CITY ATTORNEY UPDATE

MARCH 8, 2012

SAN DIEGO: POSTER CHILD FOR PENSION INITIATIVES?

As the state Public Employment Relations Board (PERB) presses forward with its attempts to halt a local pension reform initiative in San Diego, journalists across the country and statewide have begun to shine a spotlight on the agency's unprecedented actions.

"San Diego is quickly gaining a reputation as ground zero for pension reform," wrote Ryan Holeywell in Governing magazine.

A San Diego Superior Court judge recently denied PERB's request to block the Comprehensive Pension Reform initiative, which qualified for the June ballot with more than 116,000 signatures. The City Attorney's Office is asking the court to direct PERB to refrain from meddling in the city's initiative process.

"In essence, the unions and this unelected board insist that the people of San Diego have no right to vote on pension reform," wrote Steven Greenhut in a Reason.com blog.

PERB has scheduled an administrative hearing for April 2 to consider a complaint that originated with one of the city's labor unions, which alleges that the initiative represents an unfair labor practice.

"The effort is stirring national opposition from unions fearful that a successful move to privatize pensions in San Diego will have a domino effect in other cash-strapped cities and states," wrote Susan Crabtree in The Washington Times.

Joel Fox opined on the <u>Fox & Hounds</u> website that "...(It) appears that a union strategy exists on pension issues to manipulate the ballot process to seek more favorable results or cause disruptions and delays."

Reporter Ed Mendel wrote in <u>Capitol Weekly</u> that San Diego is not alone in its battle with the state over pension reform.

"While unions oppose key parts of Gov. Brown's 12-point pension reform plan in the Legislature, local officials say union allies are using state agencies to try to derail or undermine local pension reforms on the June ballot in San Jose and San Diego," Mendel wrote.

What happens in San Diego could become the model for other municipalities struggling with spiraling pension costs.

"Municipal unions and elected officials across the country are expected to keep a close eye on the matter," wrote reporter Tony Perry in the <u>Los Angeles Times</u>.

City Attorney Jan Goldsmith said the significance of what PERB is attempting goes beyond the substance of the initiative itself.

"This is not about the merits of this initiative," Goldsmith said. "The 116,000 registered voters who signed the petition have a constitutional right to have it placed on the ballot and that's exactly what will happen. PERB's continuing efforts to infringe upon those constitutional rights is an abuse of power."

For more of Goldsmith's thoughts on PERB's actions, see the <u>op-ed</u> recently published in U-T San Diego.

Please contact Jonathan Heller at (619) 533-4782 or <u>JHeller@sandiego.gov</u> for more information.