



Finance and Administration Committee Agenda Item 5a

August 16, 2016

Item Name: Proposed Board Election Regulations and Public Hearing
(8:45 a.m. TIME CERTAIN)

Program: Board of Administration Elections

Item Type: Action

Recommendation

Operations Support Services Division (OSSD) staff recommends the Finance & Administration Committee (FAC) approve the revised proposed regulations for a 15-day comment period and approval to submit the final rulemaking package to the Office of Administrative Law (OAL) upon conclusion of the comment period.

Executive Summary

The proposed regulation (Attachment 1) was amended to adopt minor recommendations provided by the public during the 45-day comment period.

Strategic Plan

The Agenda Item supports Goal B of the CalPERS 2012-17 Strategic Plan, which is to cultivate a high-performing, risk-intelligent, and innovative organization. Through the proposed changes to the Board election process, CalPERS can improve upon the current process and deliver superior end-to-end customer service that is adaptive to the voters' needs.

Background

At the March 2016 FAC meeting, the Board approved the proposed Board election regulatory changes that would allow additional voting methods, that could result in a higher voter turnout, as well as make technical changes to provide more clarity to the election process.

In accordance with the Office of Administrative Law and the Administrative Procedure Act, once a new vendor is selected to administer the Board of Administration election process, staff will gain insight into their internal processes and submit additional comprehensive regulations. The regulations will cover online, telephone and paper ballot voting options, security of member data, as well as the physical security of the ballots.

Analysis

The initial rulemaking process was filed with OAL and a Notice of Proposed Regulatory Action was published in the California Regulatory Notice Register on April 29, 2016. The 45-day comment period commenced on April 29, 2016, and closed on June 13, 2016. During the comment period CalPERS received one letter containing multiple comments and a request for a public hearing. Based on the comments received (Attachment 2), OSSD staff propose the following regulation amendments:

- Clarified the required contact information that a candidate must submit during the Nomination Petition process.
- Added a requirement that the candidate must provide their job classification while employed or at retirement on the Nomination Acceptance/Ballot Designation form.
- Updated the candidate statement process to require the deadline for all documents to be extended to the next working day if the due date falls on a weekend or holiday.

The public hearing was noticed for today, August 16, 2016 at 8:45 a.m. Interested parties may present testimony and comments received regarding the proposed regulatory action. The FAC and CalPERS staff are not required to respond to public comments during the hearing; however, all submissions will ultimately receive a written response from CalPERS as part of the final rulemaking file.

Budget and Fiscal Impacts

The Board of Administration elections is part of the budgetary process and is the regular and ongoing workload of the Operations Support Services Division.

Benefits and Risks

Benefits

- Provide clarification and updates to the Board election process.

Risks

- If unchanged, confusion due to ambiguities in the current Board Election Regulations will persist.

Attachments

Attachment 1 – Text of Amended Proposed Regulatory Action

Attachment 2 – Public Comment

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