

Zach Conine
State Treasurer



Members
State Treasurer Zach Conine
Lt. Governor Stavros Anthony
Joe Caldera
Andy Kao
William H. Palmer III
Mary Beth Sewald

STATE OF NEVADA
THE BOARD OF TRUSTEES OF THE
NEVADA EMPLOYEE SAVINGS TRUST

PUBLIC MEETING

AGENDA
MEETING OF THE BOARD OF TRUSTEES OF THE
NEVADA EMPLOYEE SAVINGS TRUST

Wednesday, September 25, 2024 at 10:00 a.m.

Meeting via videoconference at the following physical location(s):

Nevada State Capitol
Old Assembly Chambers, 2nd Floor
101 North Carson Street
Carson City, NV 89701

Governor's Office
Conference Room, 4th Floor
1 Harrah's Court
Las Vegas, NV 89119

Virtually through Microsoft Teams, accessible here:

[Join the meeting now](#)

Meeting ID: 228 503 824 701

Passcode: 4FwBJY

All items listed on this agenda are for discussion and action by the Board of Trustees unless otherwise noted. Action may consist of any of the following: approve, deny, condition, hold, or table.

Agenda Items

1. Roll Call.

2. Public Comment.

Comments from the public are invited at this time. Pursuant to NRS 241.020(3)(d)(7), the Board intends to limit to 3 minutes the time for an individual to speak and reserves the right to impose other reasonable restrictions on place or manner for such comment. No restriction will be imposed based on viewpoint. Comment will only be received on matters relevant to the Board's jurisdiction. The Board is not permitted to deliberate or take action on any items raised during the public comment period until the matter itself has been specifically included on an agenda as an item upon which action may be taken by the Board.

Comments by the public may be emailed to nest@nevadatreasurer.gov by 9:00 p.m. the day before the scheduled meeting and include the commenter's full name. Content may be redacted due to inappropriate language. All written public comments shall, in their entirety, be included as part of the public record.

3. **For discussion and for possible action:** Approval of the minutes of the Board of Trustees of the Nevada Employee Savings Trust meeting held on August 26, 2024.
4. **For discussion and for possible action:** Review and approval of request for information (RFI) draft document to solicit information from established Auto-IRA programs in other states so that the Board may determine potential state partners for the Nevada Employee Savings Trust Program, and direct State Treasurer staff to move forward with releasing the RFI.
 - a. Staff to provide a brief overview of the RFI process, timeline and next steps.
 - b. Board review and approval of the draft RFI including identifying any additional questions that should be included.
5. **For discussion and for possible action:** Staff to provide update on Independent Program request for proposal (RFP) process, including status on market data and comparison data from other states and discussion of possible presentation with RFI findings at the November meeting.
6. **Public Comment.**

Comments from the public are invited at this time. Pursuant to NRS 241.020(2)(d)(7), the Board intends to limit to 3 minutes the time for an individual to speak and may impose reasonable restrictions on place or manner for such comment. No restriction will be imposed based on viewpoint. Comment will only be received on matters relevant to the Board's jurisdiction. The Board may discuss but is precluded from acting on items raised during Public Comment that are not on the agenda.
7. **ADJOURNMENT.**

Notes:

Items may be taken out of order; items may be combined for consideration by the public body; and items may be pulled or removed from the agenda at any time.

Prior to the commencement and conclusion of a quasi-judicial proceeding that may affect the due process rights of an individual, the Board may refuse to consider public comment. See NRS 233B.126.

The Board of Trustees of the Nevada Employee Savings Trust is pleased to make reasonable accommodations for persons with physical disabilities. Please call (775) 684-7190 if assistance is needed.

Please email nest@nevadatreasurer.gov or call (775) 684-7190 to obtain copies of supporting materials.

THIS AGENDA HAS BEEN POSTED IN THE FOLLOWING PUBLIC LOCATIONS:

- **Capitol Building, 1st & 2nd Floors, Carson City, Nevada**

- **Legislative Building, Carson City, Nevada**
- **Nevada State Library, Carson City, Nevada**
- **Blasdel Building, Carson City, Nevada**
- **Nevada Building, 1 State of Nevada Way, Las Vegas, Nevada**

Also online at: [Nevada Treasurer](#) and the [Nevada Public Notice](#).

THE BOARD OF TRUSTEES OF THE
NEVADA EMPLOYEE SAVINGS TRUST

Agenda Item 3
September 25, 2024

**Item: Approval of Minutes of the Board of Trustees of the
Nevada Employee Savings Trust meeting held on
August 26, 2024**

Summary:

For approval, please see attached minutes from the Nevada
Employee Savings Trust Board meeting held on August 26, 2024.

Fiscal Impact: None by this action.

Staff recommended motion:

**To accept and approve the Minutes of the Board of Trustees
of the Nevada Employee Savings Trust meeting held on
August 26, 2024.**

Board of Trustees of the Nevada Employee Saving Trust [OPEN]-20240826_124651-Meeting Recording

August 26, 2024, 7:46PM

1h 12m 56s

Itzel Fausto started transcription and recording

Treasurer Zach Conine: 12:52

Mary Beth, can you hear us alright?

Excellent.

And Mister Palmer up north. Can you hear me alright?

Member William Palmer III: 12:58

Yes, I can.

Treasurer Zach Conine: 13:01

Fantastic.

Look at us. One minute.

Good morning, everyone.

And, or, afternoon, shoot already screwed it up.

Welcome to this meeting of the Board of trustees of the Nevada Employee Savings Trust.

We will start with roll call, Lesley.

Director Lesley Mohlenkamp: 13:34

Treasurer Conine.

Treasurer Zach Conine: Hello.

Director Lesley Mohlenkamp: Lieutenant Governor Anthony?

Lieutenant Governor Anthony: Here.

Director Lesley Mohlenkamp: Member Caldera?

Director Lesley Mohlenkamp: Member Kao?

Member Kao: Here.

Director Lesley Mohlenkamp: Member Palmer?

Member Palmer: Here.

Director Lesley Mohlenkamp: Member Sewald?

Member Sewald: Here.

Director Lesley Mohlenkamp: 13:53

Treasurer, you have a quorum.

Treasurer Zach Conine: 13:55

Excellent.

Thank you so much.

And I'd also like to acknowledge our favorite Deputy Attorney General, Nicole Ting, who I believe is on the line as well, or perhaps in the room in Carson City.

Member Caldera we will mark as present when he arrives.

Or is he absent/excused?

Director Lesley Mohlenkamp: Uh, I'm not aware of-- He is actually walking in right now.

Treasurer Zach Conine OK.

Alright, perfect.

OK, Member Caldera has entered the building.

Welcome.

How are you, Sir?

Alright, we will close the opening and move on to public comment. Comments from the public are invited at this time.

Do we have any members of the public on the zoom?

Any members of the public in Northern Nevada?

Member William Palmer III: 14:39

None present.

It's an empty room.

Treasurer Zach Conine: 14:46

OK, excellent.

I see a gentleman walking up, but I assume he might be on the tech team.

Perfect.

Thank you.

And any members of the public here in Las Vegas?

Seeing none, we will close our first period for public comment.

Move on to Agenda number three. For discussion and possible action, the approval of the Minutes of the Board of Trustees of the Employee Savings Trust meeting held on July 22, 2024.

Any questions or changes to the minutes from board members?

Alright, hearing none, can I have a motion to approve the minutes from the July twenty second meeting?

Lt. Governor Stavros Anthony: 14:39

Move for approval.

Treasurer Zach Conine: 14:46

We have a motion for approval.

Thank you, Sir.

Any discussion on the motion?

Hearing none, all in favor say aye.

Member Caldera:

Aye

Member Kao:

Aye.

Member Sewald: 15:33

Aye.

Member Palmer: 15:34

Aye.

Treasurer Zach Conine: 15:35

And the motion is passed unanimously.

Thank you.

We'll close Agenda item number three.

Move on to Agenda item number four for discussion and possible action for review and approval of priorities and key factors for launching the Nevada Employee Savings Trust Program.

First, we'll do 4A, staff instruction on program constraints, critical paths and dependencies.

I'll turn it over to Deputy Treasurer Lesley Mohlenkamp to do that.

But just from a functionality perspective as we go, please let's ask questions as they come up.

No need to hold them until we get to the end, and Andrea we'll start waving at you wildly if there are any questions in your section.

OK.

Deputy?

Director Lesley Mohlenkamp: 16:11

My name is Lesley Mohlenkamp, Deputy Treasurer of the Financial Literacy and Security division within the Nevada State Treasurer 's Office. Our mission is to administer programs that will help Nevadans become financially secure. With a mechanism to save for retirement, Nevada families are better able to build assets and achieve financial stability, so this program is extremely important to our Division's mission. And one of our main responsibilities is to provide staff and administrative support for the Nevada Employees Savings Trust Program and its Board of Trustees, and we are committed to you all in assisting with that.

I'm here today to provide the Board with brief introduction and context for agenda item number four, which centers around priorities and key factors for launching the Nevada Employees Savings Trust Program.

Before we move on to a presentation from AKF Consulting, I would like to briefly touch on some of the program's current constraints, critical paths, and dependencies.

Because there is a lot to do in a very short time, it's imperative to be able to manage and prioritize the hundreds of tasks that can be involved in launching a new program. So we've identified some key constraints, critical paths and dependencies to distill the most important items to focus on first, and to identify any critical items that would delay the entire project.

The legislation that created this program, Senate Bill 305 of the 82nd session, actually frames many aspects and limitations of the program.

It outlines certain constraints that affect the project scope, such as mandating automatic enrollment and/or requiring that employee may withdraw at any time to meet financial or emergency needs, and so on.

It outlines cost constraints, the program must not exceed \$535,074.00 in cost during this fiscal year. But probably the most impactful constraint that comes from SB305, is the target date to implement the Nevada Employee Savings Trust Program. This must be accomplished by July 1, 2025, which is ten months from now.

