

**MEMO# 17035**

February 2, 2004

## **CALIFORNIA 403(B) INFORMATION DATABASE LETTER TO VENDORS**

[17035] February 2, 2004 TO: PENSION MEMBERS No. 4-04 PENSION OPERATIONS ADVISORY COMMITTEE No. 6-04 RE: CALIFORNIA 403(b) INFORMATION DATABASE LETTER TO VENDORS As we previously advised, California enacted legislation in 2002 requiring all vendors that provide 403(b) products to employees of local school districts, community college districts, and county offices of education to register with a centralized information database in order to enter into new contracts with participants after July 1, 2004.<sup>1</sup> The legislation requires that the database be established and maintained by the California State Teachers' Retirement System (CalSTRS). Attached is a copy of a recent letter from CalSTRS to 403(b) vendors, which explains the procedure and timetable under which vendors can register their products. The letter includes as an attachment a non-binding Letter of Intent, through which vendors can indicate their intent to register. Vendors that return the Letter of Intent will receive a vendor account number and detailed instructions for completing the registration process on-line. The actual registration process will begin on May 1, 2004, and will be available through June 25, 2004. A vendor that does not register during this window will have to wait until the next open enrollment period, which will begin May 1, 2005. As indicated in the letter, the California legislation requires that vendors bear the cost of establishing, maintaining and administering the database, which will be available on-line at 403bCompare.com. The registration packet will include a cost estimate, which generally will depend upon the total cost and the number of registered vendors. Kathy D. Ireland Senior Associate Counsel Attachment (in .pdf format) Note: Not all recipients receive the attachment. To obtain a copy of the attachment, please visit our members website (<http://members.ici.org>) and search for memo 17035, or call the ICI Library at (202) 326-8304 and request the attachment for memo 17035. <sup>1</sup> See Institute Memorandum to Pension Members No. 45-02 and Pension Operations Advisory Committee No. 65-02, dated October 1, 2002.