

IBEW



LOCAL UNION 1245

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Members of Ballot Simplification Committee

The International Brotherhood of Electrical Workers Local Union 1245 represents electrical workers at Pacific Gas and Electric. We believe the pension language in the Digest as it applies to future IBEW 1245 members who may choose to go to work for a municipal electrical utility is speculative.

"Proposition ___ states that employees of the current private utility provider who become City employees as a result of the Proposition would be granted the same compensation, seniority, and benefits as they have with that utility."

This is the Committee's attempt to convey the intent of the legislation. But because the language in the legislation is vague and speculative we believe that it should be removed entirely from the Digest.

Some specific reasons why we believe that the language regarding these promised pension protections are general and vague.

- Utility workers at Pacific Gas and Electric receive a defined pension benefit upon retirement as well as ancillary benefits for medical and dental services. To generally promise that individuals moving from a private vested retirement plan to a municipal-public pension plan with credit for years served raises a number of questions that the proposition does not address. For example, will current IBEW 1245 members be asked to "sell" their current vested pension rights in order to gain new transferred years of service with a City pension?
- If individuals prefer to maintain their vested pension equity with PG&E can they exercise that option and start a new pension with the City? Does this rather vague guarantee the proposition envisions extend to other workers who choose to work for the City that migrate from another privately owned public utility? What are the legal liabilities to the City and County of San Francisco if this benefit cannot be extended to current utility employees who base their decision to leave their current employer and find later they are adversely effected?
- Retirement rates must be set by the City's voters and the specifics of the rates must be in the legislation put forth before the voters. The "Clean Energy Act"

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does not set out those retirement rates. Notwithstanding this legislation, no retirement package would go into effect until collectively bargained and subsequently approved by the voters.

IBEW 1245 is periodically confronted with the problems that arise when our members are forced to change employers. It is always a difficult problem where good intentions run into the realities of ERISA laws, the current interest of incumbent pensioners and myriad other practical constraints that are immune to the fiat of a proclamation in a proposition.

Please feel free to contact me at 925-285-9057 or 415-469-9903 with any questions.

Sincerely,

A handwritten signature in cursive script, appearing to read "Landis Marttila".

Landis Marttila

Business Representative IBEW 1245