This is a critical and key constraint. With a highly complex project that only has ten months to launch, it's also important to identify the critical and dependent tasks that must be accomplished first to avoid significant delays. And for that reason, the item before you today focuses on the fundamental considerations of the program structure, whether it will be a Nevada specific plan or part of a partnership.

And at this time, I will now turn it over to Andrea Feirstein from AKF Consulting to provide her presentation.
Thank you.

Andrea Feirstein 19:03

Great.

Thank you so much, Lesley.

Um Mr. Chair do you want me to put my deck on the screen, or do people have it?

Treasurer Zach Conine: 19:11

Uh, we've got a couple of copies here, but if you want to put it on the screen, that will probably be better for longevity in the meeting.

Andrea Feirstein: 19:17

Sure.

Uh, give me just one sec.

Treasurer Zach Conine: 19:20

Thanks Andrea.

Andrea Feirstein: 19:21

Thought I would have had it done already, right?

Treasurer Zach Conine: 19:23

And while she's doing that, sort of as we were going through this process, right, the thing that became very clear was that the determination of whether or not we were going to do our own program or join another program is sort of the most critical path decision, right, that all of the work we do on an independent program, we don't need to do it for joining another program.

All the work we need to do on joining another program, we don't need to do if we do an individual program, right, so that's kind of, that's the first decision point.

And so we wanted to talk through pros and cons of different versions of this meeting to hopefully give staff some direction to go from there.

Andrea Feirstein: 19:55

Great.

So can you see my screen?

Treasurer Zach Conine: 19:57

Yes, ma'am.

Andrea Feirstein: 19:58

Perfect.

Great.

Thank you so much for this opportunity to be with you today and to really address the points that Lesley has done such a nice job outlining for us.

I'm starting on this first page, at the last meeting, um and as Lesley has gone through it, you know, we talked about how you could implement the plan.

I think you've hit it exactly, Treasurer Conine in terms of an independent plan or joining a partnership.

So today what I'd like to do is just provide some more detail on the issues in each of the factors that you would consider to guide you in making these decisions.

Now one of the things, you know, again thank you Lesley for laying it out as you did, because I think you hit the two key points.

One is the cost involved and the second is the timing, not necessarily in that order from my perspective.

But when we look at, you know, what goes into the decision we mentioned last time that there were really five factors: control, design, timing, fees, and costs; and what I've just sort of given you an idea of on this chart is, you know, what are the issues that you think about, right?

So if you look at control, it really goes to who your partners are gonna be in this process.

When we think of investment design, it's, you know, what does the participant see?

What does the participant get from us?

Also, in line with, I think what Lesley sort of laid out, is some of the legislative the way the legislation has framed some of those constraints, if you will.

Timing obviously goes to your schedule again, driven by your legislation and on fees and costs I mean, I think that goes to you, the Board, and obviously your participant.

And again, Lesley, thank you for hitting what the number is and what the constraint is. I think you said about \$537,000 or \$570,000 for the year.

So, if we take that as kind of the outline of the elements and we go back to the factors versus the structure, this table should look, I hope it looks familiar.

If you remember the last presentation we gave, we presented this table to you, but hopefully now that we've laid out the elements and the issues that are within these factors, this will give you, this will maybe put a little more context into why we characterize some things as more favorable for launching your own plan or more favorable for joining a partnership.

And it is sort of interesting when you look at the flip and the color, just look at the, don't focus on the words, but the color. Control and investment design is much more favorable if you launch your own plan, right, you make all the decisions you design it again with your legislation, legislative constraints, but it's your program.

On the other hand, timing and fees, which are two of the key constraints that Lesley outlined for us, certainly from the blue ink perspective are more favorable if you look at joining a partnership, and that to me is sort of the simplest way to frame it, if you will. I hate to be that simplistic about it, but that is really what it comes down to.

One of the things as an aside that I wanna say, and we're going to go into these a little bit more, um, on timing, I'm gonna talk about timing.

You know, as a, as a strength and a weakness, if you will, or mostly I guess as a weakness in terms of which path you go down.

But I do want you to know that we've given you some sample timelines in our appendix.

So I know we were asked that question last time.

Would it be possible to issue an independent plan, or to launch an independent plan by July 1st of 2015?

I think I gave a pretty definitive no, but at least in my opinion.

But you'll see in our appendix, if you wanna flip back to that, you know where we've laid

it out for you on a month by month basis, not necessarily tying it, you know, to August 26th, 2024, but you'll see the month span.

So if there aren't any questions, I wanna move ahead then to the way we look at these factors, right?

And the way we approach it, and the truth is, when we do a deeper dive, a lot of these things overlap in some respects.

But we look at it kind of from the simplistic view of a strength, weakness, opportunity and threat, if you will.

And so, you know, in splitting everything across, launching a plan or joining a partnership, if you wanna launch your own plan, the strongest points about that, once again, go back to the design and the control.

You pick your partners, you decide what that program is gonna look like.

And I think that that, you know, those are important details if that really matters.

If you work within those legislative constraints Lesley mentioned, the strengths of joining a partnership really are, it comes down to timing and fees, right?

It's less work for you as the state, at least from my perspective, watching several states go through this, I think it is also very clearly more cost effective, I believe, for your participants, but also working within that constraint of the dollar amount that you've been given to spend in this fiscal year.

So those are the contrasting strengths, you know, the strengths of an independent plan versus a partnership.

When we look at the weaknesses, if you will, on that launching of plan, it really comes down to time.

The procurement process is a long process, even if it's a short process, working through the negotiations and the details and implementation, that can be very challenging. And, you know, also launching your own plan requires resources, whether it's professional or it's financial resources, you need those resources internally to really undertake and successfully launch a plan on your own.

You know the weaknesses of joining a partnership, on the other hand, once again goes back to design and control. At the start, you will take a partnership as it is offered to you. Now, you would hope, and what we've witnessed in the ABLE market and what we have witnessed in the one partnership that is up and running right now, is that once you

become a partner, you become part of the decision making fabric, but it's going into that partnership we have yet to see in the ABLE structure the ability of an entering state to change the partnership, and I believe that the two or three states that have already determined to join the only existing partnership in secure choice or in Auto IRA have entered the program as the program exists today.

So any questions on strengths or weaknesses?

Awesome.

Then let's go to.

Treasurer Zach Conine: 27:11

Oh.

Andrea?

Andrea Feirstein: 27:12

Yeah, I can't see you guys, so I apologize.

Treasurer Zach Conine: 27:15

Yeah, we'll just jump in.

No worries.

Andrea Feirstein: 27:16

Thank you.

Member Caldera: 27:16

This is Caldera. You said that there are three other states that have joined a partnership?

Andrea Feirstein: 27:23

Yes.

Member Caldera: 27:24

OK.

And are those partnerships, and out of curiosity, is it the same record keeper?

Andrea Feirstein: 27:32

It is.

Yes, I'm sorry, go ahead.

You want to finish the question, then I'll answer?

Member Caldera: 27:38

And so it's the same record keeper.

Is the accounting separate in terms of each state so that, are these states able to separate from the partnership if the committee decides to at a later date?

Andrea Feirstein: 27:57

Yeah.

So let me answer that, because there are a couple of questions in there if it's OK with you. First of all, the two states that have actually entered the partnership already, it is the partnership that is offered by the state of Colorado.

Umm, the two states that have joined the partnership already are Maine and Delaware. Maine officially launched, I wanna say January of 2024, Delaware officially launched July 1st, or so, of 2024.

The state of Vermont has made the decision and has committed to moving ahead.

I believe that their partnership papers have been executed.

They will be joining the partnership officially through, you know, a launch.

Umm I wanna say, and I know I have somebody from Vestwell on the call and someone from Colorado is on the call.

My expectation is late Q3, sometime Q4.

So that's first, I wanted to put it in perspective for you.

Second, you asked the question about record keeping.

Yes, all three of these states, the two states that are launched, the state that will join, will all be on the same platform.

It will be part of the Colorado Secure Choice platform or secure savings, so they all use the same record keeper. That's the benefit of the partnership, right?

They are taking advantage of a platform that has already been created that is in place

that is fully operational.

I think your last question, if I got the third, was with respect to termination and actually, it's interesting because I think the slide I have up on my screen right now--

I hate to characterize it as a threat, but I do think that one of the questions on joining a partnership is, is there flexibility and termination, and what does happen to our accounts.

I would tell you that we have worked out those details on the ABLE side where our largely 3 state partnerships have been, are long standing.

My sense of where we are with the Colorado partnership is those termination provisions are in process right now.

And again, I don't know if anyone else wanted to weigh in as I know Vestwell and Colorado on the call, but I don't know that you wanted to do that.

Treasurer Zach Conine: 30:15

I'll go to Mary Beth and then back to you, Sir.

Andrea Feirstein: 30:18

Yep.

So I hope that answers your question.

I think that those kind of points about what happens to my, you know, if I'm the state, where do my accounts go if we terminate, I think those are details still to be worked out.

Treasurer Zach Conine: 30:26

Thanks Andrea.

We'll go to Member Sewald?

Member Sewald: 30:36

Thank you so much.

Uh, just a quick question.

I assume that since we're looking at this as an option, right, to join a partnership, there are at least a few, and maybe, sorry if I'm jumping ahead, options for other partners for us to join with then, is that correct?

Andrea Feirstein: 30:55

So I think what I would respond that you will find that out through an RFI that you do, or an RFQ, or, you know, whatever the nature is that you want to call it. Today there is one partnership that is operational.

That's not to say that you won't have bids from other states.

We have been involved with at least one partnership solicitation on the secure choice.

On ABLE we were involved in many.

There were three options in ABLE, you know, again only one exists right now and is operational.

