



New Mexico Work and \$ave Board M E E T I N G M I N U T E S

Via Zoom—Thursday, August 26, 2021, 2:00 to 3:00 pm

Members Present	Members Absent	Others Present	Staff Present
Lynn Hoffman, Chair	Cindy Bryan	Tim Eichenberg, State Treasurer	Claudia Armijo, Interim Executive Director
DeAnza Valencia, Vice Chair	Melissa Coleman	Sam Collins, Deputy Treasurer	Julie Filatoff, STO
Connor Browne	Eric Quintana	Sally Malave, OAG	Maria Spray, STO
Carter Bundy		Chad Mullen, AARP	
Isaiah Zemke		Hunter Railey, CO Secure Save	

1. Roll Call

Chair Lynn Hoffman called the meeting to order at 2:07 pm.

2. Welcome Registered Attendees and Opening Comments

Chair Hoffman welcomed the board members, registered attendees, and staff members from the STO and from the OAG.

3. Approval of August 26, 2021, Agenda

Chair Hoffman called for a vote on approval of the agenda. Vice Chair Valencia made a motion to approve; Member Browne seconded the motion. The motion passed by roll call vote as follows:

- Mr. Browne: Aye
- Mr. Bundy: Aye
- Mr. Zemke: Aye
- Vice Chair Valencia: Aye
- Chair Hoffman: Aye

4. Approval of June 30, 2021, Minutes

Chair Hoffman called for a vote on approval of the June 30, 2021, minutes. Member Browne made a motion to approve; Member Zemke seconded the motion. The motion passed by roll call vote as follows:

- Mr. Browne: Aye
- Mr. Bundy: Aye
- Mr. Zemke: Aye
- Vice Chair Valencia: Aye
- Chair Hoffman: Aye

5. Announcements and Updates

Chair Hoffman began by inviting Vice Chair Valencia to make an announcement.

- Vice Chair Valencia announced that she would be resigning her position on the NM Work and \$ave board to assume other work for AARP. She said that the NM Work and \$ave program is near and dear to her heart and that she would continue to keep a close eye on the proceedings and will be available to assist whenever necessary.

- Chair Hoffman thanked Vice Chair Valencia on behalf of the board, staff and other interested parties for her hard work and support. Chair Hoffman then presented a certificate of appreciation to Vice Chair Valencia that was shared via the Zoom meeting video and read aloud.
- Vice Chair Valencia was greatly appreciative of the certificate and reiterated her firm attachment to the work of the Work and \$ave program.

Chair Hoffman reminded the Board that Rules Committee Member Jessica Eckman is on temporary leave. She has been replaced by Chad Mullen of AARP.

6. Committee Reports

Member Browne, Acting Chair of the Finance & Funding Committee, reported on that committee's meetings on July 8 and August 23, 2021.

- At the July 8th meeting the Committee discussed the 2017 BBER task force report and the need to get the data used in that report updated and expanded and to also include any impact that the legalization of cannabis may have on our target population of workers eligible for the plan.
- The Committee also discussed the need for financial modeling along with the updated data.
- The Committee voted to recommend that Acting Chair Browne, the Board Chair and vice chair and the Executive Director develop and propose a research and modeling project and to contact the research director at BBER to discuss what a new research project might look like for updating the data.
- The August 23rd meeting included discussions of the Research and Modeling Three-Part Project to be recommended to the Work and \$ave Board for approval.
- During this meeting Director Armijo explained the three parts of the research and modeling project and advised that staff will work with UNM's Bureau of Business and Economic Research for parts 1 and 3, and with the Center for Retirement Research at Boston College for part 2.
- The committee approved the motion to present the Research and Modeling Three-Part Project for presentation to the board.
- The committee also reviewed Director Armijo's presentation of her FY 22 Expenditures and FY 23 Budget Requests.
- The committee voted to recommend that the Board approve of the Director's FY 22 Expenditures and FY 23 Budget Requests.

Finance and Funding Committee Acting Chair Browne asked Chair Hoffman for a motion to change the Board meeting agenda to move item 7 up for an immediate vote on the approval of the Research and Modeling Three-Part Project.

