PARTNER

Jeff Chang

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Sacramento

With over four decades of experience, Best Best & Krieger LLP Partner Jeff Chang helps employers and plan fiduciaries make the most of their employee benefit plans. A member of the Employee Benefits & Executive Compensation practice group, Jeff represents government agencies, nonprofits, businesses, tax-exempt, non-ERISA and church clients. One of the most experienced employee benefits attorneys in California, he works closely with his clients to understand their organizations, their benefits strategies and whether their current plans and vendors are well-suited to their objectives.

More than 150 public agencies work with Jeff to analyze their opportunities and obligations under CalPERS, the California Employees' Pension Reform Act of 2013, the County Employees Retirement Law and their 457(b) and 401(a) plans. Because California's local agency plans are not subject to ERISA, Jeff spends much of his time explaining the special rules that apply to "governmental" retirement plans. Jeff regularly shares his insights on California public sector benefits in his blog. Jeff has published the blog, Focus on Public Benefits, for approximately 10 years.

Previously a shareholder at Chang Ruthenberg & Long, which he founded in 1989, Jeff's roots in the legal and academic communities run deep. He has taught qualified retirement plans and deferred compensation courses in the Masters of Taxation program at McGeorge School of Law and is a charter fellow of the American College of Employee Benefits Counsel, which has recognized Jeff for his significant contributions to the employee benefits field. He has been regularly included on the Best Lawyers in America and *Northern California Super Lawyers* lists for his contributions and successes in the field.

Jeff served as chairman of the IRS subcommittee of the American Society of Pension Professionals and Actuaries Administration Relations Committee, as co-chair of the ASPPA Government Affairs Committee and on its board of directors. He previously served on the Executive Committee of the California State Bar Taxation Section and is the founder of the Section's Employee Benefits Committee.

Jeff provides counsel on the following:

CORE PRACTICES

Compensation & Benefits for Elected Officials

Employee Benefits & Executive Compensation

Health & Welfare

Labor & Employment

Audits & Investigations

Pension Benefits

Public Agency Labor & Employment

Retired Annuitant Employment

Retiree Health & Other Post-Employment Benefits

Tax

- Governmental Retirement Plans - CalPERS, '37 Act, county plan, PEPRA, 457, 401(a), pick-ups, 414(h), cost-sharing, deferred compensation, 415(m), defined benefit pension and defined contribution
- Governmental Welfare Plans - OPEB, retiree health, vacation, PTO, PEMHCA, HRA, RHRA, 125, cafeteria and post-employment benefits
- Taxation - constructive receipt, assignment of income, hardship distribution, SECURE Act, CARES Act, Social Security, replacement plan, employment status, worker classification and independent contractor
- Plan Administration - administrative service agreements, recordkeeping agreements, group annuity, stable value fund, California fiduciary rules, participant-directed investment, plan administrator, 3(38), investment advisor, Brown Act and administrative committee
- General: California Rule, vested rights and trust agreements
- Private Sector Plans: 401(k), 401(a), defined benefit pension, defined contribution, cash balance, 403(b), top hat, executive deferred compensation, tax deferred annuity, multiemployer pension, multiple employer plan, plan correction, EPCRS, VCP, DFVCP and VFCP
- Church Plans: lay employees plans, priest pension plans, nonqualified plans, 401(a), money purchase pension, defined benefit pension and defined contribution

EDUCATION & ADMISSIONS

Education

University of California, Davis School of Law, J.D.

University of California, Berkeley, B.A.