I will tell you that the state of Rhode Island issued an RFI, they received their responses, umm, a week and a half ago.

So Friday, August 16th.

I don't know how many other bidders, you know, provided responses.

Umm I know that other states are looking at it.

Member Sewald: 31:50

OK.

Andrea Feirstein: 31:54

If I can, I will add that point and I am aware of that.

Member Sewald: 31:55

OK.

May I ask a follow-up question, Mr. Treasurer?

Treasurer Zach Conine: 32:01

Of course.

Member Sewald: 32:02

And so, if there aren't--

Well, I'm just thinking about, we would not be required to select a Nevada company and if we did not, would there be no problems with optics there?

Treasurer Zach Conine: 32:19

If I can just jump in there.

Yeah, I think that's, I mean, one of the downsides of joining a partnership, right, is that there would be just, like, right now our record keeper for college savings doesn't exist in the state because there isn't a record keeper who does exist there.

There are only a few groups that do the record keeping at the scale necessary for this. I don't know how many companies are in the country that could do it at that scale, but it's under five, probably under three. So some of this is going to leave the state regardless, by its mission, if we launch a Nevada plan, we could have Nevada based asset managers.

I think what we found historically from an asset management perspective is there aren't that many Nevada based asset managers at this scale.

Certainly, it's what we found in the Treasury, but different kinds of assets can be managed differently.

There certainly are equity asset managers here, but yes, that would surely be something to think about both from an optics perspective. From a person perspective, we don't have a concern there.

We have to have the flexibility to do either, and one of the things that Andrea was getting to, and I'll pass it back to Lieutenant Governor who had a question just after that, is that there was one partnership that as I understand, is actively going.

There are other states who are doing this work, California, Oregon, and others who would like to start creating partnerships.

They just haven't won any of the RFI 's yet, right?

Because mechanically, any state, the more states more participants they have involved by getting more states involved, the cheaper the plan gets for their existing participants. So, I think there's an intention for there to be multiple partnerships, whether or not the market plays out that way, I think is the outstanding question.

Lieutenant Governor?

Lt. Governor Stavros Anthony: 33:57

Yeah, I think you answered my question.

So, a partnership would be with another state or another group of states?

Treasurer Zach Conine: 34:02

Correct.

Lt. Governor Stavros Anthony: 34:04

And the only group that is available right now is this Colorado plan with Maine, Delaware, and Vermont, that's what the group that we know.

Other than that, it would be a partner with another state?

Treasurer Zach Conine: 34:17

We would be the first partner with another state.

Lt. Governor Stavros Anthony: 34:20

So that's basically what we're looking at.

OK.

All right.

Andrea Feirstein: 34:24

That's correct.

Lt. Governor Stavros Anthony: 34:24

I understand, yeah.

Andrea Feirstein: 34:26

And if I can just echo one thing that you said Treasurer Conine, you're right.

You mentioned, I think, you mentioned Illinois and yeah, well, I think you mentioned California, but I am aware I think they stated it publicly that they are interested in partnerships and you know we're aware of another state that is interested in them as well.

Again, we've not--there are only-- I wanna, you know, Member Sewald, I appreciate your question about Nevada based companies that could do this work.

The reality is, of the plans that are up and running, we only have in place today two record keepers.

Would we like to see that market expand?

Yes, you know, because we think that's healthy for competition.

But there are two in particular that really do service every program in the country right now, so it is a limited audience, but that's not or, you know, just a limited pool.

Umm, we, we'd like to see that expand in the future causing that would be better for the states, but right now that that, you know, that's just the fact of the matter, OK.

Treasurer Zach Conine: 35:37

Perfect.

Alright, Member Kao you had a question?

Member Sewald: 35:38

Thank you.

Andrea Feirstein: 35:39

Yeah.

Member Kao: 35:41

Yes, hello, this is Andy Kao.

A couple of questions.

I think, Treasurer Conine, this might be for you.

So, if we launched a Nevada plan, right, and they're saying it takes about twelve to eighteen months, that means that by default, we would miss the deadline by mandate.

What happens in that case?

Treasurer Zach Conine: 35:59

I might turn it over to the Attorney General Representative, Ms. Ting, for a little bit of clean up here on this answer if necessary, but functionally right, we'll be out of statutory

compliance and we'll either go and have the statute expanded, or more likely, will apologize and then move on, right?

Maybe the intention of the statutory language was to get the thing up and running.

If the Board determines that the most effective path forward is for us to not have the plan up and running by that time, we'll communicate that information and then move on from there.

It won't invalidate the plan or create some sort of terminus where the thing just breaks.

Member Kao: 36:35

Got it, OK.

Treasurer Zach Conine: 36:37

I wanna look at staff and see if anybody disagrees with that wholeheartedly or if the Attorney General's Office wanted to weigh in.

Hearing none, carry on.

Member Kao: 36:48

So I guess my follow up to that is, do we have the resources to pursue both options, right?

So, uh, if we join a partnership that also requires another side to want us to join as well, which we don't know if it's just open, nor do we know the terms of what they offer the same thing if we did it internally, we don't know what that looks like in terms of each of the favorable and favorites, how good or bad it is.

So is there enough resources to look at both concurrently?

Treasurer Zach Conine: 37:18

So the question from Member Kao, I can restate is, could we run or start the RFI process which would be sort of request for information process where we went out and said we're looking for partners here and the other active state partnership almost assuredly responds, and then the other states who don't have a partnership but are interested in starting a partnership would probably respond too.

So get that information, that is a quicker process from state perspective because we can

take other states RFIs and amend them and they don't have to go through state purchasing, right.

That's like the quickest of processes.

So could we do that while at the same point we walk down the path of starting an RFP process, which would take six to eight months probably?

Kirsten Van Ry: 37:58

At least. Yeah.

Treasurer Zach Conine: 38:01

Yeah.

So we could get information from the other, and we certainly start the process of getting information from other states while we start walking down an RFP process, and then if the information from the other states was untenable to this group to enter into a partnership, we could, then we would be a month farther on the RFP process than we would be otherwise.

It's a little duplicative, but I don't necessarily think it's duplicative in a bad way.

If that's the way the Members wanna go here, I certainly don't have any qualms with it. Staff, any concerns there?

Director Lesley Mohlenkamp: 38:34

This is Lesley Mohlenkamp.

No, no concern here.

You could do both at the same time.

I think you bring up a really great point, which is the timing on the RFI would likely be, you would know what came from that very quickly.

Treasurer Zach Conine: 38:46

Yes.

Director Lesley Mohlenkamp: 38:48

Whereas the RFP you wouldn't know for about six months, so you'd be looking at information at different times to compare, would be my only thing to note on that.

Treasurer Zach Conine: 39:00

So that probably means that we would get, we'd have the information from RFI; could make a determination on that RFI one way or another if we liked what came back and if we didn't like what came back, we know what that universe was looking like if we went on a plan our own way.

Member Kao: 39:18

OK, Thank you.

Treasurer Zach Conine: 39:19

Of course.

Andrea Feirstein: 39:20

And can I? Oh.

Lt. Governor Stavros Anthony: 39:21

Oh Stavros Anthony again.

So.

So Andrea, let me ask you a question.

So can you say that there are some really outstanding programs out there that we would be interested in partnering with?

And so answer that first.

Andrea Feirstein: 39:40

Can you see the smile on my face?

Lt. Governor Stavros Anthony: 39:42

Yes.

Andrea Feirstein: 39:44

I think there are some very good programs that are in the market today.

I think that, you know, I think the programs that are up and running have, you know, for the most part they are working on kinks that might have been there.

They are working those out.

They're addressing-- I think we're learning a lot.

I think we know more today about running these programs, or the folks who run them, then we did three years ago, you know, or five years ago when they probably were first launched.

So, you know, I think you have solid, you have very solid choices if almost any of these plans were, any of the existing plans were to propose a partnership.

Lt. Governor Stavros Anthony: 40:26

And when we do this, if we do this RFI, umm will that company give us recommendations on which plans are best for Nevada, for us to partner with, or is that something that we have to go through ourselves trying to figure out which plan is best for Nevada?

We're gonna get recommendations on that.

Treasurer Zach Conine: 40:52

The latter because we'll run the RFI.

It'll be a state-run request for information.

Then we'll get all that information back and present it to the Board as the Board can see all that and make decisions.

And Andrea and her team will help us put it into a matrix.

So we're comparing apples to apples and we can certainly ask for recommendations at that time from them.

Lt. Governor Stavros Anthony: 41:10

OK.

All right.

Very good.

Andrea Feirstein: 41:13

Umm.

Treasurer Zach Conine: 41:13

That's all.

So.

Sorry, no, appreciate it.

Andrea Feirstein: 41:15

Great. Treasurer Conine, can I go back to one other question though, if you don't mind.

Treasurer Zach Conine: 41:19

Of course.

Andrea Feirstein: 41:21

That was asked with respect to whether you could do the 2 at one time? One thing I would love to be clear about is that yeah, it's imminently doable to do the two at one time because I think that when you begin an RFP process, you don't just, you know, come into your office on a Monday and start drafting an RFP, right?

I think with an RFI you can start drafting an RFI.

I think with an RFP there's a fair amount of market outreach.

There is a lot of discussion.

I think that before you commit to actually doing an RFP, I think you have to understand how the market will perceive a Nevada specific Nevada independent plan and what, you know, one of the factors in that is understanding the magnitude of the Nevada market. So I, and that's going to be important regardless of whether you do an RFI or an RFP and forgive me if maybe you've already done that, but I think that that is something, you know, these programs take a lot to get up and running as independent programs

and there will be a market judgment, if you will, or certainly a market review and analysis of how large will the Nevada plan be, how significant, you know, is the potential pool of participants because that will give any respondent to an RFP, a sense of how do we price it, you know, is it, is it something that will be sustainable?

