

Date: January 21, 2009  
Initiative: 08-0018, Amdt. #1-S.

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

RENEGOTIATION OF PUBLIC EMPLOYEE PENSION CONTRACTS. INITIATIVE CONSTITUTIONAL AMENDMENT. Eliminates certain state constitutional restrictions on renegotiating public employee pension contracts. Allows vested pension benefits to be reduced for existing and prospective public-sector retirees. Summary of estimate by Legislative Analyst and Director of Finance of fiscal impact on state and local government: Possible reduction in pension costs for state and local governments, depending on future actions by state and local governments and courts. Any such reduction likely would be largely or entirely offset by negotiated increases in other costs, such as employee salaries and wages. (08-0018.)