



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

Via Zoom—Thursday, December 02, 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, Executive Director
Connor Browne	Carter Bundy	Sally Malave, OAG	Julie Filatoff, STO
Mary Chowning	Isaiah Zemke	Kristina Fisher	Maria Spray, STO
Melissa Coleman			
Eric Quintana			
Othiamba Umi			

1. Roll Call

Chair Lynn Hoffman called the meeting to order at 2:01 pm. Member Quintana logged on at 2:05 p.m.

2. Welcome and Opening Comments

Chair Hoffman welcomed the board members, registered attendees, and staff members from the State Treasurer’s Office and from the Office of the Attorney General.

3. Announcements and Updates

Chair Hoffman welcomed Othiamba Umi to the Board and thanked him for agreeing to complete Member DeAnza Valencia’s four-year term.

Mr. Umi spoke briefly, expressing his thanks to Treasurer Eichenberg and Chair Hoffman for inviting him to be a member of the Work and \$ave Board. He is happy to have the opportunity and looking forward to working with everyone.

4. Approval of December 02, 2021 Agenda

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

- Mr. Browne: Aye
- Ms. Coleman: Aye
- Mr. Umi: Aye
- Ms. Chowning: Aye
- Mr. Quintana: Aye
- Chair Hoffman: Aye

5. Approval of November 04, 2021 Minutes

Chair Hoffman called for a vote on approval of the November 04, 2021 Board meeting minutes. Member Chowning made a motion to approve; Member Browne seconded the motion. The motion passed by roll call vote as follows:

- Mr. Browne: Aye
- Ms. Coleman: Aye
- Mr. Umi: Aye

- Ms. Chowning: Aye
- Mr. Quintana: Aye
- Chair Hoffman: Aye

6a. Presentation and Discussion on Memorandum of Understanding (MoU) with AKF Consulting Group

Chair Hoffman called on Executive Director (ED) Armijo to begin her report to the Work and \$ave Board.

ED Armijo began by reviewing the purpose of the Memo of Cooperation (MoC) with the Colorado Secure Savings Program approved by the Board at the November 04, 2021 meeting. She explained that the Board of the Colorado Secure Savings Program signed a contract with AKF Consulting before the MoC between New Mexico and Colorado was created. Now that the MoC has been executed, and as the collaboration has been initiated, it is necessary for AKF Consulting to broaden their scope of work to include New Mexico’s Work and \$ave program deliverables. Therefore, a Memorandum of Understanding (MoU) between Colorado and New Mexico is necessary to agree on the terms of the expanded the scope of work for AKF Consulting.

Member Coleman made the following three-part motion:

- 1) That the Board delegate to the Executive Director the authority to draft and negotiate a Memorandum of Understanding between the Colorado Secure Savings Program and the New Mexico Work and \$ave IRA Program;
- 2) That the MoU will operate to expand the scope of work of the existing contract between the Colorado Secure Choice Program and AKF Consulting to include deliverables for both New Mexico and Colorado in their collaboration efforts to enter into an Individual Retirement Account (IRA) Program partnership agreement; and
- 3) That the Board Chair and the Executive Director are delegated the authority on behalf of the Board to execute the Memorandum of Understanding and to provide a copy of the MoU to all interested parties.

The motion was seconded by Member Chowning. The motion passed by roll call vote as follows:

- Mr. Browne: Aye
- Ms. Coleman: Aye
- Mr. Umi: Aye
- Ms. Chowning: Aye
- Mr. Quintana: Aye
- Chair Hoffman: Aye

The floor was opened to questions and comments. Hearing none, Chair Hoffman asked ED Armijo to move to item 6b on the agenda.

6b. Presentation and Discussion of a Request for Information (RFI) from Potential Financial Service Providers

ED Armijo outlined the reasons for a RFI in reference to creation of the New Mexico Work and \$ave Marketplace:

- The only marketplace in the country right now is the Washington State Small Business Marketplace.

- Before designing its marketplace website, Washington put out an RFI for information from potential financial services providers, which proved valuable in the issuance of a Request for Proposals for the creation of the marketplace web portal.
- Because the Washington Marketplace and the New Mexico Marketplace are different, and because the landscape for small business 401k opportunities has changed since Washington’s program was implemented, ED Armijo feels it is advisable to issue an RFI for the New Mexico’s Retirement Plan Marketplace implementation.

Member Quintana moved that the Board approve the Executive Director, in collaboration with the Board Chair, draft and publish a Request for Information for service providers for the Retirement Plan Marketplace.

The motion was seconded by Member Coleman. The motion passed by roll call vote as follows:

- Mr. Browne: Aye
- Ms. Coleman: Aye
- Mr. Umi: Aye
- Ms. Chowning: Aye
- Mr. Quintana: Aye
- Chair Hoffman: Aye

The floor was opened to questions and comments. Hearing none, Chair Hoffman asked ED Armijo to move to item 6c on the agenda.