Is it something that we will break even on at a certain point?

So I hope that, so when we talk about dual tracking it, I think that, you know, it's a really smart thing to do because I do think that there is almost this sort of preliminary sense of understanding the market and having the market understand you.

You know, that will be a key factor into fully committing and going, you know, 100 miles ahead with an RFP.

So I hope that's helpful because I don't you know, again, I don't think you commit to the cost and the expense and the time of a full blown RFP and the entire process until you really understand how the market will respond to it.

Treasurer Zach Conine: 43:37

I appreciate that.

Andrea Feirstein: 43:39

Does that help? Yeah.

Treasurer Zach Conine: 43:40

Absolutely.

Member Kao?

Member Kao: 43:42

Uh, yes, it's Andy Kao, question for Andrea. Do you have info on the-- Colorado started on their own and then Maine joined and Delaware joined and Vermont joined, and as each of these added participants, how much their fees for the state and participants went down and was it meaningful?

Andrea Feirstein: 44:06

OK, so did the state fees go down upon joining?
Is that the question?

Member Kao: 44:12

Yeah.

Treasurer Zach Conine: 44:13

Or participant fees, right.

Andrea Feirstein: 44:14

Or yeah.

Member Kao: 44:15

And did anyone's fees go down, right?

Andrea Feirstein: 44:18

Right.

So typically the way the fees are structured, there is at least what we have seen from the plans that exist today, the plans all have starting points, right?

Asset based fees, dollar based fees and those fees vary by according to the plans and I think we might have shared that with you at the last meeting, if we didn't, I will bring it to the next.

I thought it was in our last package.

Umm, what happens with each of those fees, it's a negotiation almost.

It's part of the proposal, you know, it comes in the proposal process within RFP is, at what point will my fees be decreased, and we call those in the financial world-- We have breakpoints when we, you know, at what point of asset accumulation or number of accounts will my fees go down.

So with each of the success of states that have joined Colorado, I don't, you know, none of them have brought Colorado as I understand it to its first breakpoints on dollar based fees or asset based fees.

But, getting to that breakpoint should happen quicker.

It will happen quicker for the Colorado participants.

It will happen, presumably, way quicker for a smaller state that might not have reached those points in the first place, right?

Treasurer Zach Conine: 45:38

And so Andrea, to follow up there, what you're saying is, the breakpoint, which is based on the number of participants of the total dollars under management, if there are more states requiring folks to join, there will be by definition more dollars under management, which lowers the cost for the state that started the partnership, but also theoretically lowers the cost for the state joining the partnership.

Andrea Feirstein: 45:59

Exactly.

Treasurer Zach Conine: 46:01

It, which is how ABLE works, right?

So in the ABLE program, which is accounts for individuals with disabilities, as partnerships have grown, the cost to individual participants has gone down because there's more assets under management, right?

Andrea Feirstein: 46:12

Right.

Member Kao: 46:13

So I guess one more follow up and to that and maybe we can get this later on, but how far are they from a breakpoint?

Like how big is this gap until that should hit this?

Treasurer Zach Conine: 46:26

Yeah, that would definitely be something we'd want to put in the RFI to understand kind of what their breakpoints are, how far away they are to your point.

So yeah, is it possible or is it way out of line?

Member Kao: 46:34

Yeah, right.

Treasurer Zach Conine: 46:35

Thank you.

No, that's a great question.

Other questions for Andrea here?

Andrea Feirstein: 46:39

Right.

Member Palmer: 46:39

I have a question.

Treasurer Zach Conine: 46:45

Please, Mister Palmer.

Member Palmer: 46:48

First one is, if we were to entertain joining a partnership with the contractor agreement, allow us, let's say right now it's three states, maybe four, five years down the road there might be ten or fifteen States and we no longer agree with the partnership, would we be able to separate from it?

And my second question is, when we're talking about breakpoints, are you talking about like A share or are you talking about I'd and Y's?

Andrea Feirstein: 47:17

Umm, great questions, with respect to the first question on separating, I think it's actually, it's perfect because it's on the screen right now.

I think that threat under a partnership is that I don't think it has been determined yet what would happen in a termination.

So I think that is still something that at least the operational partnership is contemplating right now.

So that's the first question.

I hope that answers it, on the second question, A shares and versus I's and Y's, that we really fortunately don't have share classes in these programs.

It really just is a matter of, although I guess it would work like an A share when you think about an A share breakpoint where the more you invest, the lower that fee becomes.

So this is exactly what happens in the asset based fees and the dollar based fees.

It's just that it's a one year plan.

So everyone benefits from the, it's irrespective of the individual investor, which is what happens with the A share.

This is just when the program reaches for example, you know 150,000 accounts or 100,000 accounts our dollar based fee will go down, or when we hit the \$2 billion mark our asset based fees will come down.

So everyone in the program irrespective of the state you're from, or who you are, or what employer you work for, you're all treated exactly alike.

So the program reaches the breakpoint.

Does that help?

Member Palmer: 48:48

Yeah.

Do we get to write in with the record keeper and TPA on what the breakpoints would be or is it preplanned packages?

Andrea Feirstein: 48:56

Now my sense from all of the programs that we have been involved in is that it is, it's an element that is bid.

It is part of the proposal that is submitted and so, you know, I think the record keepers come to us with what their, you know, industry practice is and the record keepers differ on where those breakpoints come in.

And I think that then just becomes part of the evaluation.

I think that Treasurer Conine referred to that we would do with you or, you know, at the

point that you bring in an investment consultant in, they would do with you, on maybe the underlying fund fees, I mean that's just something we would quantify for you and it's a, it's a piece of information you would evaluate as the Board, but I don't think it works in reverse where you say to them we want the breakpoint to be, you know, X at this particular point in time.

That's not to say that hasn't happened or not to say it hasn't, you know, it's, I'm aware of the efforts to do that and, but typically it works in reverse.

It's part of the bid.

Treasurer Zach Conine: 50:02

And it's probably, Zach Conine, it's probably a bit different if we have assets under management right now as opposed to prospective assets under management that will come from future contributions at the plan, right?

We're just in a different negotiating place.

Sir?

Andrea Feirstein 50:15

Correct.

Treasurer Zach Conine: 50:19

Yeah.

OK.

Any additional questions from members?

Otherwise, we'll pass back Andrea to get through the rest of this then we can talk about some timelines.

Andrea Feirstein 50:26

Yep.

And great, thanks, Treasurer Conine.

So actually, I think we've really covered the points on the opportunities and threats and just based on the conversation we've just had, I do wanna just sort of point you to the purple column, the join a partnership, because in the opportunity for the partnership

really is, I mean if you, if you look at it that third point, you're gonna achieve your breakpoint sooner, right?

One thing I would also tell you from a partnership perspective is that, depending on the size of the state, and this goes back to understanding the magnitude of what your participant pool looks like, my gut is that, you know, depending on whether we look at Nevada and we say it's a large state or a medium sized state or a small state, I mean the case of Delaware and Maine, I think you could not offend anybody and safely say they're relatively small states, think the issue is that when you join a partnership, you are assuming or if you test it with an RFP that the fees that are bid to you.

Because you're joining a partnership, you're getting fees that sort of reflect the entire partnership or reflect the initial state, which, you know, was able to secure a certain level of fees that the theory is that as a small state you the initial bid in an RFP might not provide as attractive pricing, if the perception is that the market for the program is smaller or the magnitude of the pool is smaller.

So I just wanted to point that out.

And then I think that, I mean, I think we've really touched on so many of these.

Well, I guess you know on the threat, if you look at launching in Nevada plan, and my row that says threat, the very first thing we wrote is that potential size could limit, you know, your responses and that's why I think I said, you know, in response to the question of could you pursue both an RFP and an RFI.

And I said outreach, market outreach, understanding what the markets looking at, having the market understand your magnitude will be part of that decision in an RFI and that's what we would learn from an outreach process.

Otherwise, I think we've pretty much covered everything on this page and then I would probably just turn to well, how do you make your decisions and I, you know, Lesley laid it out so well for us.

I mean, I think you set your parameters, your legislation gives you a date, you know, Treasurer Conine shared his perspective on if you missed that date what happens.

But I think you determine what is it that we're working toward?

What is it we're working within?

What resources do we have, both professionally and financially?

Because I think that that is important to understand that, umm, you know, there is a

commitment of time by your professional staff.

You can outsource a good portion of this, but ultimately it still comes back to you.

And I think once you set those parameters, it's very easy to define your priorities, which is truly where you are right now.

Umm.

And it, you know, I sort of say it right there.

What matters most to you? And that should be the guide, and understand that you know there will be, there's gonna be inconsistencies, but it's a critical decision.

It's the decision that, I mean, it's gonna set you on this path and you, that's your role as the Board.

Treasurer Zach Conine: 54:04

OK.

Thank you.

Alright, Board, so we have some decisions to make here which can be either super constraining or less constraining.

It seems less constraining might be where we wanna be just to get more information, but one of the things that came out of that last conversation, sort of the Board action here, right, is to give staff direction to proceed between here and our September meeting, right?

That's the work in front of us, and it seems like have no sub, but it seems like kind of where we ended up with your suggestion, which I think is a great one is to start an RFI process, start to get an RFI process and Kirsten, Dr. Van Ry, if you can walk us through what that would look like.

While, at the same point, starting an RFP process for walkthrough what that looks like and where we would be when we came back in our September meeting.

And where we wanna, you know, keep moving those things forward.

Chief of Staff Kirsten Van Ry: 55:00

Kirsten Van Ry, for the record, Chief of Staff for the Treasurer's Office.

Yeah.

So I think if we did an RFI, in section twenty and we've run this by Counsel, section

twenty, allows the Board to kind of bypass the state purchasing process so that shaves a couple of months, well, six to eight months off of the process because we can just publish it ourselves.

