

AMENDED IN ASSEMBLY APRIL 30, 2013

CALIFORNIA LEGISLATURE—2013–14 REGULAR SESSION

ASSEMBLY BILL

No. 822

Introduced by Assembly Member Hall

February 21, 2013

An act to ~~amend Section 9255 of, and to add Section 9611 to,~~ the Elections Code, relating to elections.

LEGISLATIVE COUNSEL'S DIGEST

AB 822, as amended, Hall. Local government retirement plans.

~~Under existing law, the adoption of a charter or amendment to a charter of a city or city and county may be submitted to the voters at a statewide general, statewide primary, or regularly scheduled municipal election.~~

~~This bill would require a charter or charter amendment that proposes to alter, replace, or eliminate the retirement benefit plan of employees of the city or city and county to be submitted to voters at a statewide general election.~~

Existing law requires local legislative bodies, before authorizing changes in public retirement plan benefits or other postemployment benefits, to secure the services of an actuary to provide a statement of the actuarial impact of the changes.

This bill would require, whenever a local measure qualifies for the ballot that proposes to alter, replace, or eliminate the retirement benefit plan of employees of a local government entity, whether by initiative or legislative action, the governing body of the local government entity to secure the services of an independent actuary to provide a statement, not to exceed 500 words in length, of the actuarial impact of the proposed measure upon future annual costs of the retirement benefit

plan, and to have this statement printed ~~on the~~ *in the voter information portion of the sample* ballot. The bill would require, under certain circumstances, that the proponents of an initiative measure pay an additional filing fee to pay for the costs of the actuarial impact statement, which would be refunded if the measure is approved by the voters. The bill would require the governing body to make public at least 2 weeks prior to the election the future *annual* costs that will result from the changes to the retirement plan proposed by the measure. The bill would require a specified notice regarding obtaining a copy of the measure to be printed ~~on the~~ *in the voter information portion of the sample* ballot, if *the* text of the measure is not printed on the ballot, nor in the voter information portion of the sample ballot. *The bill would require the measure to be submitted to the voters only at a statewide general election. The requirements of the bill would apply to a charter city, charter city and county, or charter county.*

By imposing new requirements on local governments, the bill would impose a state-mandated local program.

The California Constitution requires the state to reimburse local agencies and school districts for certain costs mandated by the state. Statutory provisions establish procedures for making that reimbursement.

This bill would provide that, if the Commission on State Mandates determines that the bill contains costs mandated by the state, reimbursement for those costs shall be made pursuant to these statutory provisions.

Vote: majority. Appropriation: no. Fiscal committee: yes.
 State-mandated local program: yes.

The people of the State of California do enact as follows:

1 ~~SECTION 1. Section 9255 of the Elections Code is amended~~
 2 ~~to read:~~
 3 ~~9255. (a) (1) Except as otherwise provided in paragraph (2),~~
 4 ~~a charter or charter amendment proposed by a charter commission,~~
 5 ~~whether elected or appointed by a governing body, for a city or~~
 6 ~~city and county shall be submitted to the voters at an established~~
 7 ~~statewide general, statewide primary, or regularly scheduled~~
 8 ~~municipal election date pursuant to Section 1200, 1201, or 1301,~~
 9 ~~provided that there are at least 95 days before the election. A~~
 10 ~~charter commission may also submit a charter pursuant to Section~~
 11 ~~34455 of the Government Code.~~

1 ~~(2) A charter or charter amendment described in paragraph (1)~~
2 ~~that proposes to alter, replace, or eliminate the retirement benefit~~
3 ~~plan of employees of the city or city and county shall be submitted~~
4 ~~to voters only at an established statewide general election.~~

5 ~~(b) (1) Except as otherwise provided in paragraph (2), the~~
6 ~~following city or city and county charter proposals shall be~~
7 ~~submitted to the voters at an established statewide general,~~
8 ~~statewide primary, or regularly scheduled municipal election,~~
9 ~~pursuant to Section 1200, 1201, or 1301, provided that there are~~
10 ~~at least 88 days before the election:~~

11 ~~(A) An amendment or repeal of a charter proposed by the~~
12 ~~governing body of a city or a city and county on its own motion.~~

13 ~~(B) An amendment or repeal of a city charter proposed by a~~
14 ~~petition signed by 15 percent of the registered voters of the city.~~

15 ~~—~~
16 ~~(C) An amendment or repeal of a city and county charter~~
17 ~~proposed by a petition signed by 10 percent of the registered voters~~
18 ~~of the city and county.~~

