Notice of Proposed Rulemaking: Public Comment

California Code of Regulations
Title 5. Education.
Division 3. Teachers’ Retirement System.
Chapter 1. Teachers’ Retirement System.
Section 20511

Notice published May 29, 2020

NOTICE OF PROPOSED RULEMAKING

The California State Teachers’ Retirement System (“CalSTRS”) and the Teachers’ Retirement Board (“board”) propose to adopt the regulations described hereunder, after considering all comments, objections and recommendations regarding the proposed action.

PUBLIC HEARING

The Teachers’ Retirement Board will hold a public hearing:

Date and Time  1:00 p.m.
July 16, 2020
The hearing may be rescheduled to occur as early as 8:00 a.m. or as late as 4:00 p.m. as it is incorporated into the board’s agenda. Please consult the agenda for the meeting, which will be available at www.CalSTRS.com/teachers-retirement-board by July 3, 2020, to confirm the exact time at which the hearing will be held.

Please arrive, or call, promptly for check in before the scheduled start time. The hearing will conclude once each speaker present has provided testimony.

Location  California State Teachers’ Retirement System
Boardroom
100 Waterfront Place
West Sacramento, CA 95605
Also, via telephone using the following number: 833-986-0555

Accessibility  The hearing room is accessible to persons with mobility impairments, and it can be made accessible to persons with hearing or visual impairments upon advance request.

Purpose  To receive oral or written comments about this action. Comments are limited to five minutes per person and must not repeat comments already received in written or verbal form.
WRITTEN COMMENT PERIOD
Any interested person, or their authorized representative, may submit written comments relevant to the proposed regulatory action to CalSTRS. The written comment period closes on July 16, 2020. CalSTRS will only consider written comments received at CalSTRS’ address as reflected below by that date. Submit comments to:

Sal Sanchez  
Governmental Relations  
California State Teachers’ Retirement System  
P.O. Box 15275, MS-14  
Sacramento, CA 95851-0275  
E-Mail: Regulations@CalSTRS.com

AUTHORITY AND REFERENCE
The board has exclusive authority to administer CalSTRS under Article XVI, section 17 of the California Constitution.

Education Code section 22305 provides that any rules and regulations adopted by the board have the force and effect of law.

Government Code section 11120 articulates that it is the public policy of this state that public agencies exist to aid in the conduct of the people’s business and the proceedings of public agencies be conducted openly so that the public may remain informed. As stated in the statute, it is the intent of the law that actions of state agencies be taken openly and that their deliberation be conducted openly.

Subdivision (b) of Government Code section 11125.7 provides that a state body may adopt reasonable regulations to ensure that the state body is able to provide an opportunity for members of the public to directly address the state body on each agenda item before or during the state body’s discussion or consideration of the item.

These proposed regulations further interpret and make specific Government Code sections 11120 and 11125.7.

The board approved the proposed regulations on January 31, 2020 and directed CalSTRS staff to give public notice and schedule a public hearing before the board.

INFORMATIVE DIGEST/POLICY STATEMENT OVERVIEW
The board’s priorities and goals include the objective of enhancing board meeting effectiveness and efficiency by, among other things, establishing a public comment framework. Historically, the board and its committees have provided opportunities for public comment at the end of discussion on each agenda item and a separate opportunity to comment on topics not on the agenda while accommodating speakers on a case-by-case basis. Members of the public are asked to voluntarily identify themselves and the subject on which they wish to speak by submitting a speaker request form, available in the back of the board room, to CalSTRS staff. The presiding chair of the meeting is provided the form by CalSTRS staff and recognizes the speaker at the designated time. The board has also recognized any speaker stepping forward to speak at the end of the discussion of the agenda.
item, regardless of whether the speaker submitted a speaker request form as a general practice. Each speaker is allocated three minutes.

The purpose of the Bagley-Keene Open Meeting Act (Bagley-Keene) is “that actions of state agencies be taken openly and that their deliberation be conducted openly” and that “conduct of the people’s business and the proceedings of public agencies be conducted openly so that the public may remain informed.” Bagley-Keene sets forth requirements for state bodies to generally make their meetings open so that members of the public may attend and participate.

Under Bagley-Keene, a state body, such as the board, is required to provide an opportunity for members of the public to directly address the state body on each agenda item before or during the state body’s discussion or consideration of the item. While ensuring the broad public right to be heard at public meetings, Bagley-Keene implicitly recognizes the need for efficiency in the conduct of the people’s business through limitations on public comment. Bagley-Keene authorizes a state body to adopt “reasonable regulations” to carry out the intent of the public comment. Specifically, subdivision (b) of Government Code section 11125.7 allows a state body to adopt reasonable regulations, including a limitation on the total amount of time allocated for public comment on particular issues and for each individual speaker.

The proposed public comment regulations are expected to enhance meeting effectiveness and efficiency by establishing a public comment framework, while still allowing the board and its committees to complete the public’s business. The proposed framework also increases fair and equal access to as many members of the public who wish to participate, which in turn increases transparency and openness in conducting the public’s business and furthers the intent of the public comment protections.

No other nonmonetary benefits, such as the protection of public health and safety, worker safety or the environment; the prevention of discrimination; the promotion of fairness or social equity; or an increase in transparency in business and government are anticipated.

The regulations proposed in this rulemaking action make specific the Government Code as it relates to public comments during board and committee meetings. CalSTRS evaluated whether the proposed regulations were inconsistent or incompatible with existing state regulations and found that there are no overlapping provisions with other state regulations. Thus, the proposed regulations are neither inconsistent nor incompatible with existing state regulations.

