



# Regulatory Overreach Targeting Tech Would Cost California State and Local Government Employee Pension Plans Billions

Aggressive regulations, bills, and enforcement actions targeting tech would increase operating costs for regulated U.S. companies, reducing their market value and harming their shareholders. State and local government employee pension plans are leading shareholders in companies that would be targeted by such anti-tech policies, jeopardizing the retirement benefits of 27.9 million pension plan members nationwide and 3.7 million members in California, including teachers, firefighters, nurses, and police.

## By the Numbers: Impact to California Plans

### Day 1 Impact

**\$961,575,182.87**

### Long Term Impact

**\$23,643,227,842**

### Total Members

**3,683,018**

### Day 1 Impact Per Member

**\$261.08**

### Long Term Impact Per Member

**\$6,419.53**

*Day 1 Impact: losses upon enactment from holdings in 5 targeted firms;*

*Long Term Impact: losses from holdings in any of 100 firms likely to be regulated by the 2030s*

## Why This Matters

State and local government employee pension plans are major institutional investors, relied upon by at least 27.9 million Americans – and 3.7 million Californians – for retirement income, that typically invest heavily in securities issued by U.S. firms that would be significantly adversely impacted by aggressive policies targeting tech.

Google, Facebook, Apple, Microsoft, and Amazon stocks have an overall 86% representation in these pension plans’ top 10 holdings – the average such pension plan’s top 10 holdings include 4.3 of the 5 businesses that would be targeted by such policies on Day 1.

Aggressive policies intended to target tech would significantly increase operating costs for regulated businesses, decreasing the market value of their stocks and other securities. Policies causing the structural separation of targeted businesses based on size would impose particularly large costs, initially harming targeted firms on Day 1 but gradually expanding to impose costs on many other leading U.S. businesses in the Long Term.

Consequently, CA state and local government employee pension plans, as leading investors in regulated firms, would suffer up to \$1 billion in Day 1 Impacts upon enactment of such policies and up to \$24 billion in Long Term Impacts by the 2030s.

Put differently, aggressive policies targeting tech would cost the average CA state and local government employee pension plan member up to \$261 in Day 1 Impacts upon enactment and up to \$6,420 in Long Term Impacts by the 2030s.

View the full dataset at <https://research.ccianet.org>