Assembly Constitutional Amendment No. 24

Introduced by Assembly Member Low

February 21, 2020

Assembly Constitutional Amendment No. 24—A resolution to propose to the people of the State of California an amendment to the Constitution of the State, by amending Section 8 of Article III thereof, and by amending Section 4.5 of, and by adding Section 4.3 to, Article IV thereof, relating to the Legislature.

LEGISLATIVE COUNSEL'S DIGEST

ACA 24, as introduced, Low. Legislature: benefits and retirement.

(1) The California Constitution directs the California Citizens Compensation Commission to establish and adjust the salary and benefits for state officers, including Members of the Legislature.

This measure would remove the commission’s authority to establish and adjust the benefits of Members of the Legislature first elected to the Legislature for terms commencing on or after December 7, 2020, and would instead require that the total monetary value of the medical, dental, insurance, and other similar benefits for a Member of the Legislature who is first elected to the Legislature for a term commencing on or after December 7, 2020, be equal to the total monetary value of those benefits provided to a full-time employee of the house in which the Member serves.

(2) The California Constitution permits Members of the Legislature elected or serving after November 1, 1990, to participate only in the federal Social Security System, and prohibits those Members from accruing any other pension or retirement benefits as a result of service in the Legislature.
This measure would authorize a Member of the Legislature who is first elected to the Legislature for a term commencing on or after December 7, 2020, to elect to participate in the Public Employees’ Retirement System in any state retirement plan in which a majority of the employees of the state may participate. The measure would provide that retirement credit earned by a person through service in another state or local government agency may qualify for credit in that state retirement plan. The measure would permit the State to pay only the employer’s contribution necessary for participation in the Public Employees’ Retirement System.


Resolved by the Assembly, the Senate concurring, That the Legislature of the State of California at its 2019-20 Regular Session commencing on the third day of December 2018, two-thirds of the membership of each house concurring, hereby proposes to the people of the State of California, that the Constitution of the State be amended as follows:

First—That Section 8 of Article III thereof is amended to read:

SEC. 8. (a) The California Citizens Compensation Commission is hereby created and shall consist of seven members appointed by the Governor. The commission shall establish the annual salary and the medical, dental, insurance, and other similar benefits of state officers, except the benefits of Members of the Legislature first elected to the Legislature for terms commencing on or after December 7, 2020, which shall be as prescribed in Section 4.3 of Article IV.

(b) The commission shall consist of the following persons:

(1) Three public members, one of whom has expertise in the area of compensation, such as an economist, market researcher, or personnel manager; one of whom is a member of a nonprofit public interest organization; and one of whom is representative of the general population and may include, among others, a retiree, homemaker, or person of median income. No person appointed pursuant to this paragraph may, may not, during the 12 months prior to his or her the person’s appointment, have held public office, either elective or appointive, have been a candidate for elective public office, or have been a lobbyist, as defined by the Political Reform Act of 1974.
(2) Two members who have experience in the business community, one of whom is an executive of a corporation incorporated in this State which ranks among the largest private sector employers in the State based on the number of employees employed by the corporation in this State and one of whom is an owner of a small business in this State.

(3) Two members, each of whom is an officer or member of a labor organization.

(c) The Governor shall strive insofar as practicable to provide a balanced representation of the geographic, gender, racial, and ethnic diversity of the State in appointing commission members.

(d) The Governor shall appoint commission members and designate a chairperson for the commission not later than 30 days after the effective date of this section. The terms of two of the initial appointees shall expire on December 31, 1992, two on December 31, 1994, and three on December 31, 1996, as determined by the Governor. Thereafter, the term of each member shall be six years. Within 15 days of any vacancy, the Governor shall appoint a person to serve the unexpired portion of the term.

(e) No current or former officer or employee of this State is eligible for appointment to the commission.

(f) Public notice shall be given of all meetings of the commission, and the meetings shall be open to the public.

(g) On or before December 3, 1990, the commission shall, by a single resolution adopted by a majority of the membership of the commission, establish the annual salary and the medical, dental, insurance, and other similar benefits of state officers. The annual salary and benefits specified in that resolution shall be effective on and after December 3, 1990.

Thereafter, at or before the end of each fiscal year, the commission shall, by a resolution adopted by a majority of the membership of the commission, adjust the medical, dental, insurance, and other similar benefits of state officers. The benefits specified in the resolution shall be effective on and after the first Monday of the next December.

