

INLAND: LAO calls pension plan excellent start

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California's nonpartisan legislative analyst praised Gov. Jerry Brown's pension plan Thursday and said it deserves consideration by the Legislature.

"I thought it knocked the ball out of the park," Mac Taylor, who heads the Legislative Analyst's Office, said during a lecture series at his alma mater, UC Riverside. "I think it is an excellent start."

Earlier on Thursday, Brown unveiled his plan to curb rising retirement costs for state and local government employees. The plan calls for a hybrid system combining a 401(k)-style plan with guaranteed payments. It also calls for increasing the retirement age and asking employees to contribute more toward their own pensions.

Taylor said much of what the governor proposed is similar to what his office, which provides lawmakers with policy and fiscal advice, outlined four months ago.

He said the state's unfunded pension and retiree health liabilities exceed \$150 billion. The governor's plan recognizes that pensions are too expensive, Taylor said.

Taylor has been part of the Legislative Analyst's Office in Sacramento for the past three decades and is only the fifth person to hold the post since its creation in 1941.

He spoke before about three dozen students, faculty and community members as part of UC Riverside's Randall Lewis Seminar Series. Taylor outlined the fiscal challenges facing the state and how they came about. Attendees asked questions during a free-flowing exchange for more than an hour.

Taylor said a volatile revenue structure — relying heavily on income taxes — and poor budgeting decisions have put California into its current fiscal situation.

"If you're income was changing by 10, 20 percent each year, up and down, it would make it harder for you to budget," Taylor said. "It makes for a difficult situation. It is even more difficult for government."

He also said the state's public-safety realignment plan, which puts counties in charge of supervising parolees and housing low-level offenders in jails, has potential. But its quick approval will cause problems, he said.

"I think it has merit and am pleased to see a lot of the sheriff's departments are trying to make this work," Taylor said. "It was done very quickly, so you are going to have a lot of angst on how you implement this."

Cecil Green, a retired Riverside City College professor, attended the lecture and said he is frustrated by what he sees as lawmakers' quest to keep raising taxes.

"I just wanted to find out where we are going and the solutions he sees," Green said.

Brenda Bell, the Inland Empire coordinator with California Forward, a nonpartisan group aimed at bringing government closer to residents, also attended and said she is glad Taylor stays out of politics.

“He does a great assessment” on the state government, Bell said.