

**CALIFORNIA PUBLIC EMPLOYEES' RETIREMENT SYSTEM
LINCOLN PLAZA NORTH
400 Q STREET
SACRAMENTO, CA 95811
NOTICE OF MODIFICATIONS TO TEXT OF PROPOSED REGULATION**

Pursuant to the requirements of Government Code Section 11346.8 (c), and section 44 Title 1 of the California Code of Regulations, the California Public Employees' Retirement System (CalPERS) is providing notice of changes made to the proposed regulation amending Article 2, Sections 554, 554.1, 554.2, 554.3, 554.4, 554.5, 554.6, 554.7, 554.8, 554.9 and 554.10 and adopting of Section 554.11 of Subchapter 1, Chapter 2 of Division 1 of Title 2 of the California Code of Regulations (CCR).

A Notice of Proposed Regulatory Action was published in the California Regulatory Notice Register 2016, No. 18-Z, File No. Z2016-0419-06, on April 29, 2016. The 45-day comment period commenced on April 29, 2016, and closed June 13, 2016. One letter with multiple comments and a request for a public hearing was received. A public hearing was noticed for August 16, 2016 at 8:45 a.m. CalPERS decided to make modifications to address public comment and made the revised regulation text available for a 15-day comment period from August 16, 2016 to September 1, 2016.

After discussing the design of the new online and telephone voting system, CalPERS decided to make the following changes:

- Added an electronic perjury statement for online and telephone voting, similar to the perjury statement on existing paper ballot.
- Added details explaining what criteria is needed to ensure that electronic ballots will be deemed valid.
- Clarified the first vote received (paper ballot, telephone, and online) will be the only vote counted.
- Added member security language requiring the voter to enter a unique identification number provided by CalPERS, and a secure pin number.

In addition, CalPERS is providing a Supplemental Statement of Reasons to explain the purpose of each additional amendment made.

All changes are reflected in the proposed regulation, attached hereto, with double strikethrough and double underlined text. Changes made in previous comment periods will be reflected with single strikethrough and single underlined text.

If you have any comments regarding the proposed changes, CalPERS will accept written comments between September 1, 2016, and September 16, 2016. All written comments must be submitted to CalPERS no later than 5:00 p.m. on September 16, 2016, and addressed to:

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All written comments received by September 16, 2016, which pertain to the indicated changes will be reviewed and responded to by CalPERS staff as part of the compilation of the final rulemaking file. Please limit your comments to the modifications of the text.