Treasurer Zach Conine: 55:19

In other words, the RFI does not need to go to purchasing, we can create it within the Treasury, bring it back to the Board for approval and then—

Chief of Staff Kirsten Van Ry: 55:26

Correct.

So that would happen, you know, staff could work with AKF Consulting to draft the RFI for the Board's input at the September meeting, and then we could take that input in and then turn it around in however much input there is, a couple of days, right?

If the meeting was on Wednesday, we can publish it the next Monday.

That's usually out on the streets for, and Andrea can correct me if I'm wrong here, four to six weeks, I think?

Just given like there's limited players in this space, there's fifty states, so there is potentially fifty responses to get back, but I know not every state has a program, so after that point, we would bring the responses back to the Board to review, the Board could review and analyze those responses and then kind of proceed from there as however the Board chooses. If we went down the RFP process, I think we would, to Andrea's point, we'd have to kind of get a sense of what this market looks like because that will be critical for the RFP and the ability for a company to respond to the RFP, similar when it comes to fees and stuff, I think we'll just we'll need to know that data in order for them to respond in a way that you know accurately reflects the market. From there, it will be published.

It'll go through purchasing.

It'll be on the streets for, I think, a minimum of eight weeks.

And then there's usually a couple of rounds of questions and answers during that RFP time.

Any response will be completely confidential, so we couldn't come to the Board with any, I guess, you know, who's responded, how did they respond. I'd have to get with

purchasing and their DAG to get a sense of how could the Board choose when it's in an open meeting and RFPs are usually confidential.

So we would need some legal guidance there because otherwise it's a closed committee and from there would have to go to Board of Examiners, and usually that lead time is about a month and a half-ish before, so we would probably be able to wrap an RFP in six to eight months.

So that's kind of the steps from there.

Treasurer Zach Conine: 57:29

So functionally, if we were to take Board action now and give direction to staff to start the prep work on the RFP process, do the work on an RFI to bring an RFI back to this body at the September meeting, with the ask in advance board members of the, RFI 's going to ask questions of the different participants, different potential partnerships, right.

So if there are questions, we wanna make sure we ask them.

You should share those questions with staff either after you've looked at the draft RFP if there's something missing or we wanna add, great. Or if you're just in advance, we could take those in, Board members can direct the comments to staff and we can make sure to include them in the RFI so it's as sort of effective of a document as possible.

So we could run those two paths on apparel mechanic.

I think we are going to know, Andrea, jump in here if you disagree.

I think we'll be able to with your help with the information we've already got, our friends at Pew and Georgetown and others, we'll probably be able to identify the size of the market pretty quick, right?

We think there's about half a million Nevadans who could qualify for this program, who don't currently have access to a retirement savings plan at work, give or take.

Right.

And of those half million Nevadans, how many would participate based on what we've seen from other states that have opt out provisions?

How many assets do those programs end up with on average?

And we're gonna end up with a dollar number somewhere in the couple of hundred million dollars for potential assets under management after this thing rolls out, maybe a

little bit more than that.

And then we'll know from a programmatic perspective does it make sense for a record keeper to bid on that, makes sense of the bid on it, but what are they going to charge for that piece of business.

I expect that's how the dominoes would fall between here and our September meeting. We can probably come back with some information about that.

Can I expand on the questions?

Treasurer Zach Conine: 59:27

But go ahead, Mister Palmer. Sorry.

Member Palmer: 59:28

Yes.

Uh, so when I open 401K 's for clients, generally there's a process we called know your customer, which is expanding on just what you said.

But the amount of questions and the type of questions that are asked, are we allowed to submit those because I have a small list of things I'd like to know before I make a decision.

Treasurer Zach Conine: 59:51

Yeah, absolutely.

Unless staff shakes their head at me or throw something, that would be fantastic Mr. Palmer, we'd love those and you can communicate those directly to staff and then we'll include them in the RFI.

Member Palmer: 1:00:02

OK.

Thank you.

Chief of Staff Kirsten Van Ry: 1:00:04

And sorry, just one caveat, because it will be an action item of the Board, we would have to bring those forward to the September Board meeting like to share publicly.

Treasurer Zach Conine: 1:00:12

Yes.

Yes, yes, yes, so.

Member Palmer: 1:00:17

Oh, I have them right now.

Treasurer Zach Conine: 1:00:18

Do you want them right now, or do you want them electronically after that?

Chief of Staff Kirsten Van Ry: 1:00:19

Electronically is just fine.

Electronically afterwards.

Treasurer Zach Conine: 1:00:21

Because we're going to, I think the action would be to bring an RFI back to this body, at which point it would be the states, the Treasury draft plus these five things that came from Mr. Palmer and these ten things that came from Lieutenant Governor and these three hundred things are coming from Member Caldera.

Three hundred one, Member Kao's got some ideas.

Member Sewald also got some ideas which is perfect, right?

Like we want this RFI to be as effective as possible and sort of by definition things that go into the RFI for questions will go into the RFP for response, right?

So it's all where we're doubling up on the effort or having the effort.

Andrea Feirstein: 1:00:57

Right.

Treasure Conine.

Can I just make one comment if I'm not out of order?

Treasurer Zach Conine: 1:01:02

Please.

Andrea Feirstein: 1:01:05

You referred to, I was so glad you referred to the outstanding contributions that Pew and Georgetown make to this market, well you referred to the two of them, I'm acknowledging the outstanding contributions. I have to say, honestly, I don't know, the reason I said I don't know if you have defined that magnitude of the Nevada market yet is that either of those institutions I think would have either looked at and understand how big the potential pool is.

And I just wanted to throw that in there.

That that's not something I can tell you right now, I don't have that information and I think that is information that, you know, you do wanna have a sense of.

Treasurer Zach Conine: 1:01:44

Yeah.

Andrea Feirstein 1:01:47

And I mean you have to have a sense of when you're talking to potential respondents to an RFP.

So that could be a factor in the timeline.

You know, depending on how well developed those projections, or that sense of the market is, I suspect you have it because you went through the legislative process.

But I just wanted to be very clear about that, that I think that's important and if it isn't there with enough specificity, you know, could just add a bit of time to your market outreach.

Treasurer Zach Conine: 1:02:19

I appreciate that Andrea, and I think we do have a good point in time.

Andrea Feirstein: 1:02:22

Perfect.

Treasurer Zach Conine: 1:02:22

Look at it from the last legislative session, of course.

An update that, with our friends at the Metro Chamber and other places, sorry, the Las Vegas Chamber and other places, it's Las Vegas now, right, Mary Beth? I always get it wrong. OK.

Andrea Feirstein 1:02:32

Perfect.

Treasurer Zach Conine: 1:02:37

Member Kao?

Member Kao: 1:02:39

I have a question for Dr. Van Ry.

So just to make sure I understand, so the RFI will come out back first, right, roughly six to eight weeks or so, and then the RFP you said we are fully blind to the responses until the full thing is completed?

Chief of Staff Kirsten Van Ry:

Yeah.

Kirsten Van Ry for the record.

So in statutorily, as I understand it and I am not a DAG and I'm not a purchasing DAG in particular. All deliberations on who responded to the RFP are confidential and they're not, until the contract is kind of signed, sealed, delivered, the other responses aren't publicly acknowledged. Because this is a public body that does its business in the public, I'm not quite sure how that would work just from like a process standpoint.

So we'd have to, we'd have to connect with State Purchasing on how to like best

proceed with that.

Member Kao: 1:03:29

So I guess my comment to the Board is on one hand we will have RFI responses, but we will not know what the RFP even looks like for.

Chief of Staff Kirsten Van Ry: 1:03:37

Potentially. Yeah.

Member Andy Kao: 1:03:40

I think that we have to make a decision.

Treasurer Zach Conine: 1:03:42

Yeah, I think it's a great question.

I think, Treasurer Conine for the record, we'll have great information from an RFI perspective and we will probably have somewhat spotty market based information from an RFP perspective.

Uh, generally, I believe the way that it would work is that the staff would go through the RFP process through purchasing and there's a mechanic, right?

There's a group of people from Treasury and other agencies who would go through to pick the best respondent to the RFP and then that respondent to that sort of, the end of the process would come to the Board.

In other words, you'll see the best, if we if we get all the way down the line, we'll see the best respondent from the RFP process.

You will not see all of the respondents from the RFP process, is that?

Chief of Staff Kirsten Van Ry: 1:04:29

That's how I understand it.

Treasurer Zach Conine: 1:04:30

That's, that's what we understand the process.

We can come back in September and walk through it a little bit more directly.

Uh, that's yes, right.

And so, I guess how I would probably phrase the determination decision point is more start the RFI, potentially, start the RFI process and the RFP process at the same time, see if any of the RFI respondents are palatable to this group, if they are, that is assuredly the quicker and easier mechanic to go down, if they are not, then we've already started the RFP process.

So we're not caught flat footed forty five days from now or whatever that would be. The way I would think about it as opposed to I don't think we will have a moment in time, we wouldn't have a moment time for pretty far down the line where we'd have our program and an RFP respondent program and the RFI possibilities at the same time. I think if there are more, they're sort of parallel paths that are not going to end up with the same station at the same time.

Functionally got it.

Member Kao: 1:05:33

So it sounds like more of a plan A plan B rather than a comparison of what we can have.

Treasurer Zach Conine: 1:05:38

Correct.

And certainly something like forward, this isn't a Board comment, this is a Zach/Treasury comment.

The RFI process, assuming that there's a response that is palatable to this body, is going to be exponentially quicker, cheaper out the door, faster almost by its definition.

Right.

The RFP process is we don't like any of the options out there so we're gonna go our own way and also likely if it did say cheaper, not just cheaper from a staff perspective, but cheaper from participant perspective, there is no argument that having fewer assets under management will be less expensive than for assets under management.

Any other questions on that item?

Member Kao: 1:06:30

Sorry, I have one more.

