
MARCH 25, 2019

AGENDA ITEM 4
ACTION ITEM

CALIFORNIA SECURE CHOICE RETIREMENT SAVINGS INVESTMENT BOARD

Resolution No. 2019-03: Resolution of the California Secure Choice Retirement Savings Investment Board to Authorize Rulemaking Proceedings to Readopt Emergency Regulations

Summary

For this item, the California Secure Choice Retirement Savings Investment Board (Board) will consider authorizing staff to readopt the emergency regulations adopted November 19, 2018.

Background

At the November 6, 2018 meeting, the Board approved emergency regulations and authorized the Executive Director to take actions necessary for the adoption of those emergency regulations. The regulations were approved by the Office of Administrative Law (OAL) November 19, 2018 and will expire on May 21, 2019. Under Government Code Section 11346.1(h), emergency regulations can be readopted for up to two 90-day periods, pending approval by OAL.

Approval of resolution is necessary to ensure the emergency regulations already adopted by the Board remain in effect until the regular rulemaking process is completed. OAL published the permanent regulations for the Program March 1, 2019, beginning the public comment period. The public comment period will close April 15, 2019 following the conclusion of the public hearing or by 5:00 P.M., whichever is later. If no changes to those proposed regulations are necessary, staff expect the permanent regulations could be adopted sometime this summer.

Staff recommendation

Staff recommend the Board approve resolution no. 2019-03 to authorize rulemaking proceedings to readopt the emergency regulations.

Attachments

- Attachment #1 – Resolution No. 2019-03

RESOLUTION NO. 2019-03

RESOLUTION OF THE CALIFORNIA SECURE CHOICE RETIREMENT SAVINGS INVESTMENT BOARD TO AUTHORIZE RULEMAKING PROCEEDINGS TO READOPT EMERGENCY REGULATIONS

WHEREAS, the California Secure Choice Retirement Savings Investment Board (the “Board”) is established under Senate Bill 1234 (Chapter 734, 2012; codified under Government Code section 100000 et seq.) and was 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;

WHEREAS, Senate Bill 1234 (Chapter 804, 2016) expresses legislative approval of the California Secure Choice Retirement Savings Program (“Secure Choice” or “the Program”), requiring the Board to design and implement the Program;

WHEREAS, Government Code section 100002(e) compels the Board to design and implement the California Secure Choice Retirement Savings Program, subject to its authority and fiduciary duty;

WHEREAS, Government Code section 100010(b) requires the Board to adopt regulations it deems necessary to implement Title 21 of the Government Code consistent with the Internal Revenue Code and regulations issued pursuant to that code to ensure that the program meets all criteria for federal tax-deferral or tax-exempt benefits, or both;

WHEREAS, Government Code Section 100048 provides the Board authority to adopt regulations to implement Title 21 of the Government Code and deems the adoption, amendment, repeal, or reoption of a regulation by the Board to address an emergency for purposes of Sections 11346.1 and 11349.6, thereby exempting the Board from the requirements of subdivision (b) of Section 11346.1;

WHEREAS, the Office of Administrative Law approved the Board’s emergency regulatory action for the CalSavers Retirement Savings Program to adopt emergency regulations effective November 19, 2018;

WHEREAS, the emergency regulatory action will expire May 21, 2019 and an extension is required to keep them in place until the permanent rulemaking process is completed;

WHEREAS, Government Code Section 11346.1(h) provides the Office of Administrative Law the authority to approve not more than two readoptions of emergency rulemaking actions, each for a period not to exceed 90 days; and

WHEREAS, Government Code Section 10010(a)(5) provides the Board the power to authorize the Executive Director to conduct any business necessary for the efficient operation of the Board;

NOW, THEREFORE, BE IT RESOLVED that the California Secure Choice Retirement Savings Investment Board hereby authorizes the Executive Director to take actions necessary for the reoption of the emergency regulations and to execute and deliver any and all documents and take any and all steps the Executive Director may deem necessary or advisable to effectuate the purposes of this resolution.

Attest: _____
Chairperson

Date of Adoption: _____