Approved by the CalPERS Board of
Administration on October 22, 1997

California Public Employees' Retirement System
Board's State Ballot Initiative Policy Standards

CalPERS Mission

Our mission is to advance the financial and health security for all who participate in the System. We fulfill this mission by creating and maintaining an environment that produces responsiveness to all those we serve.

To fulfill its mission and to provide consistency in its policies, our Board of Administration shall adopt California State Ballot Initiative Policy Standards. In adopting these standards, the Board shall perform its duties for the exclusive purposes of providing benefits to participants and their beneficiaries, minimizing employer retirement contributions, and defraying reasonable expenses of administering the System. The Board's duty to its participants and beneficiaries shall take precedence over any other duty.

In accordance with our mission, we approve the following positions as they relate to California State Ballot Initiatives:

Support:

- Initiatives which give the Board flexibility in its administration
- Initiatives which provide remedies for inequitable, unfair, or discriminatory benefits provided by CalPERS
- Initiatives which add protection to trust funds administered by CalPERS

Neutral or No Position:

- Initiatives which do not directly affect the benefit interests of our stakeholders and which do not directly impact CalPERS benefits or the administration of the system
- Health care initiative mandates which add benefits or coverages which are already included in the PEMHCA standardized health benefit package or are not detrimental to the program
- Health benefit initiatives which mandate the health care industry to **offer** (rather than require) to the purchaser (CalPERS) benefit packages or design changes.

Oppose:

- Initiatives which threaten the trust funds administered by CalPERS. Initiatives which deprive CalPERS members of vested benefits and do not provide an equivalent, compensating benefit
- Any initiative which would endanger the tax-exempt status of CalPERS programs and the deferred treatment of income tax on employer contributions and related earnings
- Any investment mandate or restriction on the Board's investment authority
- Initiatives which reduce or directly limit the Board's administrative authority

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- Initiatives which threaten the integrity of the PEMHCA purchasing pool concept
- Initiatives which mandate benefits to be included in CalPERS PEMHCA program

- **NOTE:** These California State Ballot Initiative Policy Standards are meant to guide staff in formulating positions on ballot initiatives and in no way bind the CalPERS Board of Administration from adopting a different policy position on any specific type risks/costs analysis.