

**Meeting Between Governor Kugler and Staff of the Federal Reserve Board and
Representatives of the California Public Employees' Retirement System
February 15, 2024**

Participants: Governor Adriana D. Kugler and Kelley O'Mara (Federal Reserve Board)

Brian Leu, Brian McQuade, Mike Johnson, Danny Brown, and Jonathan
O'Donnell (California Public Employees' Retirement System (CalPERS))

Summary: Governor Kugler and staff of the Federal Reserve Board met with representatives of CalPERS to discuss their concerns regarding the proposed credit risk weights for covered banking organizations' exposures to public pension funds in sound financial condition under the agencies' Basel III endgame notice of proposed rulemaking (Basel III endgame proposal). CalPERS representatives asserted that such funds should be accorded the same treatment as investment grade companies with publicly traded securities outstanding, and referred to their comment letter for criteria that could be used in the final rule to extend such treatment to financially sound public pension funds. CalPERS representatives did not otherwise advocate for or against implementation of the Basel III endgame proposal.