



August 20, 2025

The Honorable Buffy Wicks, Chair  
Assembly Committee on Appropriations  
1021 O Street, Suite 8220  
Sacramento, CA 95814

**RE: Opposition to AB 1383 (McKinnor) – Public Employees’ Pension Reform Act Adjustments**

Dear Chair Wicks and Committee Members,

On behalf of the City of Hemet, I respectfully write to express our strong opposition to AB 1383 (McKinnor), which proposes to enhance safety member benefit formulas, allow increases to pensionable compensation limits, and expand employer cost-sharing obligations.

While we value and support the critical work of our first responders and public employees, the State must remember the lessons from earlier legislative decisions to expand public employee pensions. Despite assurances at the time that the pension increases would not cost taxpayers extra, the rising cost of these benefits later became a major financial burden for the state and local governments.

The City of Hemet’s public safety CalPERS benefit rates (the percentage of base salary required to be paid by the City of Hemet to assist in maintaining the solvency of the CalPERS investment fund) have increased from 47% in 2015 to 74% in 2025 despite the implementation of the Public Employees’ Pension Reform Act (PEPRA) in January 2013, more than a dozen years ago. If the City of Hemet enjoyed the employee contribution rates of 2015 today, an additional \$8 million of taxpayer funds would be available to provide critical staffing, fund essential infrastructure including tens of millions of dollars of local street maintenance deficiencies, and support community projects rather than provide a backstop for CalPERS.

For the City of Hemet, a community already working diligently to balance budgets while maintaining essential public services, these increased pension liabilities are unsustainable. Like many municipalities, our revenues are not keeping pace with rising service delivery costs, state mandates, and economic uncertainty. Expanding retirement benefits undermines the intent of PEPRA reforms and increases long-term liabilities that compromise the fiscal stability of cities statewide.

Responsible pension reform must carefully weigh the balance between fair employee compensation and the financial capacity of local governments.

For these reasons, the City of Hemet must respectfully oppose AB 1383.

Thank you for your consideration.

Sincerely,

*Jackie Peterson*

Jackie Peterson  
Mayor  
City of Hemet

Cc: Senator Rosilicie Ochoa Bogh  
Senator Alex Padilla  
Assembly Member Corey Jackson  
Congressman Raul Ruiz  
Cal Cities Regional Public Affairs Manager, Jesse Ramirez  
Hemet City Council  
Cori Takkinen, Vice President & CEO Townsend Public Affairs, Inc.