Bar Admissions

California

Notable Experience

- Helped several cities and special districts “correct” their noncompliant retirement and welfare plans to preserve favorable tax treatment for employees.
- Helped local agencies analyze the pros and cons of terminating their participation in CalPERS.
- Assisted a large public agency with negotiation of recordkeeping and administrative services agreements for its 457(b) and 401(a) plans and achieved a fair and reasonable allocation and balancing of respective obligations and potential liability.
- Advised employers on the adverse tax consequences and potential restructuring of certain paid time off and vacation policies, enabling them to avoid ongoing exposures to various taxes and penalties.
- Applied for and obtained IRS private letter rulings regarding the tax treatment of certain retirement benefit and retiree health benefit provisions in collective bargaining agreements so that the employer would be able to properly report such amounts.
- Advised labor and businesses co-counsel with respect to employee benefit plan and withdrawal liability issues in connection with several sales and acquisitions of businesses and commercial real estate holdings in a manner that allowed important benefits issues to be surfaced while not delaying the closing of the transaction.
- Helped plan fiduciaries to analyze and understand the various fees and expenses being charged with regard to the recordkeeping and investment of their plans, which enabled them to renegotiate and save their plans significant amount of fees.
- Advised both private sector and public sector plan fiduciaries on ways to manage and control their fiduciary liability.
- Advised several religious organizations on plan design and administration issues in connection with the designation of beneficiaries under their non-ERISA plans.
- Helped several employers to analyze, design and implement retirement plans for targeted groups of employees, enabling the targeted employees to receive the tax advantages of a qualified retirement plan.

- Advised numerous public agencies on their ability to modify retiree health benefits and potentially reduce significant amounts of liability.
- Advised an organization with respect to its status as a “governmental plan” sponsor under the Internal Revenue Code and ERISA.
- Advised numerous public agencies on compliance with the Public Employees’ Pension Reform Act of 2013.
- Advised public sector employers with respect to opting out of Social Security, their Social Security replacement plans and their section 218 agreements.
- Drafted section 115 trusts for public agencies and obtained IRS letter rulings on the tax status of the trusts.

Accolades

- The Best Lawyers in America®, Employee Benefits (ERISA) Law, 1995–2017, 2019–2025
- *Northern California Super Lawyers*, Employee Benefits, 2004, 2006–2022, 2024
- *Sacramento Magazine* Top Lawyers, Employee Benefits Law, 2017–2018
- Martindale-Hubbell® AV Preeminent™ Rated
- American College of Employee Benefits Counsel, Charter fellow

Professional & Community Involvement

- California Lawyers Association Public Law, Labor and Employment and Taxation sections

Thought Leadership

Publications

- "Make Sure Your Catastrophic Leave Policy is Ready," *CALPELRA Alert*, Sept. 9, 2020
- "Take Your Pick – Employees Allowed to Choose Between Future 401(a) Plan Contributions and Future HRA Contributions," *Focus on Public Benefits,* Sept. 3, 2020
- "Using a Plan Administration Expense Account as Part of An Agency’s 457(b) or 401(a) Plan," *Focus on Public Benefits*, Aug. 11, 2020
- "The Differences Between Bundled and Unbundled Retirement Plan Servicing Arrangements," *Focus on Public Benefits*, July 27, 2020
- "Problems with Co-Provider 457(b) Plan Arrangements," *Focus on Public Benefits*, July 7, 2020
- "Tightening Budgets, Layoffs and Ongoing Labor Negotiations Highlight the Value of Retiree Health Reimbursement Arrangements," *Focus on Public Benefits*, June 23, 2020
- "Public Agency Retirement Plan Documents: Are They Properly Signed and Dated?," *Focus on Public Benefits*, June 11, 2020
- "CARES Act Authorizes Limited Employer Repayment of Student Loans," *Focus on Public Benefits*, May 27, 2020
- "COVID-19 Pandemic May Force Some Cities to Reset Employee Benefits," *Focus on Public Benefits*, May 11, 2020
- "Public Agency Furloughs and Distributions from Retirement Plans During COVID-19," *Focus on Public Benefits*, April 28, 2020

