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June 22, 2026

The Honorable Tina McKinnor
California State Assembly
1021 O Street, Suite 5520
Sacramento, CA 95814

RE: Assembly Bill 1383 (McKinnor) Public employees' retirement benefits: safety members – OPPOSE

Dear Assemblymember McKinnor:

Larry Klein
Mayor

Richard Mehlinger
Vice Mayor

Alysa Cisneros
Councilmember

Murali Srinivasan
Councilmember

Linda Sell
Councilmember

Charlsie Chang
Councilmember

Eileen Le
Councilmember

On behalf of the City of Sunnyvale, we want to express our opposition of AB 1383, which would make several significant changes to public employees' retirement benefits and lead to increased pension liability for public agencies.

The Public Employees' Pension Reform Act (PEPRA) was enacted to address longstanding challenges in public pension systems and has played a critical role in helping local governments better manage long term pension obligations. As noted in multiple opposition letters, AB 1383 would roll back key elements of these reforms and undermine progress made since 2013 to improve fiscal sustainability.

While the City of Sunnyvale recognizes and appreciates the intent of AB 1383 to support recruitment and retention of public safety professionals, the bill would impose increased costs without providing corresponding funding. At a time of fiscal uncertainty, local governments are already facing rising service demands, increasing operational costs, and market volatility that affects pension systems. The additional financial burden created by this bill could lead to significant cost increases for cities and may impact the delivery of essential public services.

Every additional dollar directed toward pension obligations is a dollar unavailable for core City services and infrastructure investments, including public safety staffing, transportation, parks, and housing initiatives. Rising retirement costs could limit the City's flexibility to address community priorities now and into the future. This bill may require difficult future budget decisions and limit our ability to meet the community needs.

Furthermore, AB 1383 represents an unfunded mandate that does not adequately balance the need for competitive employee benefits with the responsibility to maintain long-term fiscal stability and protect taxpayers. Sustainable pension policy must ensure that benefits remain fair and competitive while also preserving the financial health of public agencies.

For these reasons and based on City Policy to ensure local governments' revenue sources are protected and predictable [Long-term Advocacy Positions – Planning and Management 7.B(5)], the City of Sunnyvale respectfully opposes AB 1383. Thank you for your consideration of our concerns. Please do not hesitate to contact me or Matt Paulin, Finance Director at MPaulin@sunnyvale.ca.gov if you have any questions.

Sincerely,



Larry Klein
Mayor

cc: Senator Dr. Aisha Wahab
Assembly Member Patrick Ahrens
City Council
Tim Kirby, City Manager
Sarah Johnson-Rios, Assistant City Manager
Matthew Paulin, Finance Director