19 ~~(D) A recodification of the charter proposed by the governing~~
20 ~~body on its own motion, provided that the recodification does not,~~
21 ~~in any manner, substantially change the provisions of the charter.~~

22 ~~(2) A charter or charter amendment described in paragraph (1)~~
23 ~~that proposes to alter, replace, or eliminate the retirement benefit~~
24 ~~plan of employees of the city or city and county shall be submitted~~
25 ~~to voters only at an established statewide general election.~~

26 ~~(e) Charter proposals by the governing body and charter~~
27 ~~proposals by petition of the voters may be submitted at the same~~
28 ~~election.~~

29 ~~(d) The total number of registered voters of the city or city and~~
30 ~~county shall be determined according to the county elections~~
31 ~~official's last official report of registration to the Secretary of State~~
32 ~~that was effective at the time the notice required pursuant to Section~~
33 ~~9256 was given.~~

34 ~~SEC. 2.~~

35 ~~SECTION 1.~~ Section 9611 is added to the Elections Code,
36 following Section 9610, to read:

37 9611. (a) Whenever a local measure qualifies for the ballot
38 that proposes to alter, replace, or eliminate the retirement benefit
39 plan of employees of a local government entity, whether by

1 initiative or legislative action, the governing body of the local
2 government entity shall do all of the following:

3 (1) Secure the services of an independent actuary to provide a
4 statement, not to exceed 500 words in length, of the actuarial
5 impact of the proposed measure upon future annual costs of the
6 retirement benefit plan, including normal-~~cost~~ *costs* and any
7 additional accrued liability.

8 (2) Make public at a public meeting, at least two weeks prior
9 to the election that the measure has qualified for, the future *annual*
10 costs that will result from the changes to the retirement plan
11 proposed by the measure.

12 (b) The statement provided pursuant to paragraph (1) of
13 subdivision (a) shall be printed ~~on the~~ *in the voter information*
14 *portion of the sample* ballot preceding the arguments for and
15 against the measure, if any.

16 (c) If the entire text of the measure is not printed on the ballot,
17 nor in the voter information portion of the sample ballot, there
18 shall be printed immediately below the independent actuarial
19 analysis, in no less than 10-point bold type, a legend substantially
20 as follows:

21 “The above statement is an independent actuarial analysis of
22 Ordinance or Measure _____. If you desire a copy of the ordinance
23 or measure, please call the elections official’s office at (insert
24 telephone number) and a copy will be mailed at no cost to you.”

25 (d) If a measure described in this section qualifies for the ballot
26 pursuant to an initiative petition described in Section 9101, 9102,
27 9201, or 9301, the proponents of the measure shall pay an
28 additional filing fee to pay for the costs of the actuarial impact
29 statement in an amount to be established by the local governing
30 body, not to exceed five hundred dollars (\$500). If the measure is
31 adopted by the voters, the fee shall be refunded to the ~~proponent~~
32 *proponents*.

33 (e) *Notwithstanding any other provision of law, a measure*
34 *described in this section that qualifies for the ballot shall be*
35 *submitted to the voters only at an established statewide general*
36 *election.*

37 (e)

38 (f) For the purpose of this section:

39 (1) “Actuary” has the same meaning as *set forth* in Section 7507
40 of the Government Code.

1 (2) “Future annual costs” has the same meaning as *set forth* in
2 Section 7507 of the Government Code.

3 (3) “Local government entity” includes a city, county, city and
4 county, school district, community college district, county board
5 of education, and special district.

6 ~~(f)~~

7 (g) The requirements of this section apply to a charter city,
8 charter city and county, or charter county.

9 ~~SEC. 3.~~

10 *SEC. 2.* The Legislature finds and declares that the security of
11 public moneys and the fiscal integrity of local governmental entities
12 in this state, including charter cities and charter counties, have a
13 direct impact on the long-term well-being of all residents of this
14 state. Further, many local governments experiencing budgetary
15 crises have difficulty providing sufficient public safety services
16 and place additional burdens on resources of the state. Accordingly,
17 ensuring an informed electorate with respect to the statewide
18 integrity and security of government pension systems and ensuring
19 the sufficiency of public safety services are matters of statewide
20 concern and not a municipal affair, as that term is used in Section
21 5 of Article XI of the California Constitution.

22 ~~SEC. 4.~~

23 *SEC. 3.* If the Commission on State Mandates determines that
24 this act contains costs mandated by the state, reimbursement to
25 local agencies and school districts for those costs shall be made
26 pursuant to Part 7 (commencing with Section 17500) of Division
27 4 of Title 2 of the Government Code.