Treasurer Zach Conine: 1:06:31

No, please.

Member Kao: 1:06:32

Are there other state agencies that have a retirement program that we can join into internally as a state.

Treasurer Zach Conine: 1:06:44

So.

The question there would be, to restate your question, could we take the NEST program and tie it into something like PERS or an existing state retirement system program?

Member Andy Kao: 1:06:52

Yes.

Treasurer Zach Conine: 1:06:53

We can get smarter about that internally, my quick response would be no, because they're defined benefit plans that are based on years of service and contributions, opposed to the NEST plan, which is functionally you put money away for savings and then get that money back with hopefully some growth on it.

The difference between a pension and a 401K, right?

That'd be my quick response.

We can certainly get smarter on it.

I don't know how mechanically it would work.

There's a, how it would work legally, question surely that we'd have to sort out, but mechanically don't know how that would work.

Andrea, I don't know if you offhand ever seen any sort of state employee retirement system plans expanded to non-state participants?

Functionally how the math works.

Andrea Feirstein 1:07:40

I'm not aware of any Treasurer Conine.

Treasurer Zach Conine: 1:07:42

Yeah.

So let's do a little bit of research there Member Kao.

I don't think the math would math, but let me confirm that.

Thank you.

Interesting idea.

Asset wise certainly.

Any other questions from members?

Otherwise, I'm going to try to craft a motion that captures everything and you will keep me honest here, right?

OK, so I would move to direct staff to walk a parallel process.

We'll talk about the two sides of that.

So first, I would move to direct staff to begin an RFI process or request for information process and bring an RFI back to this Board for the inclusion of any ideas that have come from Board members between here and the next meeting, and any new ideas that board members have at the next meeting with the intention of getting an RFI out on the street a couple of days within a week after the next Board meeting.

And in part two, so parallel path, start the process of request for proposal for a Nevada specific or Nevada based plan that would do similar things with the goal of bringing back to this body at the September meeting a summary of the size of the market and next steps for an RFP.

Period.

Let's stop it there.

And luckily thanks to the wonders of AI and/or Victoria, we have, or maybe Itzel, we will be able to capture that in a way that is not as disjointed as my sentence.

Any discussion on that motion?

Any concerns?

OK.

Hearing none, all in favor to proceed as I outlined disjointedly?

Member Sewald: 1:09:47

Aye.

Member Palmer: 1:09:48

Aye.

I agree with your rough draft.

Treasurer Zach Conine: 1:09:53

Thank you, Mister Palmer.

It's not bad for government work.

Alright, that motion passes unanimously and I'll look at staff to make sure they've got everything they need there and we've got some nods.

Thanks so much.

All right.

We will close agenda number four.

Thank you, Andrea as always. Moving on to agenda item number five for discussion and possible action, Calendar year 2024 Nevada Employee Savings Trust Board meeting trustees, meeting schedules.

I think we've all worked together to come up with this calendar, but just wanted to make sure everyone was comfortable one final time before we publish from here.

Obviously there are six of us, so a quorum is four people.

So if for some reason one of these doesn't work for you, we can figure it out.

Then, you know, we will continue.

Any questions or concerns?

Hearing none, we'll take a motion on this agenda item.

Lt. Governor Stavros Anthony: 1:10:47

Stavros Anthony, I make a motion to approve the 2024 calendar for the Nevada Employee Savings Trust Board.

Treasurer Zach Conine: 1:10:54

Thank you, Lieutenant Governor.

I'll second.

Do we have any discussion on the item?

Hearing none, all in favor say aye.

Member Caldera: Aye.

Member Kao: Aye.

Member Sewald: Aye.

Treasurer Zach Conine:

OK.

Any opposed?

Motion passes unanimously.

Thank you.

Closing agenda number five, moving on to agenda item number six for discussion.

A staff report regarding activities to conduct a study on the feasibility of including independent contractors with the Nevada Employee Savings Trust Program pursuant to section 36 spot 5 of Senate Bill 305 from the eighty second legislative session.

Doctor Van Ry?

Chief of Staff Kirsten Van Ry: 1:11:28

Thank you Treasurer, Kirsten Van Ry, Treasurer's Office, for the record. I've just a quick update today. We are working on a study, we're pulling some Nevada specific data, so thank you to the Economist at DETR who's helping us out with that.

We're also working with Pew to who has agreed to assist us on the study.

We're hoping that we can provide the Board with a draft of the study at the November

meeting, then we'll incorporate any feedback, and then we'll bring the final draft to the December meeting, and then we will transmit it to the Legislature by the due date.

Treasurer Zach Conine: 1:12:02

Perfect any questions for Doctor Van Ry?

Alright, umm, it's an informational item, so we need to do anything there. With that, we'll close agenda item number six and move on to agenda item number seven, public comment.

Mister Palmer, has anyone shown up in the room bristling with brim and ambition?

Member William Palmer III: 1:12:23

Just me and the staff.

Treasurer Zach Conine: 1:12:24

All right, Mister Palmer.

Thanks for holding us down up there.

There appears to be no public comment here in Las Vegas.

Has any public comment joined us online?

Alright, hearing none, we'll close that period for public comment and we are adjourned.

Thanks everybody.

Member Sewald: 1:12:44

Thank you.

Member Palmer: 1:12:45

Thank you.

Andrea Feirstein: 1:12:47

Thank you.

Itzel Fausto stopped recording and transcription

THE BOARD OF TRUSTEES OF THE
NEVADA EMPLOYEE SAVINGS TRUST

Agenda Item 4
September 25, 2024

Item: Board review and approval of request for information (RFI) draft document to solicit information from established Auto-IRA programs in other states so that the Board may determine potential state partners for the Nevada Employee Savings Trust Program, and direct State Treasurer staff to move forward with releasing the RFI.

Summary:

- a. Lesley Mohlenkamp, Deputy Treasurer of the Financial Literacy and Security Division, will provide a brief overview of the RFI process, timeline and next steps.
- b. Board review and approval of the draft RFI including identifying any additional questions that should be included.

Staff recommended motion:

Move to direct State Treasurer staff to finalize draft request for information document, along with any final Board changes, and move forward with releasing the RFI.

REQUEST FOR INFORMATION

Auto-IRA Interstate Partnership

Nevada State Treasurer's Office

On Behalf of the Board of Trustees of the Nevada Employee Savings Trust

RFI Date of Issuance: September 30, 2024

Responses Due: October 28, 2024 at 5:00 p.m. Pacific Standard Time ("PST")

CONTACT

Lesley Mohlenkamp, Deputy Treasurer, Financial Literacy and Security
Nevada State Treasurer's Office
101 N. Carson Street, Suite 4
nest@nevadatreasurer.gov

SECTION I: GENERAL INFORMATION

BACKGROUND INFORMATION

The Nevada Employee Savings Trust Program (“NEST” or the “Program”) – established by Senate Bill 305 of the 82nd Session of the Nevada State Legislature under Nevada Revised Statutes (NRS), Chapter 353D – requires certain private-sector employers to facilitate employee payroll contributions to individual retirement accounts (“IRAs”) that are created within the Program. Employers are required to participate if they do not currently offer a workplace retirement plan, have five or more employees and have been in business for at least 36 months. Currently participation is optional for employers with less than five employees.

Employees are automatically enrolled in the Program but may opt out at any time. After enrollment, the Program opens an IRA for the participant. Participants will be able to set their own contribution rate (with a default contribution rate provided by the Program) and will be able to choose one of several investment options, depending on their risk preference. Participants may withdraw their contributions tax- and penalty-free at any time, and generally earnings will grow, if withdrawals are made in accordance with the provisions governing the applicable IRA.

Per the Statistics of U.S. Businesses (SUSB), as of June 30, 2023, approximately 12,000 employers would be eligible to participate (employers with 5+ employees). This number represents approximately 290,000 employees. An alternative estimate of eligible workers as calculated using the U.S. Census Bureau's Current Population Survey, indicates that approximately 590,000 workers would be eligible to participate¹.

FACTS AND ASSUMPTIONS

- The Program is governed by the Board of Trustees of the Nevada Employee Savings Trust (the “Board”) and maintains all oversight and final approval of any decisions affecting the Program.
- The Nevada State Treasurer’s Office (the “State”) provides professional and administrative support for the Board.
- Nevada statute directs that the Program must be available by July 1, 2025; however, the Board may implement the Program in waves.

¹ Source: *The Pew Charitable Trusts, Retirement Savings Project (2024)*

SECTION II: PURPOSE OF REQUEST FOR INFORMATION

This Request for Information (the “RFI”) is to determine potential state partners for NEST. The State is soliciting information from established automatic-enrollment IRA programs (“Auto-IRA programs”) in other states. Potential partners must have an established Auto-IRA program with structure similar to NEST as established under [NRS, Chapter 353D](#).

THIS IS A REQUEST FOR INFORMATION ONLY

The information provided in this RFI is subject to change and is not binding on the State of Nevada. The Board has not made a commitment to procure any of the items discussed, and release of this RFI should not be construed as such a commitment or as authorization to incur cost for which reimbursement would be required or sought.

SECTION III: REVIEW PROCESS

SCHEDULE

- RFI Issued: Monday, September 30, 2024
- Respondent Questions Due: Wednesday, October 9, 2024, by 5:00 p.m. PST
- Answers to Questions Posted: Wednesday, October 16, 2024, by 5:00 p.m. PST
- **RFI Due:** Monday, October 28, 2024, by 5:00 p.m. PST
- Review of RFI Responses: October 29, 2024 – November 8, 2024

The Nevada State Treasurer’s Office, on behalf of the Board, may decide to amend this timeline in whole or in part at any time.

SUBMISSION OF PROPOSALS

Respondents should submit two (2) electronic copies (one in PDF format and one in Word format) to nest@nevadatreasurer.gov no later than 5:00 p.m. PST on October 28, 2024.