6c. Presentation and Discussion of Contracting with a Lawyer who has Expertise in the Employee Retirement Income Security Act (ERISA)

ED Armijo provided a synopsis of the purpose of ERISA and explained the burdens to business owners created by ERISA. She provided the information in order to explain her request for Board approval to hire a lawyer with ERISA expertise to guide the Board in the formation of the New Mexico Work and \$ave Marketplace and IRA programs.

Member Coleman put forth a motion as follows:

I move that the Board approve the Executive Director, in collaboration with the Board Chair, and in compliance with the state procurement code, negotiate and contract with an attorney or law firm to provide legal advice to staff and the New Mexico Work and \$ave Board, and that the costs shall not exceed the amounts in the Board’s FY 22 projected expenditures and FY 23 budget request for ERISA attorney legal services.

The motion was seconded by Member Browne. The motion passed by roll call vote as follows:

- Mr. Browne: Aye
- Ms. Coleman: Aye
- Mr. Umi: Aye
- Ms. Chowning: Aye
- Mr. Quintana: Aye
- Chair Hoffman: Aye

The floor was opened to questions and comments. Hearing none, Chair Hoffman asked ED Armijo to move to item 6d on the agenda.

6d. Presentation and Discussion for Board Approval of a Bill Draft Concept for the 2022 New Mexico Legislative Session

ED Armijo and her counterpart in Colorado, Executive Director William “Hunter” Railey, have discussed the possible necessity of revising the New Mexico Work and \$ave and the Colorado Secure Savings Program statutes so that they properly align to form the Auto IRA partnership contemplated under the MoC. ED Armijo will work with others, including the ERISA lawyer and

the New Mexico Assistant Attorney General to do a deep dive analysis and comparison between the two programs' statutes in order to make a determination as to the necessity of creating a bill to present in the 2022 legislative session. It is her intention to have information regarding this matter to present to the Board at the January 06, 2022 meeting.

Member Browne proposed a motion as follows:

I move that the Board approve the Chair and the Executive Director work with legal counsel and, if necessary, with Colorado Secure Savings staff and contractors to determine if there are necessary changes to the New Mexico Work and \$ave Act in order for New Mexico to form an IRA Program partnership with Colorado, and if changes are necessary, to move forward with a draft of proposed legislation for approval by the Board.

The motion was seconded by Member Coleman. The motion passed by roll call vote as follows:

- Mr. Browne: Aye
- Ms. Coleman: Aye
- Mr. Umi: Aye
- Ms. Chowning: Aye
- Mr. Quintana: Aye
- Chair Hoffman: Aye

The floor was opened to questions and comments. Member Browne asked whether this particular item was a necessary action item for the Board to approve. Chair Hoffman explained that this is done as a best practices procedure to keep the Board informed and up to date.

Chair Hoffman asked ED Armijo to move to items 6e and 6f on the agenda.

6e and 6f. Presentation of National Media Coverage of the MoC with Colorado and Update on BoardEffect Online Software Training

6e. ED Armijo was pleased to point out that the MoC between New Mexico and Colorado gained national coverage from a number of prestigious financial media outlets due in part to the fact that this is the first-in-the-nation retirement savings partnership between states.

6f. ED Armijo reported that staff have been working hard to put into place the new BoardEffect online portal for Board and committee meetings. All is going well and the training for board members will take place soon. For those who cannot participate in the live training, a recording will be made available.

Prior to moving on the item 7 on the agenda, Chair Hoffman realized that she had not discussed the 2022 Board meeting calendar as was listed in item 3 on the agenda. She announced that the Board will be meeting every other month as indicated on the calendar.

7. Committee Reports

Only the Rules Committee met between the November 04 and December 02, 2021 Board meetings. Chair Hoffman called on Committee Chair Fisher to make her report.

Rules Committee Chair Fisher reported the following:

- The committee met on November 16, 2021 to discuss mark ups and additional rules provided by Committee Member Eckman and Assistant Attorney General Sally Malave.

- Chair Fisher thanked both Member Eckman and Ms. Malave for their hard work and thoughtful proposed revisions.
- Following the discussion, Chair Fisher incorporated the revisions agreed upon in the committee meeting and circulated them to committee members for further review.
- Chair Fisher hopes that the committee will be able to meet before the next Board meeting to finalize a draft to present to the Board for their review.

Board Chair Hoffman suggested that it may be helpful to have members from the Education and Outreach and the Finance and Funding committees review and offer feedback. Committee Chair Fisher agreed to the idea.

8. Adjourn

Board adjourned at 2:54 p.m. Next meeting will be January 06, 2022 at 2:00 p.m.