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SEPTEMBER 23, 2019

AGENDA ITEM 5  
INFORMATION ITEM

CALIFORNIA SECURE CHOICE RETIREMENT SAVINGS INVESTMENT BOARD

*2020 Statutory Amendments—Technical Cleanup*

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***Summary***

CalSavers staff have identified a variety of improvements that can be made to our enabling statute, Title 21 of the California Government Code through a technical cleanup bill. For this item, staff will discuss some of the potential items to amend through legislation in 2020. Staff will present an action item on this topic at the November 18, 2019 Board meeting.

***Detail***

Below is a brief summary of the statutory amendments identified by staff as potential changes to pursue in 2020.

Obsolete Language

- Update obsolete, pre-implementation language (e.g. “...prior to implementation...” or “the board shall implement”) (various sections)
- Statute prescribes investment options the Board may select for “up to three years following the initial implementation of the program,” (Section 100002(e)(1))

Opt-Out Methods

Language in statute could be improved to make clear that a variety of opt-out methods are permissible—including by phone.

Staff’s Delegated Authority for Non-substantive Regulations Changes

Statute may not necessarily provide the Board the ability to delegate certain regulatory authority to staff. To avoid situations in which the Board is required to approve non-substantive modifications to regulations, statute could be amended to clearly allow the Board to delegate that authority.

Alternative Board Names

The Board changed the name of the program from the “California Secure Choice Retirement Savings Program” to the “CalSavers Retirement Savings Program,” however the Board’s legal name remains the “California Secure Choice Retirement Savings Investment Board.” To reduce confusion and improve consistency of branding, the Board could consider a new name including:

- California Retirement Savings Board
- California Retirement Savings Investment Board

#### Other Topics for Future Consideration

- Automatic escalation: increase limit of Board's authority from 8% to 10%
- Remove "automatic enrollment payroll deduction IRA" from list of retirement savings arrangements that result in an employer exemption (100032(g)(1))
- "Open enrollment" periods during which employees who previously opted out are "renudged" (Section 100032(f)(2))
- Removal or amendments to the "Retirement Investments Clearinghouse" (Sections 100016-100030)