



CITY OF LAVERNE CITY HALL

3660 "D" Street, La Verne, California 91750-3599
www.cityoflaverne.org

April 28, 2025

Assembly Public Employment and Retirement Committee
1020 N Street, Room 153
Sacramento, CA 95814

Submitted via the Legislative Position Letter Portal

RE: Oppose unless Amended AB 569 (Stefani) - California Public Employees' Pension Reform Act of 2013: exceptions: supplemental defined benefit plans.

Dear Honorable Assembly Public Employment and Retirement Committee Members:

On behalf of the City of La Verne, we strongly oppose AB 569 unless amended to explicitly require that any supplemental defined benefit (DB) plan authorized under this bill be funded entirely by employees, with no financial obligation placed on the employer.

AB 569 undermines the core tenets of the California Public Employees' Pension Reform Act (PEPRA) of 2013 by authorizing public employers to bargain over supplemental retirement benefits administered by, or on behalf of, exclusive bargaining representatives. This provision would effectively reopen the door to additional defined benefit commitments, even though many cities across the state—La Verne included—continue to grapple with escalating pension liabilities that threaten core service delivery and fiscal stability.

If enacted, this bill could significantly increase financial pressure on local governments by subjecting cities to ongoing and potentially costly negotiations with bargaining units seeking supplemental retirement benefits. Even if a city initially declines to offer such benefits, the mere ability to bargain for them creates long-term exposure and administrative burden.

La Verne supports retirement security and values attracting and retaining high-quality public servants. However, those efforts must be fiscally responsible and sustainable. AB 569 risks shifting the focus from maintaining vital services and investing in community infrastructure to shouldering enhanced retirement obligations that go beyond what taxpayers can reasonably support.

For these reasons, the City of La Verne urges the Legislature to amend AB 569 to ensure that any supplemental DB plan allowed under the bill is exclusively employee-funded and does not obligate cities financially. Without such an amendment, we must respectfully oppose the bill.

Sincerely,

Tim Hepburn
Mayor