

AMENDED IN SENATE JUNE 1, 2016  
AMENDED IN ASSEMBLY APRIL 29, 2015  
CALIFORNIA LEGISLATURE—2015–16 REGULAR SESSION

**ASSEMBLY BILL**

**No. 241**

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**Introduced by Assembly Member Gordon**

February 5, 2015

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An act to add Section 53760.9 to the Government Code, relating to local government.

LEGISLATIVE COUNSEL'S DIGEST

AB 241, as amended, Gordon. Bankruptcy: retired employees: disclosure of names and mailing addresses.

(1) Existing law prohibits a local public entity, as defined, from filing a petition and exercising powers pursuant to applicable federal bankruptcy law unless the local public entity has participated in a specified neutral evaluation process with interested parties, or the local public entity has declared a fiscal emergency and has adopted a resolution by a majority vote of the governing board at a noticed public hearing that includes findings that the financial state of the local public entity jeopardizes the health, safety, or well-being of the residents of the local public entity's jurisdiction or service area absent the protections of federal bankruptcy law. Existing law defines "interested party," for purposes of these provisions, to include, among others, a representative selected by an association of retired employees of the local public entity who receive income from the local public entity, as specified. Existing law exempts from public disclosure certain personal information of retirees from public employment.

This bill would require, notwithstanding any other law and under certain conditions, a local public entity to provide the name and mailing address of each retired employee or his or her beneficiary receiving the retired employee’s retirement benefit *benefit, in list form*, to any organization that is incorporated and qualified under specific state and federal laws for the purpose of representing retired employees or their beneficiaries as members of the organization in a neutral evaluation process, the declaration of a fiscal emergency and adoption of a resolution, or a bankruptcy proceeding, as specified. This bill would limit an organization receiving this information under these provisions to using the information for only these purposes and impose a civil penalty of \$25,000 on the organization for a violation of that ~~limitation under unspecified conditions~~ *limitation*.

(2) The California Constitution requires local agencies, for the purpose of ensuring public access to the meetings of public bodies and the writings of public officials and agencies, to comply with a statutory enactment that amends or enacts laws relating to public records or open meetings and contains findings demonstrating that the enactment furthers the constitutional requirements relating to this purpose. This bill would make legislative findings to that effect.

(3) 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 no reimbursement is required by this act for a specified reason.

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 53760.9 is added to the Government  
 2 Code, to read:  
 3 53760.9. (a) Notwithstanding any other law, including, but  
 4 not limited to, the California Public Records Act (Chapter 3.5  
 5 (commencing with Section 6250) of Division 7 of Title 1), except  
 6 as provided in subdivision (c), a local public entity shall provide  
 7 the name and mailing address of each retired employee, or his or  
 8 her beneficiary receiving the retired employee’s retirement benefit,  
 9 *in list form*, to any organization that is incorporated as a California  
 10 nonprofit mutual benefit corporation pursuant to Part 3

1 (commencing with Section 7110) of Division 2 of Title 1 of the  
2 Corporations Code and qualified pursuant to Section 501(c)(5) of  
3 Title 26 of the Internal Revenue Code for the purpose of  
4 representing retired employees of the local public entity, upon that  
5 organization's request, if any of the following occur:

6 (1) The local public entity began the process of participating in  
7 a neutral evaluation process pursuant to Section 53760.3.

8 (2) The local public entity declared a fiscal emergency and  
9 adopted a resolution by a majority vote of the governing board  
10 pursuant to Section 53760.5.

11 (3) The local public entity filed a petition pursuant to applicable  
12 federal bankruptcy law.

13 (b) (1) An organization receiving *a list with* the name and  
14 mailing address of a retired employee or his or her beneficiary  
15 receiving the retired employee's retirement benefit pursuant to  
16 subdivision (a) shall use that information only for the purpose of  
17 representing the retired employee or his or her beneficiary as a  
18 member of the organization as an interested party in a neutral  
19 evaluation process pursuant to Section 53760.3, the declaration of  
20 a fiscal emergency and adoption of a resolution pursuant to Section  
21 53760.5, or a bankruptcy proceeding.

22 (2) An organization that violates paragraph (1) *by misusing the*  
23 *information in the list provided* shall be subject to a civil penalty  
24 in the amount of twenty-five thousand dollars ~~(\$25,000) under the~~  
25 ~~following conditions: \_\_\_\_\_.~~ (\$25,000).

26 (c) Upon written request of any retired employee, or his or her  
27 beneficiary receiving the retired employee's retirement benefit, a  
28 local public entity shall not disclose the name and home address  
29 of the retired employee, or his or her beneficiary receiving the  
30 retired employee's retirement benefit, and shall remove the retired  
31 employee, or his or her beneficiary receiving the retired employee's  
32 retirement benefit, from any mailing list maintained by that local  
33 public entity in compliance with subdivision (a).

34 SEC. 2. The Legislature finds and declares that Section 1 of  
35 this act, which adds Section 53760.9 to the Government Code,  
36 furthers, within the meaning of paragraph (7) of subdivision (b)  
37 of Section 3 of Article I of the California Constitution, the purposes  
38 of that constitutional section as it relates to the right of public  
39 access to the meetings of local public bodies or the writings of  
40 local public officials and local agencies. Pursuant to paragraph (7)

1 of subdivision (b) of Section 3 of Article I of the California  
2 Constitution, the Legislature makes the following findings:

3 This act ensures that public retirees and their beneficiaries have  
4 the opportunity to meaningfully participate in the legal processes  
5 of a local public entity filing a petition and exercising powers  
6 pursuant to applicable federal bankruptcy law.

7 SEC. 3. No reimbursement is required by this act pursuant to  
8 Section 6 of Article XIII B of the California Constitution because  
9 the only costs that may be incurred by a local agency or school  
10 district under this act would result from a legislative mandate that  
11 is within the scope of paragraph (7) of subdivision (b) of Section  
12 3 of Article I of the California Constitution.