

LEGISLATIVE DIGEST

(Revised 7/6/2022)

[Charter Amendment - Forfeiture of Pension Benefits]

Describing and setting forth a proposal to the voters at an election to be held on November 8, 2022, to amend the Charter of the City and County of San Francisco to provide for the forfeiture of City-funded pension benefits of a member of the San Francisco Employees' Retirement System upon a finding by clear and convincing evidence after an administrative hearing that the member committed bribery, embezzlement, extortion, or wire fraud in connection with the member's duties as a City employee or officer, or committed perjury in connection with or to conceal any such crime; and providing all time and service beginning with the date when the member first engaged in the specified criminal conduct or perjury through the date of the adverse administrative decision shall be excluded from the computation of the service to be credited to the member for the purpose of determining whether such member qualifies for retirement and calculating benefits.

Existing Law

Currently, under Charter Sections A8.509, A8.584-13, A8.586-16, A8.587-14, A8.588-16, A8.597-16, A8.598-16, A8.600-14, A8.601-16, A8.602-16, A8.603-10, A8.604-13, A8.605-13, A8.606-15, A8.607-15, A8.608-13, A8.609-15, A8.610-13, any active or retired City employee who is a member of the San Francisco Employee Retirement System (SFERS) and who is convicted of a crime involving moral turpitude committed in connection with their City duties, forfeits all rights to City-funded benefits under the City's retirement system.

Charter Sections A8.584-7, A8.585-10, A8.586-10, A8.587-7, A8.588-10, A8.597-10, A8.598-10, A8.600-7, A8.601-10, A8.602-10, A8.603-7, A8.604-10, A8.605-10, A8.606-10, A8.607-10, A8.608-10, A8.609-10, and A8.610-10 provide for how time and service shall be calculated for the purpose of determining whether a member qualifies for retirement and calculating benefits under a specific pension plan.

Amendments to Current Law

The proposed measure would amend the Charter's pension forfeiture provisions to add a second mechanism for forfeiture: a member would forfeit City-funded pension benefits earned or accrued during the defined Forfeiture Period if, after an administrative hearing, the member is found by clear and convincing evidence to have committed bribery, embezzlement, extortion, or wire fraud in connection with the member's duties as an officer or employee of the City and County, or to have committed perjury in connection with or to conceal any of

those crimes. In such cases, the member would be entitled to a refund of the member's contributions made during the Forfeiture Period, without interest. The measure would amend the Charter's computation of service provisions to define "Forfeiture Period" as the period beginning with the date that the member first engaged in the specified criminal conduct or perjury through the date of the adverse administrative finding, and would provide that all time and service during the Forfeiture Period shall be excluded from the computation of the service to be credited to the member for the purpose of determining whether such member qualifies for retirement and calculating benefits.

The measure would also amend Section A8.585, which currently does not include a forfeiture provision, to include a new Section A8.585-17, which would subject pension benefits under that plan to forfeiture on the same grounds as the other Charter sections.

The measure would also amend Section 12.102 to authorize the Retirement System to hire hearing officers to preside over the administrative forfeiture proceedings. Finally, the measure would amend Section 12.102 to provide that, after the administrative hearing, the hearing officer shall issue a written decision setting forth the hearing officer's factual findings and legal conclusions and the decision shall be a final administrative decision, subject to the member's right to appeal an adverse decision by filing a writ of mandate.

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