

Ballot Simplification Committee - DRAFT for Consideration on Tuesday, July 29, 2014

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 (the "Fund") to pay for the health care costs of retirees from City service and their spouses and 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 (the "Redevelopment Agency") was a state agency that promoted economic revitalization and affordable housing in San Francisco. On February 1, 2012, the California Legislature dissolved it along with others throughout the state. State law created the Successor Agency to wind down the affairs of the Redevelopment Agency.

Since 2009, approximately five former employees of the Redevelopment Agency and the Successor Agency have become City employees, and approximately ## others could 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
- not be required to pay 2% of their compensation into the Fund and will instead pay 0.25% of compensation after July 1, 2016, increasing to 1% of compensation after July 1, 2019.

For employees who started working for the Redevelopment Agency between January 10, 2009 and August 31, 2010, 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: 479 [suggested word limit: 300]