in current dollars), offset to some extent by increases in other employee compensation costs.** (11-0064)

The Secretary of State's tracking number for this measure is 1546 and the Attorney General's tracking number is 11-0064.

The proponent for these measures, Daniel Pellissier, 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 – 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 7, 2012.

The initiative proponent can be reached at danielpellissier@californiapensionreform.com. No phone number was provided.

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