

Ballot Simplification Committee

Approved Digest-Tuesday, July 29, 2014: Packard, Fasick, Fraps, Jorgensen, Unruh

Any Requests for Reconsideration due by 1:00 p.m. on Wednesday, July 30

Retiree Health Benefits for Former Redevelopment Agency and Successor Agency Employees

(working title only, subject to change)

The Way It Is Now:

In January 2009, the City and County of San Francisco established the Retiree Health Care Trust Fund (Fund) to pay for the health care costs of retirees from City service and their spouses or domestic partners.

City employees hired on or before January 9, 2009, are eligible for full retiree health care coverage after five years of service. City employees hired on or after January 10, 2009, are eligible for full retiree health care coverage after 20 years of service.

City employees who started working on or after January 10, 2009, pay 2% of their compensation into the Fund. City employees who started working on or before January 9, 2009, will start paying 0.25% of compensation after July 1, 2016, increasing to 1% of compensation after July 1, 2019.

The San Francisco Redevelopment Agency (Redevelopment Agency) was a state agency that promoted economic revitalization and affordable housing in San Francisco. On February 1, 2012, the California Legislature dissolved all redevelopment agencies throughout the State. A Successor Agency was created to wind down the affairs of the Redevelopment Agency.

Since 2009, eight former employees of the Redevelopment Agency and the Successor Agency have become City employees, and approximately 42 others might become City employees by March 2015. Most of these employees must work for the City for 20 years to receive full retiree health care coverage, and must also pay 2% of their compensation into the Fund.

The Proposal:

Proposition ___ is a Charter amendment that would grant certain former Redevelopment Agency and Successor Agency employees the same health benefits as City employees hired during the same period.

Under Proposition ___, employees who started working for the Redevelopment Agency before January 10, 2009, and later started working for the City between February 1, 2012, and February 28, 2015, without a break in service, would:

- be eligible for full retiree health care coverage after five years of employment with the City, the Redevelopment Agency, and the Successor Agency combined; and
- would pay 0.25% of compensation into the Fund after July 1, 2016, increasing to 1% of compensation after July 1, 2019, rather than 2% of compensation.

For employees who started working for the Redevelopment Agency on or after January 10, 2009, and later started working for the City between February 1, 2012 and February 28, 2015, without a break in service, Proposition ____ would credit the employees' years working for the former Redevelopment Agency and the Successor Agency toward the 20-year vesting period for retiree health care benefits.

A "YES" Vote Means: If you vote "yes," you want to change the Charter to make retiree health care benefits available to certain employees of the former San Francisco Redevelopment Agency and the Successor Agency.

A "NO" Vote Means: If you vote "no," you do not want to make these changes to the Charter.

word count: 460 [suggested word limit: 300]