

MEMORANDUM OF COOPERATION

Between

COLORADO SECURE SAVINGS PROGRAM BOARD

and

NEW MEXICO WORK AND SAVE BOARD

(hereinafter each referred to individually as “a Party” and collectively as “the Parties”)

PURPOSE

The purpose of this nonbinding Memorandum of Cooperation (“MoC”) is to outline a framework of collaboration and exploration regarding an opportunity for a partnership of mutual benefit between the Colorado Secure Savings Program Board (“CSSPB”) and the New Mexico Work and Save Board (“NMWSB”) to explore the design, implementation and operation of an Auto-IRA program for both Colorado and New Mexico’s private sector employers and employees.

BACKGROUND

The MoC is entered into to promote the Parties’:

- 1) shared goals to design, build, and maximize access to simple, portable and sustainable retirement savings programs for private sector workers, and to achieve these goals by jointly attracting and engaging financial service providers offering affordable retirement savings options and program administrators providing user-friendly, efficient and cost effective, record-keeping and administrative services;
- 2) shared missions and visions to launch a workplace payroll deduction Auto IRAs for Colorado’s and New Mexico’s private sector workers without access to an employer retirement savings plan, potentially through a combined or partially combined program;
- 3) respective legislative mandates and their objectives as defined in their applicable statutes, namely C.R.S. §24-54.3-101, *et seq.*, and NMSA 1978, §58-33-1, *et seq.*, and rules promulgated under those acts;
- 4) common governance and fiduciary frameworks for state-facilitated retirement savings vehicles for private sector workers;
- 5) ability to leverage available funds, resources, and economies of scale; and
- 6) cooperation as a means to determine how they can benefit from ensuring best practices in the design and operation of an Auto-IRA program through a collaborative partnership.

SCOPE: AREAS OF EXPLORATION

The Parties agree to cooperate in exploring the optimal structure, form and design of a partnership between the CSSPB and the NMWSB that results in a joint Auto IRA program. Such efforts may include:

Shared costs and resources, including:

- i. Start-up, operational and maintenance costs;
 - ii. Plan design and build costs;
 - iii. Consultants, including program, investment and legal services;
 - iv. Infrastructure costs, including platform development and operations; and,
 - v. Allocation and use of resources;
- b. Shared fees:

- i. Short, mid and long-term fee structures; and
 - ii. flexible and equitable division;
 - c. Shared governance and fiduciary responsibilities;
 - d. Revision requirements for New Mexico IRA Program to be changed from voluntary to mandatory for employers;
 - e. Financial literacy strategy, resources, and curriculum as it relates to retirement savings;
 - f. Marketing, outreach, and enrollment support;
 - g. Program evaluation & innovation research;
 - h. Data collection, privacy, and security; and,
- 2) Such other matters as are deemed appropriate by the Parties.

TIME AND MANNER OF COLLABORATION AND EXPLORATION

Pursuant to this MoC, the Parties will collaborate and explore whether to form long-term, sustainable legal relationships to design, implement and operate a joint Auto-IRA program. The relationship will begin as of the date of last signatory below, and will continue until March 31, 2022, unless terminated prior to that date by either party.

By and through this effort, the Parties agree to:

- 1) exchange information regarding the Parties' respective statutory and regulatory authority;
- 2) obtain legal analyses of an Auto-IRA program partnership;
- 3) participate in meetings or calls and communicate via email, correspondence or other communication between the Parties jointly or through individuals delegated by each Party with the authority to represent the Party's interest and act on its behalf, including but not limited to the Parties' respective Chair or Executive Director;
- 4) explore the design, implementation and operation options of an Auto-IRA program for operation under the partnership;
- 5) develop criteria for selection of third-party vendors, consultants, administrators and managers;
- 6) determine matters of common interest and priorities, as well as matters that will be resolved by the Parties, through rule or agreement or with legislative action; and
- 7) jointly, and as deemed necessary and practicable, educate Colorado and New Mexico policymakers regarding:
 - i. best practices and optimal design for an Auto-IRA program; and
 - ii. the cost benefit analyses of a partnership in lieu of a single state-run program.

CONFIDENTIALITY

The exchange of information between the Parties for the purposes of this MoC shall only take place in accordance with the provisions of this MoC.

The Parties shall adhere to applicable laws when sharing and maintaining data. Each Party shall not share data that is confidential, proprietary, or otherwise not publicly available unless a separate datasharing agreement is entered into by the Parties to allow sharing of such data. For any data that is shared, the Parties shall only make use of such data for the furtherance of the purposes described herein, and for no other purposes.

COMMITMENTS BY PARTIES:

The Parties commit to:

- To schedule and convene regular information-exchange meetings and to explore all aspects of an Auto IRA program partnership between the Parties; and,
- To be a link between the Parties' respective stakeholders, promoting good communications and information to the extent possible.

LIABILITY AND TERMINATION

Liability: Nothing in this MoC is deemed to create a legally binding or legally enforceable agreement and, consequently, no liability shall attach to either party in the event of its failure to carry out any of the terms of this MoC.

Each party is responsible for the way in which it carries out its undertakings under this MoC and no liability shall attach to the other party as a result.

Termination: Each Party may terminate this MoC at any time by giving written notice to the other.

AGREEMENT


This MoC represents the entire agreement between the Parties. The parties indicate agreement with this Memorandum of Cooperation by their signatures below.

Signed on behalf of the Parties:

DocuSigned by:

FB5B151409A4437... Date 11/9/2021

Colorado State Treasurer, Dave Young
Colorado Secure Savings Program Board Chair

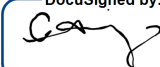
DocuSigned by:

F2133C17A075483... Date 11/9/2021

Lynn Hoffman
New Mexico Work and Save Board Chair

DocuSigned by:

9C533CE1792F4ED... Date 11/8/2021

William "Hunter" Railey
Executive Director
Colorado Secure Savings Program

DocuSigned by:

D73108BB9CEA45C... Date 11/8/2021

Claudia Armijo
Interim Executive Director
New Mexico Work and Save