Thereafter, at or before the end of each fiscal year, the commission shall adjust the annual salary of state officers by a resolution adopted by a majority of the membership of the commission. The annual salary specified in the resolution shall be effective on and after the first Monday of the next December,
except that a resolution shall not be adopted or take effect in any
year that increases the annual salary of any state officer if, on or
before the immediately preceding June 1, the Director of Finance
certifies to the commission, based on estimates for the current
fiscal year, that there will be a negative balance on June 30 of the
current fiscal year in the Special Fund for Economic Uncertainties
in an amount equal to, or greater than, 1 percent of estimated
General Fund revenues.

(h) In establishing or adjusting the annual salary and the medical,
dental, insurance, and other similar benefits, the commission shall
consider all of the following:

(1) The amount of time directly or indirectly related to the
performance of the duties, functions, and services of a state officer.

(2) The amount of the annual salary and the medical, dental,
insurance, and other similar benefits for other elected and appointed
officers and officials in this State with comparable responsibilities,
the judiciary, and, to the extent practicable, the private sector,
recognizing, however, that state officers do not receive, and do
not expect to receive, compensation at the same levels as
individuals in the private sector with comparable experience and
responsibilities.

(3) The responsibility and scope of authority of the entity in
which the state officer serves.

(4) Whether the Director of Finance estimates that there will be
a negative balance in the Special Fund for Economic Uncertainties
in an amount equal to or greater than 1 percent of estimated General
Fund revenues in the current fiscal year.

(i) Until a resolution establishing or adjusting the annual salary
and the medical, dental, insurance, and other similar benefits for
state officers takes effect, each state officer shall continue to receive
the same annual salary and the medical, dental, insurance, and
other similar benefits received previously.

(j) All commission members shall receive their actual and
necessary expenses, including travel expenses, incurred in the
performance of their duties. Each member shall be compensated
at the same rate as members, other than the chairperson, of the
Fair Political Practices Commission, or its successor, for each day
engaged in official duties, not to exceed 45 days per year.

(k) It is the intent of the Legislature that the creation of the
commission should not generate new state costs for staff and
services. The Department of Personnel Administration, the Board
of Administration of the Public Employees’ Retirement System,
or other appropriate agencies, or their successors, shall furnish,
from existing resources, staff and services to the commission as
needed for the performance of its duties.
(1) “State officer,” as used in this section, means the Governor,
Lieutenant Governor, Attorney General, Controller, Insurance
Commissioner, Secretary of State, Superintendent of Public
Instruction, Treasurer, member of the State Board of Equalization,
and Member of the Legislature.
Second—That Section 4.3 is added to Article IV thereof, to
read:
SEC. 4.3. The total monetary value of the medical, dental,
insurance, and other similar benefits for a Member of the
Legislature who is first elected to the Legislature for a term
commencing on or after December 7, 2020, shall be equal to the
total monetary value of those benefits provided to a full-time
employee of the house in which the Member serves.
Third—That Section 4.5 of Article IV thereof is amended to
read:
SEC. 4.5. Notwithstanding any other provision of this
Constitution or existing law, a person
(a) A person elected to or serving in the Legislature on or after
November 1, 1990, shall participate in the Federal Social Security
(Retirement, Disability, Health Insurance) Program.
(b) A person who is first elected to the Legislature for a term
commencing on or after December 7, 2020, may elect to participate
in the Public Employees’ Retirement System in any state retirement
plan in which a majority of the employees of the state may
participate. Retirement credit earned by that person through
service in another state or local government agency may qualify
for credit in the state retirement plan.
(c) The State shall pay only the employer’s share of the
contribution necessary to such participation. No
participation in the Social Security Program and the Public
Employees’ Retirement System, as applicable.
(d) No other pension or retirement benefit shall accrue as a result
of service in the Legislature, such service not being intended as a
career occupation. This Section shall not be construed to
abrogate or diminish any vested pension or retirement benefit
which may have accrued under an existing law to a person holding
or having held office in the Legislature, but upon adoption of this
Act no further entitlement to nor vesting in any existing
program shall accrue to any such person, other than the Social
Security Program and the Public Employees’ Retirement System
to the extent herein provided.