Respondents should be aware that proposals received will be reviewed and discussed during an open and public meeting. If the Respondent designates any portion of the proposal as being a non-public record, the Respondent must submit one (1) copy of the proposal from which the non-public record is deleted or redacted. See Section V: Other Considerations and Restrictions / Confidentiality further below.

Proposals received after that deadline will not be considered. Telephone or faxed submissions will not be considered.

RESPONSE FORMAT

Responses should be prepared in a concise manner, delineating the Respondent's capabilities to satisfy the requirements of this RFI. Responses must include substantial evidence of the Respondent's commitment and ability to undertake the services required and outlined in this RFI.

The response must be accompanied by a cover sheet (not to exceed two (2) pages), dated and signed by the individual(s) authorized to bind the Respondent contractually. The cover sheet must indicate that the signer is so authorized and must indicate the title or position the signatory holds.

All submissions (data, material, and documentation) pursuant to the RFI, shall become the property of the State and will not be returned. All submissions are subject to public inspection in accordance with the Nevada Public Records Act.

Respondent's submission document shall answer the questions under SECTION IV: INFORMATION REQUESTED.

EVALUATION OF RESPONSES

A Committee, consisting of the Nevada State Treasurer's Office staff (herein referred to as the "Committee"), will objectively review and evaluate the responses submitted. The Committee has the authority to conduct interviews, request presentations, conduct onsite visits and request any other information from the Respondent as it deems necessary. The Committee expects to present its conclusions, rankings and/or determinations to the Board for consideration at the November 20, 2024 NEST Board of Trustees meeting.

The State reserves the right to request additional information from Respondents. The State reserves the right to waive any minor informality in a response, to request clarification of information from any Respondent, and to affect any agreement deemed by the State to be in the State's best interest with one or more Respondents. The State reserves the right to amend or cancel this RFI at any time. Modifications or additions may be made to this RFI as a result of questions submitted. Written notification of any such change will be made in writing to all known Respondents. The Respondent has the right to withdraw and resubmit a response prior to the response deadline. No withdrawals or re-submissions will be permitted after the response deadline.

QUESTIONS

Questions regarding this RFI shall be submitted in writing by email to nest@nevadatreasurer.gov. Verbal questions will NOT be accepted. Answers to questions

will be posted to the NEST Program webpage on the Nevada State Treasurer website; accordingly, questions shall NOT contain proprietary or classified information. The Board does not guarantee that questions received after 5:00 p.m. PST, October 9, 2024 will be answered.

SECTION IV: INFORMATION REQUESTED

A. GENERAL PROGRAM

- 1) Discuss your state's experience in administering an Automated IRA program. Please discuss specifics on account and asset growth of the program. Please also include answers to the following questions in your response:
 - a. Who is the current (i) third-party Program Administrator (Program Administrator)/recordkeeper for the program (ii) investment manager and (iii) auditor?
 - b. Are partner states able to rely upon the financial audit services provided by your auditor or are partner states expected to engage their own auditors?
 - c. Will the SOC reports for your Program Administration partners be available to partner states?
 - d. How many business owners opened/adopted a retirement account/plan in the first year? (Number and Percentage)
 - e. How many opened a retirement account in 2-5 years? (Number and Percentage)
 - f. How many employees opted out, contributed to, or closed accounts in the first year? (Numbers and Percentages)
 - g. How many in 2-5 years? (Numbers and Percentages)
- 2) What advantages would you see for Nevada in potentially partnering with your state's Auto-IRA program?
- 3) Discuss timeline. If Nevada were to enter into an agreement with your state, approximately when do you anticipate Nevada would be able to initiate its pilot and then fully launch the program? Are there events or circumstances that could delay the launch or timeline?
- 4) Do you currently have any state partners, are you onboarding any state partners, or are you in discussions with other states about partnering? Please describe. If so, how would those additional states impact the fees that would apply to NEST participants, or change the proposed timeline?
- 5) Identify the source of your statutory or other authority to serve as the lead or host state for a partnership or consortium.
- 6) Has your third-party Program Administrator already committed to supporting your partnership? How many years remain on the term of your contract with your Program Administrator?

- 7) Describe the governance structure of your program. Please list all entities involved in oversight or administrative support and include the names and professional titles of chair(s), voting members, advisory committee members and program staff.
- 8) Discuss how decision making would be shared between or among the states. Please address what types of decisions will be handled via partner vote, and what types of decisions (if any) will be left solely to the lead state. Have you developed a formal framework governing the terms of any prospective partnership or consortium? If so, please attach to your response.
- 9) What type of IRAs are offered as part of the program (e.g., Roth IRA, Traditional IRA, both)? If limited to only one choice, please explain the administrative and/or pricing advantages. Additionally, if limited to one choice, is the other a possibility for rollover IRAs?
- 10) Describe the trust structure of the partnership. Are there separate trusts for each partner program, or is there one trust where assets are held? Is the accounting separate for each state?
- 11) Describe the terms for exiting your partnership. Are there restrictions on exiting? Do NEST accounts stay with Nevada, or with the partnership?

B. FEES

- 12) Discuss your fee structure, including applicable asset and account breakpoints. Include projections on how long it is anticipated before reaching these breakpoints.
- 13) What are the total annual fees a participant can expect to pay (please include any expenses that may not be captured in the standard AUM / BP calculations such as enrollment fees, minimum required deposit amounts, returned checks, copies of previous statements/reports, distribution/conversion, and/or any other transaction fees)? Would our participants pay the same fees as your state participants?
- 14) What fees would Nevada receive? Is there a difference in the amount of fees received by your state versus Nevada (if so, what is the breakdown)? How are all parties compensated?
- 15) Are there any costs associated with your partnership that would be charged to Nevada? Specifically, has your Program Administrator confirmed whether it will charge any start-up or ongoing fees to new partner states? If so, list those expenses and describe whether any such payment is due in lump sum or can be made in installments.
- 16) Would pricing change if Nevada legislation doesn't include a mandate for employers to participate?

C. INVESTMENTS

- 17)** Discuss your investment lineup for participants. How are investments selected and monitored? What are the participants' choices? How often is the lineup evaluated and updated? What are state partner options in selecting the investment menu; are you willing to modify the existing lineup based on Nevada's input?
- 18)** Please identify the firm that serves as independent investment consultant. May the partner states rely upon this entity's monitoring and recommendations or is each partner state expected to engage its own, independent investment consultant?

D. PROGRAM PRACTICES

- 19)** We assume that Nevada will have full access to data and contact lists specific to NEST account holders and employers, and that Nevada will control the communications with these groups. Please confirm or describe how your structure differs. What types of reports would be available to the NEST Board?
- 20)** Please describe the current user experience that would be offered to Nevada employers utilizing your program. What is the practice for employers to register utilizing your system? What is the practice for employers to integrate payroll when submitting a pay file (include details on the process for employers to upload the plan participant census, how often it is required, and what specific data points must be collected and included in the census?) Please specify if payroll process is manual, automated, or both and describe.
- 21)** Please describe the current user experience that would be offered to Nevada employees utilizing your program. What would the steps or process be to allow employees to opt-out of automatic enrollment? What is the process for a distribution, including how distributions are requested?
- 22)** Briefly describe your program's practices related to risk management. Describe your program's security against fraud. What is the audit process, if any, used to determine the employer's compliance with the program? What is the process to approve a distribution (e.g. does it require a third-party notary or medallion stamp)?
- 23)** Are there systems in place to identify non-compliant contributions (e.g. how are late or missing deposits monitored, managed, and communicated)? What is the process for a correction (e.g. how many days are required to correct an erroneous contribution and what steps are taken to avoid a penalty by the IRS?)
- 24)** What support, if any, is available to Nevada in implementing and marketing, the program (e.g. marketing, outreach financial literacy, investment tools or resources) either from your state or the Program Administrator? What practices are in place for employer education regarding the retirement saving program? What is the specific

support for launching the program to employers? What support, if any is for continuing outreach to employers after launch? What tools are available to help employees adopt into the program? Is your Program Administrator willing to assign an in-person field representative?

SECTION V: OTHER CONSIDERATIONS AND RESTRICTIONS

CONTACTS AND LOBBYING

No contact with any employee or official of the State, or the NEST Board, is permitted with respect to this RFI, any proposals submitted in response to the RFI, or the contract to be awarded pursuant to this RFI. This prohibition includes, but is not limited to, any lobbying efforts directed at any Board members, officers, or employees who might reasonably be considered to have influence over the process and outcome. Violations of the provision may result in immediate disqualification from this and any future business opportunities with the State and/or the Board.

CONFIDENTIALITY

The State shall treat all documents submitted by a Respondent in response to this RFI as public records upon finalization of a partnership agreement. The release of public records is governed by the Nevada Public Records Act (NPR) [NRS Chapter 239](#) - Public Records. Respondents are encouraged to familiarize themselves with this law before submitting a proposal.

By submitting a proposal, Respondent agrees that the State and/or the Board may reproduce Respondent's proposal for purposes of facilitating the evaluation of the proposal or to respond to requests for public records. By submitting a proposal, Respondent consents to such reproduction and further warrants that such reproduction does not violate its rights or the rights of any third parties.

Any request by Respondent that records submitted by them be exempt from being considered public records must be included in the cover letter with the Respondent's proposal. In addition, Respondent must enumerate the specific grounds upon which the NRS 239 or other applicable law support treatment of the documents as exempt from being considered a public record, and further, the factual basis, if any, upon which they rely in asserting that the documents should be exempt. Any request for treating records submitted as being exempt must also include: the name, address, and telephone number of the person authorized by the Respondent to respond to any inquiries by the State and/or the Board regarding such an assertion.

