



Finance and Administration Committee

Agenda Item 7a

February 14, 2022

Item Name: 2022 CalPERS Board of Administration State, School, and Special Retired Member Elections - Notice of Election

Program: Board of Administration Election

Item Type: Action

Recommendation

The Operations Support Services Division (OSSD) recommends approving the initiation of the 2022 CalPERS Board of Administration State, School, and Special Retired Member elections by adopting their respective Notice of Elections (NOE).

Executive Summary

The board election team is preparing to conduct an election for three (3) seats – state, school, and retired member – on the CalPERS Board of Administration which is established by the Public Employees' Retirement Law (PERL), Government Code sections 20090 (g)(2), (3), and (5).

State and School Member Elections

The current terms for the state and school seats expire on January 15, 2023. Their new term of office will begin January 16, 2023 and run through January 15, 2027. Eligible active state and school members can vote and participate as candidates in their applicable election. The incumbent, Theresa Taylor (State), has declared her intention to be a candidate for re-election. The incumbent, Rob Feckner (School), does not intend to be a candidate for re-election.

Special Retired Member Election

On January 16, 2020, Henry Jones was elected to the retired member seat on the board. In January 2022, Mr. Jones resigned from the board, which created a vacancy in his seat prior to the term's expiration. The term will expire January 15, 2024.

Ordinarily, the election to fill the retired member seat would be held in 2023. However, following a vacancy on the board, Government Code section 20095 provides:

“The board shall hold special elections to fill vacancies which occur during the term of elected members of the board. If at the time a vacancy occurs, the unexpired term is less than two years, the new member elected to fill that vacancy shall hold office for a period equal to the remainder of the term of the vacated office plus four years.”

As such, a special election to fill the vacant retired member seat is needed. The term of office for the elected candidate for this seat will begin immediately upon certification by the Secretary of State and will expire on January 15, 2028. Eligible retired members can vote and participate as candidates in this election.

Strategic Plan

This agenda item is not a product of the Strategic Plan but is part of the regular and ongoing workload of OSSD.

Background

The CalPERS Board of Administration consists of 13 members. Three (3) board members are appointed. Four (4) board members are ex-officio board members by virtue of their office of official position. The remaining six (6) of these board members are elected by their represented membership. The CalPERS Board composition is mandated by law and cannot be changed unless approved by a majority of the registered voters in the State of California.

The proposed NOEs for each election (Attachments 1, 2, and 3) are attached for your approval. After the NOEs have been approved by the CalPERS Board of Administration, the election process will begin on March 14, 2022. At that time, the state and school member NOEs will be transmitted electronically to employers for distribution to active state and school members, and the retired member NOE will be mailed to retired members. The NOEs will also be available on the Board Election Office's webpage.

A potential candidate must submit a Nomination Petition for the State, School, or Retired Member position to become a candidate for election. Each individual election will run concurrently, and each eligible active and retired member will be able to vote for the candidate in their applicable election.

Each candidate must be elected by a majority vote. If there is not a majority vote winner in the primary election, then a runoff election must be held between the two (2) candidates who received the highest number of votes in the election.

The Nomination Petition Packages will be available through the Board Election Office at 400 Q Street, Room W1570, or at www.calpers.ca.gov/boardelection when the NOE is distributed on March 14, 2022. Completed nomination petitions must be received by CalPERS no later than May 12, 2022 at 5:00 p.m.

The board election team will collaborate with the Office of Public Affairs to video record the candidate statements for a posting on the CalPERS website. In addition, all candidates will be invited to participate in a Candidate Forum in or around August 2022. More information will be provided when a date has been selected. The Candidate Forum will be streamed live and posted on the CalPERS website for those unable to watch or attend.

Budget and Fiscal Impacts

The cost to conduct the 2022 CalPERS Board of Administration State, School, and Special Retired Member elections will be approximately \$2,781,220.00 paid in fiscal years 2021-22 and 2022-23.

Benefits

- Approval of the NOEs will ensure CalPERS complies with the PERL's board member election requirements.

Risks

- If the NOEs are not approved, CalPERS will not be in compliance with the PERL's board member election requirements.

Attachments

Attachment 1 – Notice of Election – 2022 State Member Election

Attachment 2 – Notice of Election – 2022 School Member Election

Attachment 3 – Notice of Election – 2022 Special Retired Member Election

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