Chair Hoffman called for a vote on approval of the amendment to the agenda. Member Browne made a motion to approve; Vice Chair Valencia seconded the motion. The motion passed by roll call vote as follows:

- Mr. Browne: Aye
- Mr. Bundy: Aye
- Mr. Zemke: Aye
- Vice Chair Valencia: Aye
- Chair Hoffman: Aye

Chair Hoffman called for a vote on approval of the Research and Modeling Three-Part Project. Member Browne made a motion to approve; Vice Chair Valencia seconded the motion. The motion passed by roll call vote as follows:

- Mr. Browne: Aye
- Mr. Zemke: Aye
- Chair Hoffman: Aye
- Mr. Bundy: Aye
- Vice Chair Valencia: Aye

Member Zemke, Chair of the Education & Outreach Committee, reported on that committee's meeting August 5, 2021.

- At this meeting the Executive Director presented a PowerPoint referencing the AKF timeline provided to the Board on June 30th and reported on the Work and \$ave staff's efforts to collaborate with other state agencies and other outside entities to gain access to private-sector businesses in N.M.
- Director Armijo sent letters to the Taxation and Revenue Cabinet Secretary, Stephanie Schardin Clarke and to the Acting Secretary of the Department of Workforce Solutions, Ricky Serna. Secretary Serna responded saying he would work with his staff to see how we could collaborate with Workforce Solutions.
- Also, our staff contacted the Secretary of State's Office and received a large spreadsheet with information that may prove useful to outreach efforts, particularly for stakeholder meetings with employers. Staff also plans to meet with the executive director of the statewide NM Chamber of Commerce.
- Committee member Beth Velasquez went over the previous Small Business Owners Survey which AARP put out to 501 of New Mexico's small businesses when Work and \$ave was first being investigated as a possible retirement savings tool for New Mexico.
- The committee voted to ask the staff to work with member Velasquez to start developing a proposed survey for beginning our outreach with employers.
- The Committee discussed potential topics that might be helpful to include within the survey, including:
 - Payroll processing questions
 - How to minimize paperwork and administration processing efforts by employers
- As part of the discussion, Member Bundy suggested checking in with some of the state's larger private-sector employers that might offer a retirement plan, but only offer it to full-time workers or other specific workers.
- The Committee hopes to develop a proposed survey in the next few months and then will bring it to the Board for approval or revision.

Ms. Kristina Fisher, Chair of the Rules Committee, reported on that committee's meeting on August 24, 2021.

- The meeting began with introductions as Jessica Eckman is on leave and Chad Mullen with AARP has stepped in to take her place until she returns. Steven Romero also announced that his work assignment has changed and he will no longer be assisting Work and \$ave. Sally Malave with OAG will replace him.

- Committee Chair Fisher presented both the draft outlines of rules for the Marketplace and IRA Program, and partial draft rule for IRA program that she and Interim Executive Director Armijo have begun working on. Discussion followed.
- Committee Chair Fisher presented a timeline of next steps to include:
 - Editing of the full draft Marketplace and IRA program rules by the Rules committee at the October committee meeting.
 - November for the final approval of the rules to be forwarded to the Board for its feedback and approval.
 - Discussion of edited rules reflecting the Board's feedback at the Board meeting in December.
 - Partnering with the Outreach Committee to get outreach on the draft rules from key stakeholders and make further revisions prior to the formal rulemaking process.
 - RFPs early next year for program administrator to get their feedback before final promulgation of rules in early 2022.

7. Executive Director's Report

Interim Executive Director Armijo presented the FY 22 Expenditures and FY 23 Budget Requests. After the presentation, no questions or comments were offered by members of the board. Member Browne moved that the board approve the budget request. The motion was seconded by Vice Chair Valencia. The motion passed by roll call vote as follows:

- Mr. Browne: Aye
- Mr. Bundy: Aye
- Mr. Zemke: Aye
- Vice Chair Valencia: Aye
- Chair Hoffman: Aye

8. Adjourn Board

Before adjourning the meeting, Chair Hoffman asked the members whether there was any remaining business to be attended to or questions to be asked.

- Member Bundy referred back to the presentation of the Research and Modeling Three-Part Project to ask for clarification on who, exactly, is the 27% of the Boston College Colorado study discounting potential employee participation to 43% of the target employee market (opt-out rates above 30%, 27% not participating for other reasons).
- Chair Hoffman asked that Hunter Railey of the Colorado Secure Save be promoted to panelist in order to answer Member Bundy's question.
- Mr. Railey said that the 27% number referred mainly to employees who work for businesses with fewer than five employees, seasonal workers, 1099 workers, and other employees who are part-time or work in a job where their employment does not offer benefits.

Member Browne called for a vote to adjourn, and Vice Chair Valencia made the motion. The Chair adjourned the meeting at 2:59 pm.

The next board meeting will be on Thursday, October 28, 2021, from 2 pm to 3:30 pm. (No board meeting or committee meetings in September.)