**DISCLOSURES REGARDING THE PROPOSED ACTION**

CalSTRS has made the following initial determinations, as required by the California Administrative Procedure Act and Office of Administrative Law regulations:

1. Mandate on local agencies and school districts:
   None. The proposed regulations do not place a mandate on local agencies or school districts. CalSTRS has determined that the regulations proposed do not constitute a mandate on school districts or other local agencies. The proposed regulations put into place a framework for the board to receive comments from members of the public.

2. Cost or savings to any state agency:
   None. The proposed regulations make modest changes to existing practices, so there would be no substantive changes in practices that would result in additional costs or savings.
3. Cost to any local agency or school district which must be reimbursed in accordance with California Government Code sections 17500 through 17630: None. The proposed regulations do not place a mandate on local agencies or school districts, and there would be no costs incurred by these entities.

4. Other nondiscretionary cost or savings imposed on local agencies: None. There are no requirements imposed on local agencies, and therefore, there are no other nondiscretionary costs or savings.

5. Cost or savings in federal funding to the state: None. These regulations do not relate to any federal program.

6. Significant, statewide adverse economic impact directly affecting business including the ability of California businesses to compete with businesses in other states: None. The proposed regulations do not affect businesses.

7. Cost impacts on a representative private person or business: The board is not aware of any cost impacts that a representative private person or business would necessarily incur in reasonable compliance with the proposed action.

8. Results of the economic impact assessment/analysis: These regulations are not anticipated to have any direct, indirect or induced effect on California businesses. Specifically:
   - The action will not have any effect on the creation or elimination of jobs within the state.
   - The action will not affect the creation of new businesses or the elimination of existing businesses within the state.
   - The action will not affect the expansion of businesses currently doing business within the state.
   - The action will have no effect on worker safety and the state's environment.

The proposed action will clarify the process by which members of the public may provide public comments to the board during board and committee meetings. Additionally, the proposed action will increase fair and equal access to as many members of the public who wish to participate, which in turn increases transparency and openness in conducting the public’s business and furthers the intent of the public comment protections. As a result, the regulatory action will indirectly affect the health and welfare of California residents.

As stated in the Informative Digest/Policy Statement Overview, the proposed regulations achieve the board’s objective of enhancing board meeting effectiveness and efficiency by, among other things, establishing a public comment framework.

9. Significant effect on housing costs: None. The proposed regulations do not relate directly or indirectly to housing costs.

10. Small business determination: The board has determined that the proposed regulations do not affect small business because the changes are clarifying in nature to improve board meeting effectiveness and efficiency, and to establish a public comment framework.
CONSIDERATION OF ALTERNATIVES

In accordance with paragraph (13) of subdivision (a) of Government Code section 11346.5, CalSTRS and the board must determine that no reasonable alternative considered or otherwise identified and brought to its attention would be:

- More effective in carrying out the purpose for which the action is proposed,
- As effective and less burdensome to affected private persons than the proposed action, or
- More cost effective to affected private persons and equally effective in implementing the statutory policy or other provision of law.

CalSTRS and the board invite interested persons to present any statements or arguments that would support alternatives to the proposed regulations in the form of written comments or by providing testimony at the public hearing.

CONTACT PERSON

Inquiries concerning the proposed action may be directed to:

Sal Sanchez  
Governmental Relations  
California State Teachers’ Retirement System  
P.O. Box 15275, MS-14  
Sacramento, CA 95851-0275  
Telephone: (916) 414-1994  
E-Mail: Regulations@CalSTRS.com

The backup contact person for these inquiries is:

John Maradik-Symkowick  
Governmental Relations  
California State Teachers’ Retirement System  
P.O. Box 15275, MS-14  
Sacramento, CA 95851-0275  
Telephone: (916) 414-1994  
E-Mail: Regulations@CalSTRS.com

Please direct requests for copies of the proposed text of the regulations, the Initial Statement of Reasons, the modified text of the regulations, if any, or other information upon which the rulemaking is based to CalSTRS using the contact information listed above.

AVAILABILITY OF STATEMENT OF REASONS AND TEXT OF PROPOSED REGULATIONS

The rulemaking file is available for public inspection and copying throughout the rulemaking process at CalSTRS headquarters, located at 100 Waterfront Place, West Sacramento, CA, 95605. As of the date this notice is published in the California Notice Register, the rulemaking file consists of this notice, the proposed text of the regulations, the Initial Statement of Reasons and the Economic and Fiscal Impact Statement (STD 399).
Copies of this notice, the proposed text of the regulations, the Initial Statement of Reasons and the Economic and Fiscal Impact Statement are available at no charge by contacting CalSTRS using the contact information listed above.

AVAILABILITY OF CHANGED OR MODIFIED TEXT
After considering all timely and relevant comments received, the board may adopt the proposed regulations substantially as described in this notice or may, on its own motion or at the recommendation of any interested person, modify the proposed regulations.

If the board makes modifications that are sufficiently related to the original proposed text, it will make the modified text (with the changes clearly indicated) available to the public for at least 15 days before adopting the regulations as revised. The board will accept written comments on the modified regulations for 15 days after the date on which they are made available. Please refer to www.CalSTRS.com/regulations or contact CalSTRS using the contact information listed above for copies of modifications, if any.

AVAILABILITY OF FINAL STATEMENT OF REASONS
Following its preparation, CalSTRS will have the Final Statement of Reasons available for public inspection and copying at its headquarters, located at 100 Waterfront Place, West Sacramento, CA, 95605. Upon filing of the amended regulations with the Secretary of State, the Final Statement of Reasons will also be available temporarily on the CalSTRS website at www.CalSTRS.com/approved-regulations.

AVAILABILITY OF DOCUMENTS ON THE INTERNET
The Notice of Proposed Rulemaking, the Initial Statement of Reasons and the text of the proposed regulations are posted on the CalSTRS website at www.CalSTRS.com/regulations.