- "Retirement Plan Changes During COVID-19: Steps Public Agencies Should Follow," *Focus on Public Benefits*, April 14, 2020
- "The CARES Act's New Rules for Coronavirus-related Distributions from Governmental 457(b) Plans," *Focus on Public Benefits*, April 2, 2020
- "Using 457(b) Unforeseeable Emergency Distributions During the Coronavirus Crisis," *Focus on Public Benefits*, March 24, 2020
- "One-time Irrevocable Elections and 401(a) Opt-in Plans," *Focus on Public Benefits*, March 9, 2020
- "Making Sense of Your Retiree Health 'Savings' Plan," *Focus on Public Benefits,* Feb. 19, 2020
- "Taking Advantage of Governmental Retirement Plan Contribution Limits," *Focus on Public Benefits,* Feb. 4, 2020
- "Who is Watching the Hen House? The 457 Nest Egg Dilemma," California Society of Municipal Finance Officers' Annual Conference, Jan. 29, 2020
- "Understanding the Fees Paid by Your Governmental Retirement Plan," *Focus on Public Benefits*, Jan. 13, 2020
- "Rules Governing Your Participant-Directed 457(b) or Defined Contribution 401(a) Plan," *Focus on Public Benefits*, Dec. 19, 2019
- "Ways to Correct Governmental Plan Problems" *Focus on Public Benefits*, Dec. 5, 2019
- "Take Care When Cost-Sharing Under CalPERS," *Focus on Public Benefits*, Nov. 7, 2019
- "Do Not Apply AB 5 Too Broadly," *Focus on Public Benefits*, Oct. 21, 2019
- "A 457(b) Plan Distribution Depends on Which 457(b) Plan You're In," *Focus on Public Benefits*, Oct. 7, 2019
- "The Improper Use of Governmental "Pre-Approved" Plans," *Focus on Public Benefits*, Sept. 16, 2019
- "How Many 457(b) Plans Do You Need?," *Focus on Public Benefits*, Aug. 20, 2019
- "Public Agency Board Members' Worker Classification Matters for Tax Purposes," *Focus on Public Benefits*, July 22, 2019
- "When a Section 115 Pension Stabilization Trust is "Too Good To Be True"" *Focus on Public Benefits*, June 17, 2019
- "Money Purchase Pension Plans with an "Opt-in" Feature" *Focus on Public Benefits*, May 20, 2019
- "It Just Keeps On Going:" The Problem with a Money Purchase Pension Plan that a Public Agency Just Sets Aside" *Focus on Public Benefits*, April 16, 2019
- "What Plan Documents Should You Be Keeping?" *Focus on Public Benefits*, April 1, 2019
- "California Supreme Court Rules in Cal Fire Case – Round One Goes to the Legislature, But It Ain't Over," *Focus on Public Benefits*, March 11, 2019
- "Understanding Public Agency Participation in ERISA Multiemployer Pension Plans," *Focus on Public Benefits*, Feb. 26, 2019
- "Have You Been Told Lately That You Owe ESRP?" *Focus on Public Benefits*, Jan. 29, 2019
- "Lessons From the Private Sector: Takeaways From Recent ERISA Plan Fiduciary and Fee Litigation," *Focus on Public Benefits*, Jan. 9, 2019
- "Recognizing That All "Rates of Return" Are Not the Same," *Focus on Public Benefits*, Nov. 15, 2018
- "If You Don't Have a Section 218 Agreement, Watch Out for the Social Security "Gotcha"," *Focus on Public Benefits*, Oct. 19, 2018
- "'Encouraging' the Repayment of Student Loan Debt," *Focus on Public Benefits*, Oct. 1, 2018
- "Time for a Defined Contribution Plan Checkup?" *Focus on Public Benefits*, Aug. 2, 2018
- "The Battle Over 'Vested Rights' In California" *Focus on Public Benefits*, June 27, 2018