Any proposals submitted which contain non-public records must be conspicuously marked on the outside as containing non-public information, and each page upon which non-public information appears must be conspicuously marked as containing non-public information. Identification of the entire proposal as being non-public records may be deemed non-responsive and may disqualify the Respondent.

If the Respondent designates any portion of the proposal as being a non-public record, the Respondent must submit one (1) copy of the proposal from which the non-public record is deleted or redacted. This copy shall be submitted in addition to the number of copies requested in Section IV of this RFI. The non-public records must be excised in such a way as to allow the public to determine the general nature of the information redacted and retain as much of the proposal as possible.

The State and/or the Board will treat the records marked as non-public as being confidential information to the extent such information is determined confidential under NRS 239 or other applicable law. The Respondent's failure to request records submitted as being non-public records will be deemed as a waiver of any right to confidentiality, which the Respondent may have had.

RESTRICTIONS ON GIFTS

State ethics laws restrict gifts which may be given or received by employees and Board members and requires certain individuals to disclose information concerning their activities with State government. Respondents are responsible for determining the applicability of these laws to their activities and to comply with the requirements. In addition, it is a felony offense to bribe or attempt to bribe a public official.

STATE CODE OF ETHICS

The State is committed to maintaining the highest standards of ethics. Respondents should be familiar with and abide by NRS Chapter 281A, and any additional regulations as provided on the Nevada Commission on Ethics website: <https://ethics.nv.gov/>.

NON-DISCRIMINATION

All RFIs shall be considered based on their merit in accordance with the criteria specified herein and shall not exclude any person, firm, or other entity, from consideration on the grounds of race, color, religion, sex, sexual orientation, gender identity or expression, age, national origin, or disability.

Questions Submitted by Board for RFI

8/26/24 Nevada Employee Savings Trust (NEST) Board of Trustees Meeting:

As part of Agenda Item #4 discussion and motion, it was determined that the Board would submit any ideas they had for items that should be included in the draft Request for Information (RFI). Staff would present a draft RFI at the September NEST Board of Trustees meeting and seek any remaining ideas from the Board, with the intention of releasing an RFI within a week after the meeting (targeting the Monday after the Board meeting). RFIs would be out 4-6 weeks for responses. Responses would come back to Board to review/analyze, and they would then choose how to proceed. Any items submitted by a Board member would be part of public record and presented along with the draft RFI.

Notes: Indicates question was not included in Draft RFI **Q:** Question number in draft RFI document that incorporates Board Member's question/idea.

Member Caldera (submitted 8/30/24)

I assume the RFI is going out to potential recordkeepers and service providers, who would consider submitting a proposal once the board finalizes it.

My questions would include the following:

- Would there be an administrative and pricing advantage to only permit Roth contributions? **Q9**
- What type of reports would be available to our board and the employers? **Q1c, Q19**
- What is the best practice for employers to register utilizing your system? **Q20**
- What would the steps or process to allow employees to enroll? **Q21**
- What specific information would be required on the census? **Q20**
- What is the process to upload the census and how often? **Q20**
- What is the best practice for employers to integrate payroll when submitting a pay file? **Q20**
- If the payroll process is not automated, what is the process to manually submit contributions? **Q20**
- Are there systems in place to identify non-compliant contributions? For example, how are late or missing deposits monitored, managed, and communicated? **Q23**
- If auto-enroll is required, how many days would be required to correct a contribution before a 10% penalty is assessed by the IRS? **Q23**
- What is the process for a correction? **Q23**
- What is the process for a distribution, including how distributions are requested? **Q21,**

- What is the process to approve a distribution? Does it require a third-party notary or medallion stamp? **Q22**
- What are the board's options in selecting the investment menu? **Q17**
- If our board approves joining an existing state program, how were investments selected and are they monitored? **Q17**
- Please describe your firm's security against fraud. **Q22**
- Please describe your audit process. **Q22**
- What are the fees for existing state programs? - **Q13**
- How are all parties compensated? **Q14**
- Are there breakpoints in participating in other state programs? – **Q12**
- If Nevada were to join an existing state program and decided to separate, what would be the process? - **Q11**
- Would pricing change if Nevada legislation doesn't include a mandate for employers to participate? **Q16**
- What is the best practice for launching Nevada's Retirement Savings to employers, and what type of support should be expected? **Q24**
- What is the best practice for employer education regarding Nevada's retirement saving program? **Q24**
- What tools are available to help employees adopt into the program? **Q24**

Member Palmer (submitted 8/26/24)

Transcribed by Staff from Member Palmer:

- How many business owners in other states opened/adopted a retirement account/plan in the first year? What percentage? **Q1d**
- How many business owners in other states opened a retirement account in 4-5 yrs? **Q1e**
- What is the average income for Nevadans, Cost of living, and what's the standard living situation? – *may be covered in market data (November presentation)*
- What states/areas have similar income versus cost of living? Average amount of participants? – *may be covered in market data (November presentation)*
- In those other states demographic areas- how many canceled, contributed, opted, or closed an account? **Q1f**
- When plans are adopted, how soon can they adjust the contract in the future if complications or issues arise? **Q17**

Member Palmer (during 8/26/24 Meeting)

- 00:46:15 - “If we were to entertain joining a partnership, would the contractor agreement allow us...5 years down the road there might be 10 or 15 States, and we no longer agreed with the Partnership would we be able to separate from it?” **Q11**
- What is your record keeper’s “industry practice” on where the break points come in? “When we hit X accounts/when we hit \$XXXX in assets” (discussion with Andrea Feirstein, AKF Consulting during meeting). What is the structure of your program’s fund fees? **Q12**

Member Caldera (during 8/26/24 Meeting)

- 00:27:39 “Is it the same recordkeeper?” **Q1a**
- 00:27:42 “Is the accounting separate in terms of each state?” **Q10**
- “Are these States able to separate from the partnership if the committee decides to at a later date?” **Q11**

Member Kao & Treasurer Conine (during 8/26/24 Meeting)

- 00:46:19 – “How far is a potential partner from a break point? How big is this gap until they hit this” **Q12**
- 00:46:25 – “Definitely something we would want to put in the RFI, to understand what their break points are, how far away they are...” **Q12**

Confirming No Questions to Submit Ahead of September Meeting

- Member Mary Beth Sewald

THE BOARD OF TRUSTEES OF THE
NEVADA EMPLOYEE SAVINGS TRUST

Agenda Item 5
September 25, 2024

Item: Staff to provide update on Independent Program request for proposal (RFP) process, including status on market data and comparison data from other states and discussion of possible presentation with RFI findings at the November meeting.

Staff Recommendations:

At the August 26, 2024 Nevada Employee Savings Trust meeting staff were directed to report back at the September meeting a summary of the size of Nevada's market and comparison data from other states, that would be the basis for an RFP. Staff was also directed to clarify certain aspects of the RFP Process for the Board. Staff will provide an update on findings.

Staff is recommending complete market data be presented to the Board along with the RFI responses at the November 20, 2024 meeting.

Staff recommended motion:

Move to direct State Treasurer staff to provide a presentation on market data and comparison data at the November 20, 2024 meeting.

Estimating Eligible Workers:

Multiple data sources and methods are available for estimating the number of uncovered workers, each with its own advantages and resulting in a range of projections.

Methodology 1: Current Population Survey (CPS)

The Pew Charitable Trusts primarily uses the U.S. Census Bureau's Current Population Survey (CPS) as a starting point. The CPS:

- Is one of the most comprehensive and timely datasets
- Covers the entire labor force
- Includes direct reporting from respondents on workplace retirement plan coverage

However, administrative tax data implies that the CPS slightly underestimates workplace retirement plan coverage, so we benchmark the results against Survey of Consumer Finances data on retirement account ownership. This approach yields higher workplace plan access rate estimates that align more closely with published administrative tax data.

Note: The number of projected eligible workers at the largest firms may be larger than observed in practice due to factors such as uncovered 1099 employees who are ineligible for their exempt employer's workplace plan.

Methodology 2: Statistics of U.S. Businesses (SUSB)

An alternative approach is to use another dataset the Statistics of U.S. Businesses (SUSB), an annual series from the U.S. Census Bureau. The SUSB reports a businesses' number of "employees" but unlike the CPS does not report coverage. Therefore, to estimate coverage, we apply assumptions about workplace plan access by employer size, based on prior research using administrative tax data. These coverage estimates are relatively restrictive and result in a lower estimate of eligible workers than the CPS. Less restrictive estimates more in line with the CPS findings would produce similar eligible worker estimates, but we report the lower bound here.

Using these methods, we estimate between 286,600 and 587,600 workers in Nevada lacked workplace retirement plan coverage in 2023 (See Table 1).

Table 1			
CPS Projected Eligible Workers in NV (2023)		SUSB Projected Eligible Employees in NV (2023)	
Total Eligible Workers	587,600	Total Eligible Employees	286,600
5-9 workers	55,100	5-9 employees	41,800
10-24 workers	121,700	10-19 employees	41,600
25-99 workers	54,500	20-99 employees	73,000
100-499 workers	74,500	≥100 employees	130,200
≥500 workers	281,800		

Note: Numbers may not sum to total due to rounding.

Note: Regardless of the estimate, not every uncovered worker will enter the program (e.g., the business has not been in operation long enough to be covered, registration/Know Your Customer issues, etc.)

Estimating Eligible Businesses:

The CPS cannot provide an estimate of employers covered by the NEST program, but the SUSB can. (See Table 2).

Table 2	
Projected Eligible Firms in NV (2023)	
Total Eligible Firms	12,000
5-9 employees	6,300
10-19 employees	3,100
20-99 employees	2,000
≥100 employees	600

Note: Numbers may not sum to total due to rounding.

Note: It is unlikely that all of these businesses and their employees would enter the program as they may ultimately be exempt (e.g., the business adopts a qualified plan in response to the NEST program, the business has not been in operation long enough to be covered, etc.)