

AMENDED IN SENATE JULY 10, 2013

AMENDED IN SENATE JUNE 20, 2013

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 add Section 9611 to the Elections Code, relating to elections.

LEGISLATIVE COUNSEL'S DIGEST

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

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 *ordinance or* 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, *or a summary of the 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 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 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 held pursuant to existing law.~~ The requirements of the bill would apply to ~~a charter city, charter city and county, or charter county.~~ *city, including a charter city; a county, including a charter county; a city and county, including a charter city and county; a community college district; or a special district.*

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 9611 is added to the Elections Code,
2 following Section 9610, to read:
3 9611. (a) Whenever a local *ordinance or* measure qualifies
4 for the ballot that proposes to alter, replace, or eliminate the
5 retirement benefit plan of employees of a local government entity,
6 whether by initiative or legislative action, the governing body of
7 the local government entity shall ~~do all of the following:~~ *comply*
8 *with the requirements of Section 7507 of the Government Code.*
9 ~~(1) Secure the services of an independent actuary to provide a~~
10 ~~statement, not to exceed 500 words in length, of the actuarial~~
11 ~~impact of the proposed measure upon future annual costs of the~~
12 ~~retirement benefit plan, including normal costs and any additional~~
13 ~~accrued liability.~~

1 ~~(2) Make public at a public meeting, at least two weeks prior~~
2 ~~to the election that the measure has qualified for, the future annual~~
3 ~~costs that will result from the changes to the retirement plan~~
4 ~~proposed by the measure.~~

5 (b) The statement provided by an actuary pursuant to paragraph
6 (1) of subdivision ~~(a)~~ (b) of Section 7507 of the Government Code,
7 or a summary of the statement, prepared by the actuary and not
8 to exceed 500 words in length, shall be printed in the voter
9 information portion of the sample ballot preceding the arguments
10 for and against the measure, if any.

11 (c) If the entire text of the measure is not printed on the ballot,
12 nor in the voter information portion of the sample ballot, there
13 shall be printed immediately below the ~~independent actuarial~~
14 ~~analysis, statement, or summary of the statement required by~~
15 ~~subdivision (b)~~, in no less than 10-point bold type, a legend
16 substantially as follows:

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

22 ~~(d) If a measure described in this section qualifies for the ballot~~
23 ~~pursuant to an initiative petition described in Section 9101, 9102,~~
24 ~~9201, or 9301, the proponents of the measure shall pay an~~
25 ~~additional filing fee to pay for the costs of the actuarial impact~~
26 ~~statement in an amount to be established by the local governing~~
27 ~~body, not to exceed five hundred dollars (\$500). If the measure is~~
28 ~~adopted by the voters, the fee shall be refunded to the proponents.~~

29 ~~(e) Notwithstanding any other provision of law, a measure~~
30 ~~described in this section that qualifies for the ballot shall be~~
31 ~~submitted to the voters only at an established statewide general~~
32 ~~election held pursuant to Section 1200.~~

33 (f) For the purpose of this section:

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

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

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

1 (g)
 2 (d) The requirements of this section apply to a ~~charter city,~~
 3 ~~charter city and county, or charter county.~~ *city, including a charter*
 4 *city; a county, including a charter county; a city and county,*
 5 *including a charter city and county; a community college district;*
 6 *or a special district.*

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

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