

**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 of Article 2 of Chapter 1 of Division 1 of Title 1 of the California Code of Regulations, the California Public Employees' Retirement System (CalPERS) is providing notice of changes it has made to its proposed regulation, "Definition of Full-Time Employment," adding section 574 to Article 4 of Chapter 2 of Division 1 of Title 2 of the California Code of Regulations.

A Notice of Proposed Regulatory Action was published in the California Regulatory Notice Register 2018, File No. Z-2018-0402-03, on April 13, 2018. The 45-day comment period commenced on April 13, 2018, and closed on May 28, 2018. CalPERS did not receive any public comments during the public notice period. The regulation was submitted to the Office of Administrative Law for review on July 20, 2018. Due to the need to revise the proposed regulatory text for clarity, CalPERS withdrew the proposed regulation on August 29, 2018.

CalPERS has made the following modifications:

- Added the minimum number of hours for each type of reporting schedule that is equivalent to 34 hours per calendar week.
- Removed the example of a sixty-eight hour work week.
- Removed language stating that "This regulation does not apply to the extent it conflicts with a provision in the Public Employees' Retirement Law (e.g., Government Code section 20636.1(b)(1))."
- Replaced language stating, "within the meaning of the Public Employees' Retirement Law such as by department or duties and not by individual employees" with "within the meaning of the Public Employees' Retirement Law and the regulations thereunder."
- Removed language requiring employers to submit a request for exemption to establish a full-time employment work period of less than 34 hours per week.
- Added language to clarify "full-time" employment for classified members and to direct school employers to report compensation earnable and pensionable compensation to CalPERS for those members.
- Additional technical changes and reorganization of proposed regulatory text.

In addition, CalPERS is providing an Addendum to the Initial 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.

If you have any comments regarding the proposed changes, CalPERS will accept written comments between November 30, 2018 and December 14, 2018. All written

comments must be submitted to CalPERS no later than 11:59 a.m. on December 14, 2018, and addressed to:

Evan Bailey, Regulation Coordinator
California Public Employees' Retirement System
P.O. Box 942702
Sacramento, CA 94229-2702
(916) 795-3038
Regulation_Coordinator@calpers.ca.gov

All written comments received by December 14, 2018, 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.