

NEW JERSEY SECURE CHOICE SAVINGS BOARD
Minutes of the Meeting
February 10, 2023

Minutes of the Board meeting of the New Jersey Secure Choice Savings Board (the “Board”) held via Zoom on Friday, February 10, 2023 at 10:05AM Eastern Standard Time.

MEMBERS OF THE BOARD IN ATTENDANCE

Todd Hassler, Executive Director, New Jersey Secure Choice Savings Program
Andrea Spalla, Assistant Treasurer of the State of New Jersey
Lynn Azarchi, ex-officio Member; Director of the Office of Management and Budget
Kevin Walsh, ex-officio Member; Acting State Comptroller
Luis O. De La Hoz, public Member

ADDITIONAL ATTENDEES

Victoria Nilsson, Deputy Attorney General
Amanda Truppa, Treasury, Division of Administration
LaShera Kirk, Treasury, Division of Administration
Jamera Sirmans, Governor’s Authorities Unit

MEMBERS OF THE BOARD NOT IN ATTENDANCE

Evelyn Liebman, Vice Chair, public Member
Charles Hall Jr., public Member

Chair Designee Spalla presided over the meeting and LaShera Kirk, Treasury, Division of Administration, kept the minutes.

Chair Designee Spalla called the meeting to order at 10:05AM. Chair Designee Spalla introduced herself and made the following statement:

I wish to announce that adequate notice of this meeting was provided in accordance with the Open Public Meetings Act. Notice of today’s meeting was filed with the Secretary of State; distributed by press release to at least two daily newspapers in New Jersey; and also posted on the bulletin board for the Secretary of State.

If there are any members of the public in attendance who wish to speak at this meeting, please note that the Board will open the floor for public comment before we adjourn.

Chair Designee Spalla turned the meeting over to Executive Director, Todd Hassler to provide a status update on the Board’s launch of the New Jersey Secure Choice Savings Program:

As you may be aware the formal implementation of the Program is a multiphase process. As the Program is evolving we will be preparing an ongoing timeline with action items and deliverable reports to share at the Board meetings. This is to share and track the progress of the Program’s implementation as we move forward.

For the first progress update, pursuant to the September 9, 2022 Board resolution, the Division of Law has issued a RFQ for Special Tax Counsel. The RFQ was posted on the Secure Choice website, Division of Administration's website, and the Attorney General's website on January 31st with a closing date of March 16th.

The need for a marketing consultant has been identified as well. The consultant will be focused on brand creation, website development and public awareness campaigns that will be conducted during the implementation phase of the Program. Existing vendors will be considered to fill this operational need. This summary is for informational purposes only, the Board is not being asked to take any action at this time.

The need for an implementation consultant has also been identified to assist with the Request for Proposal process for an Administrative Service Provider for the Program. The consultant will help maximize the awareness of the RFP. This is to ensure the Program receives a competitive bid that is considerate of the participants and the Program's needs. Again this summary is for informational purposes only, the Board is not being asked to take any action at this time.

Lastly, to make the Board aware, there is a need for the Program to procure trustee services, investment consultant services, and investment management services. These are fundamental services necessary to establish the Program, invest the participants' contributions and hold these contributions in trusts for the participants' retirement. It is anticipated that the RFP will be issued subsequent to the retention to the implementation consultant. This summary is for informational purposes only, the Board is not being asked to take any action at this time.

Mr. Hassler opened the floor for questions from the Board. There were none.

And with that, we will move forward with today's agenda. I ask members of the Board to identify themselves before making or seconding a motion because this is a virtual meeting.

ITEMS OF DISCUSSION

I. Approval of the Minutes of the Board Meeting of December 16, 2022

Chair Designee Spalla requested a motion to approve the minutes of the Board meeting held on December 16, 2022. A motion was made to approve the minutes of the meeting by Board member De La Hoz, and was seconded by Mr. Walsh, and was approved by the four (4) voting members present.

There were no comments or questions related to the minutes from December 16, 2022.

II. Resolution of the New Jersey Secure Choice Savings Board Revising the Annual Notice of Meetings

Chair Designee Spalla introduced the resolution authorizing the Board to Revise the Annual Notice of Meetings and requested a motion for approval. A motion was made to approve the resolution by Mr. Walsh, and was seconded by Ms. Azarchi, and was approved by the four (4) voting members present.

PUBLIC COMMENT

Chair Designee Spalla invited comments from the public.

(Public comment summary from Robbie Vargo): The struggle that many small business owners are dealing with right now with the implementation and signing of this retirement act by Governor Murphy is that private options are not affordable. Small businesses are being threatened with fines if you do not comply. Governor Murphy signed this in 2019 and it is now 2023 and there are still no options for the small business on the fringe who can't afford to do this. It is frustrating to know that this is not implemented yet.

I've signed up for the email list, but have not received any updates on this Program. Many small businesses do not understand this requirement and many do not know that this requirement is out there and there is a potential of being fined for non-compliance. I am not getting any answers and we all fear being fined. To not have all of the Board members here and barely meeting quorum shows that it is not being taken seriously. The public, small businesses, need a timeline, when is this going to be implemented? This is an important responsibility and needs to be addressed in a timely manner, not four years later with the treat of penalties on small business owners. All Board members should be here, there should be a timeline, there should be execution, and it shouldn't be four years after Governor Murphy signs this.

(Andrea Spalla responding): Thank you Mr. Vargo. I appreciate your comments. Good for you for caring enough about your employees to look into the private route for providing retirement savings programs. One of the reasons Governor Murphy signed this act is out of recognition that the private route is not affordable for most small business owners and employers. It is of utmost importance that we get this Program up and running as soon as possible. I'll just remind everyone that the implementation of this Program was delayed by COVID. When a statute takes effect, the implementation of the program takes time and can be very frustrating for everybody. Every Board member that is on this call and those who are not take this Program very seriously and take their Board responsibilities very seriously. We recognize the potential positive impact this Program will have. Before any meaning implementation of the Program could take place we had to hire and install an Executive Director, and he just began less than a month ago. We feel very strongly that the implementation will now be able to follow. All of the steps that Mr. Hassler mentioned are necessary steps to get the Program in place.

I would also like to point out that no employer will incur fines for not participating in the Program until the Program is in place.

(Public comment summary from Robbie Vargo): I respect what you all are doing and I think it is good for employees. I have not seen that last piece, if you could direct the public to where it says that it would be helpful. That is my only concern. I understand that things

take time and you need to go through the process of hiring. The only communication that we are getting is that there was a year grace period and then there would be fines associated per employee. If you could point the public to where that is, that would alleviate my concerns and would be good for most employers to know that that is out there. I don't see anything like that on the website.

(Andrea Spalla responding): I appreciate you pointing that out. That is something that definitely should be addressed. I ask that Executive Director Hassler work with Victoria (Nilsson) to provide some kind of information that can be posted on the website to alleviate the concerns of small employers who don't know the status of the Program and implementation and how it effects their responsibilities. I appreciate your input Mr. Vargo.

Chair Designee Spalla invited comments from the Board.

Board member De La Hoz: I am impressed with the amount of people we have today on the meeting. It feels good to see that people care about the process. This didn't start yesterday or a year or two ago, some of us have been very patient for seven years or more to make this happen. Hopefully we will see results soon.

Andrea Spalla responding: I agree. It is heartening to see the level of interest in our meetings. Hopefully there will be lots of information to provide in updates to implementation at the next meeting.

There being no further business, on a motion by Board member De La Hoz, and seconded by Mr. Walsh, and carried by voice vote from members present voting in favor, the meeting was adjourned at 10:28AM.

###