

Memorandum

General Counsel Office  
Patricia M. Pechtel, Counsel for Compliance and Privacy  
916-229-4221

**Date:** January 16, 2007

**To:** Office of Administrative Law  
300 Capitol Mall, Suite 1250  
Sacramento, California 95814

**Hand-Delivered**

**From:** Patricia M. Pechtel, Counsel for Compliance and Privacy

**cc:** Jack Ehnes, Chief Executive Officer

**Subject:** NOTICE OF PROPOSED RULEMAKING

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Enclosed please find:

- 2 copies of the Notice Publication/Regulations Submission (Standard Form 400 attached)
- 4 copies of the Notice of Proposed Rulemaking
- 1 copy of the Initial Statement of Reasons
- 1 copy of Economic and Fiscal Impact Statement (Standard Form 399)
- 1 copy of Statement of Mailing
- 1 copy of the proposed text of regulations
- 1 copy of the Notice, including all the above documents, on CD

Please publish the Notice of Proposed Rulemaking on January 26, 2007 in the California Regulatory Notice Register.

Please note that the STD 399 is signed by the CalSTRS' CEO, Jack Ehnes. Although CalSTRS is nominally within the umbrella of the Department of Consumer Services, CalSTRS' Board, the Teachers' Retirement Board ("TRB"), has been granted plenary authority to administrate the Teachers' Retirement Fund, through Proposition 162, the California Constitution, Article XVI, section 17. CalSTRS, through TRB, is authorized by statute (Education Code Sections 22207 and 22305) to promulgate rules with the full force and effect of law to administer the system and the fund. CalSTRS is not regulated, monitored or subject to the supervision of the Department of Consumer Services and therefore no signature from that Department is necessary. In addition, since CalSTRS does not participate in the General Fund, no concurrence from the Department of Finance is required.

If you have any questions, please feel free to contact me at (916) 229-4221.

Thank you.