

Date: January 14, 2010
Initiative 09-0080

The Attorney General of California has prepared the following title and summary of the chief purpose and points of the proposed measure:

LIMITS PENSION PAYMENTS THAT NEW PUBLIC EMPLOYEES MAY RECEIVE

UPON RETIREMENT. INITIATIVE STATUTE. Limits the amount of pension payments that any new state or local public employee may receive upon retirement to \$100,000 per year.

Allows annual cost-of-living increases in proportion to the California Consumer Price Index, so long as total annual pension payments do not exceed \$162,500. Prohibits the Legislature from adjusting these limits unless three-quarters of both houses approve. Summary of estimate by Legislative Analyst and Director of Finance of fiscal impact on state and local government:

Minor reductions in annual public sector pension costs in the short run. Major reductions in annual public sector pension and retiree health payments several decades from now.

Possible increases in other public employee compensation costs, depending on future decisions made by governmental entities and voters. (09-0080.)