

---

JANUARY 11, 2016

AGENDA ITEM 06  
ACTION ITEM

CALIFORNIA SECURE CHOICE RETIREMENT SAVINGS INVESTMENT BOARD

*Resolution No. 2016-01: Resolution of the California Secure Choice Retirement Savings Investment Board Relating to the Approval to Amend Agreement CSCRSIB02-14 with K&L Gates, LLP for Legal Services*

---

***Presenter***

Christina Elliott, Acting Executive Director

***Background***

Agreement CSCRSIB02-14 (the Agreement) between the California Secure Choice Retirement Savings Investment Board (Board) and K&L Gates, LLP for legal services was executed to identify and advise on legal issues regarding the market analysis, feasibility study, and program design.

The Board will require further legal advice on securities laws to identify which investment options are considered securities under federal law and to assist in seeking a “no-action” letter from the Securities and Exchange Commission (SEC). Specifically, K&L Gates anticipates a need for their attorneys to engage in high level talks with SEC staff, research prior rulings, and draft a position paper. Furthermore, the Board may require additional legal expertise on the Notice of Proposed Rulemaking issued by the US Department of Labor regarding savings arrangements established by states for non-governmental employees.

Due to the need for continued legal advice, Secure Choice staff recommends the Board authorize the Acting Executive Director to execute an amendment to the Agreement extending the term from January 31, 2016 to June 30, 2016 and increasing the maximum amount of the Agreement from \$275,000 to \$355,000.

***Staff Recommendation***

Secure Choice staff recommends the Board approve Resolution No. 2016-01 of the California Secure Choice Retirement Savings Investment Board relating to the approval to amend agreement CSCRSIB02-14 with K&L Gates, LLP for legal services.

***Attachments***

- Attachment #1: Resolution No. 2016-01
- Attachment #2: Contract amendment (STD 213A)

**RESOLUTION NO. 2016-01**

**RESOLUTION OF THE CALIFORNIA SECURE CHOICE RETIREMENT SAVINGS  
INVESTMENT BOARD RELATING TO THE APPROVAL TO AMEND  
AGREEMENT CSCRSIB02-14 FOR LEGAL SERVICES**

**WHEREAS**, the California Secure Choice Retirement Savings Investment Board (the “Board”) is established under SB 1234 (Chapter 734, 2012; codified under Government Code section 100000 et seq.) and mandated to conduct a market analysis to determine whether the necessary conditions for implementation of the California Secure Choice Retirement Savings Trust Act (the “Act”) can be met, provided that the Board shall conduct the market analysis only if sufficient funds to initiate and complete the required market analysis are made available through a nonprofit or private entity, or from federal funding;

**WHEREAS**, Government Code section 100042 provides, in part, that the Act shall become operative only if the Board determines that, based on the market analysis, the provisions of the Act will be self-sustaining, and funds are made available through a nonprofit or other private entity, federal funding, or an annual Budget Act appropriation in amounts sufficient to allow the Board to implement the Act until the California Secure Choice Retirement Savings Trust has sufficient funds to be self-sustaining;

**WHEREAS**, Government Code section 100043 provides that the Board shall not implement the California Secure Choice Retirement Savings Program (the “Program”) if the Individual Retirement Account or Individual Retirement Annuity (collectively “IRA”) arrangements offered fail to qualify for the favorable federal income tax treatment ordinarily accorded to IRAs under the Internal Revenue Code, or if it is determined that the Program is an employee benefit plan under the federal Employee Retirement Income Security Act;

**WHEREAS**, the Board deemed it necessary to contract with a law firm to provide the Board with legal services to satisfy the statutory provisions and advise on legal issues regarding the market analysis, feasibility study, and program design and thus entered into Agreement No. CSCRSIB02-14 (the “Agreement”) with K&L Gates, LLP for the necessary legal services; and

**WHEREAS**, an amendment to the Agreement is necessary to extend the term and increase the total amount of the Agreement and allow K&L Gates, LLP to continue to provide legal services for the ongoing project;

**NOW, THEREFORE, BE IT RESOLVED** that the Acting Executive Director is hereby directed and authorized to prepare and take whatever steps necessary to execute an amendment to the Agreement to extend the term to June 30, 2016 and increase the maximum amount of the Agreement from \$275,000 to \$355,000.

Attest: \_\_\_\_\_  
Chairperson

Date of Adoption: \_\_\_\_\_

**STANDARD AGREEMENT AMENDMENT**

STD. 213 A (Rev 6/03)

 CHECK HERE IF ADDITIONAL PAGES ARE ATTACHED \_\_\_\_\_ Pages

AGREEMENT NUMBER <b>CSCRSIB02-14</b>	AMENDMENT NUMBER <b>4</b>
REGISTRATION NUMBER	

- This Agreement is entered into between the State Agency and Contractor named below:  
STATE AGENCY'S NAME  
**California Secure Choice Retirement Savings Investment Board**  
CONTRACTOR'S NAME  
**K&L Gates, LLP**
- The term of this Agreement is **2/20/15** through **6/30/16**
- The maximum amount of this Agreement after this amendment is: **\$355,000.00**  
**Three Hundred Fifty-Five Thousand Dollars and Zero Cents**
- The parties mutually agree to this amendment as follows. All actions noted below are by this reference made a part of the Agreement and incorporated herein:

The term of this Agreement is extended through **June 30, 2016**.

The maximum amount of this Agreement is increased by \$80,000, for a total maximum amount of **\$355,000**.

All other terms and conditions shall remain the same.

**IN WITNESS WHEREOF, this Agreement has been executed by the parties hereto.**

<b>CONTRACTOR</b>		<b>CALIFORNIA</b> Department of General Services Use Only
CONTRACTOR'S NAME (If other than an individual, state whether a corporation, partnership, etc.) <b>K&amp;L Gates, LLP</b>		
BY (Authorized Signature) 	DATE SIGNED (Do not type)	
PRINTED NAME AND TITLE OF PERSON SIGNING <b>William P. Wade, Partner</b>		
ADDRESS <b>10100 Santa Monica Blvd., 7<sup>th</sup> Floor Los Angeles, CA 90067</b>		
<b>STATE OF CALIFORNIA</b>		
AGENCY NAME <b>California Secure Choice Retirement Savings Investment Board</b>		<input type="checkbox"/> Exempt per:
BY (Authorized Signature) 	DATE SIGNED (Do not type)	
PRINTED NAME AND TITLE OF PERSON SIGNING <b>Christina Elliot, Acting Executive Director</b>		
ADDRESS <b>915 Capitol Mall, Rm. 110, Sacramento, CA 95814</b>		