- "They're Yours, They're Mine or They're on Their Own: More On Employee vs. Independent Contractor," *Focus on Public Benefits*, May 21, 2018
- "Yours, Mine, Ours: Are the Individuals Working for You Your Employees?," *Focus on Public Benefits*, April 9, 2018
- "How Is Liability-driven Investing Different?," *Focus on Public Benefits*, Feb. 27, 2018
- "Avoid Big Surprises After You Retire – Like a Major Reduction of Your Social Security," *Focus on Public Benefits*, Jan. 29, 2018
- "When It Comes to Funding Pension and/or OPEB Liabilities, Not All Section 115 Trusts are Created Equal," *Focus on Public Benefits*, Jan. 18, 2018
- "Sometimes, It's Good to be a Little "Country" – The Benefits of Rural Cooperative Status," *Focus on Public Benefits*, Dec. 20, 2017
- "Required Minimum Distributions (RMDs) – The Out of Sight, Out of Mind Problem," *Focus on Public Benefits*, Nov. 21, 2017
- "Watch Out For What Your Plans Say – Or Don't Say – About Transfers," *Focus on Public Benefits*, Nov. 1, 2017
- "Retiree Health Reimbursement Arrangements are Receiving More Attention," *Focus on Public Benefits*, Oct. 10, 2017
- "Using a Section 115 Trust to Help Manage Pension Obligations," *Focus on Public Benefits*, Sep. 13, 2017
- "New Home, Same Great Information," *Focus on Public Benefits*, Sep. 13, 2017
- "Why Hire A "3(38)" Adviser For A Public Agency 457(b) Or 401(a) Plan?," *Focus on Public Benefits*, May 30, 2017
- "Does Your Plan Have A Proper Fiduciary Structure?,"*Focus on Public Benefits*, April 19, 2017
- "Chapter 32: How "Not" To Transition To A New Record-Keeper," *Focus on Public Benefits*, Jan. 31, 2017
- "Chapter 31: Is Your Comp Time Immediately Taxable?," *Focus on Public Benefits*, Nov. 17, 2016
- "Chapter 30: Some "Elections" Do Work," *Focus on Public Benefits*, Oct. 10, 2016
- "Chapter 29: The "Misunderstood" Group Variable Annuity Contract," *Focus on Public Benefits*, Sep. 7, 2016
- "Chapter 28: Why Cashing Out PTO Next Year Doesn't Work," *Focus on Public Benefits*, Aug. 15, 2016
- "Chapter 27: Do You Have a Proper Cafeteria Plan?," *Focus on Public Benefits*, Aug. 15, 2016
- "Chapter 26: Controlling Retiree Health Costs: I've Got Some Bad News And Some Not So Bad News…," *Focus on Public Benefits*, June 15, 2016
- "Chapter 25: The Salary Continuation Trap," *Focus on Public Benefits*, June 15, 2016
- "Chapter 24: 457(b) Plan Fees And Revenue Sharing," *Focus on Public Benefits*, April 1, 2016
- "Controlling Retiree Health Costs: I've Got Some Bad News and Some Not So Bad News," *The Public Retirement Journal*, March/April 2016
- "Chapter 23: Have You Checked Your Retirement Plan Fees Lately?," *Focus on Public Benefits*, Jan. 7, 2016

Presentations

- "The Ins and Outs of Social Security for Public Agencies and Employees," California Public Employers Labor Relations Association Annual Training Conference, Nov. 21, 2019
- "Important Developments and Trends Affecting Public Sector Pensions, OPEB, and Other Benefits," 2019 Annual Conference, California Society of Municipal Finance Officers, Jan. 10, 2019
- "Your Vested Pension Rights: What's Happened to Them?" California Public Employers Labor Relations Association Annual Conference, Dec. 7, 2018
- "Pension Costs and Financial Pressure," BB&K Avoiding Municipal Bankruptcy Series, Sep. 18, 2018

- "Preparing for Changes in the "Vested Rights Doctrine" - Understanding Plan Design Options," BB&K Webinar, June 12, 2018
- "Important Developments and Trends Affecting Public Sector Pensions, OPEB, and Other Benefits," California Society of Municipal Finance Officers' Conference, Feb. 21, 2018
- "Public Sector Benefits 2017: Big Ticket Items You Need to Plan For," The Pun Group 2017 Governmental Accounting Conferences, August 2017
- “Is Your 457 Plan in Good Hands?” IPMA-HR Northern California Chapter Conference, February 2015
- “The Latest and Greatest on Pensions, OPEB, Bankruptcies, Local Initiatives, and the Future of the Defined Benefit Plan,” CSMFO Annual Conference, February 2015
- “The Dirty Dozen: Twelve Problems Commonly Found in Public Agency Benefits Programs,” IPMA-HR Central Valley Chapter, February 2015