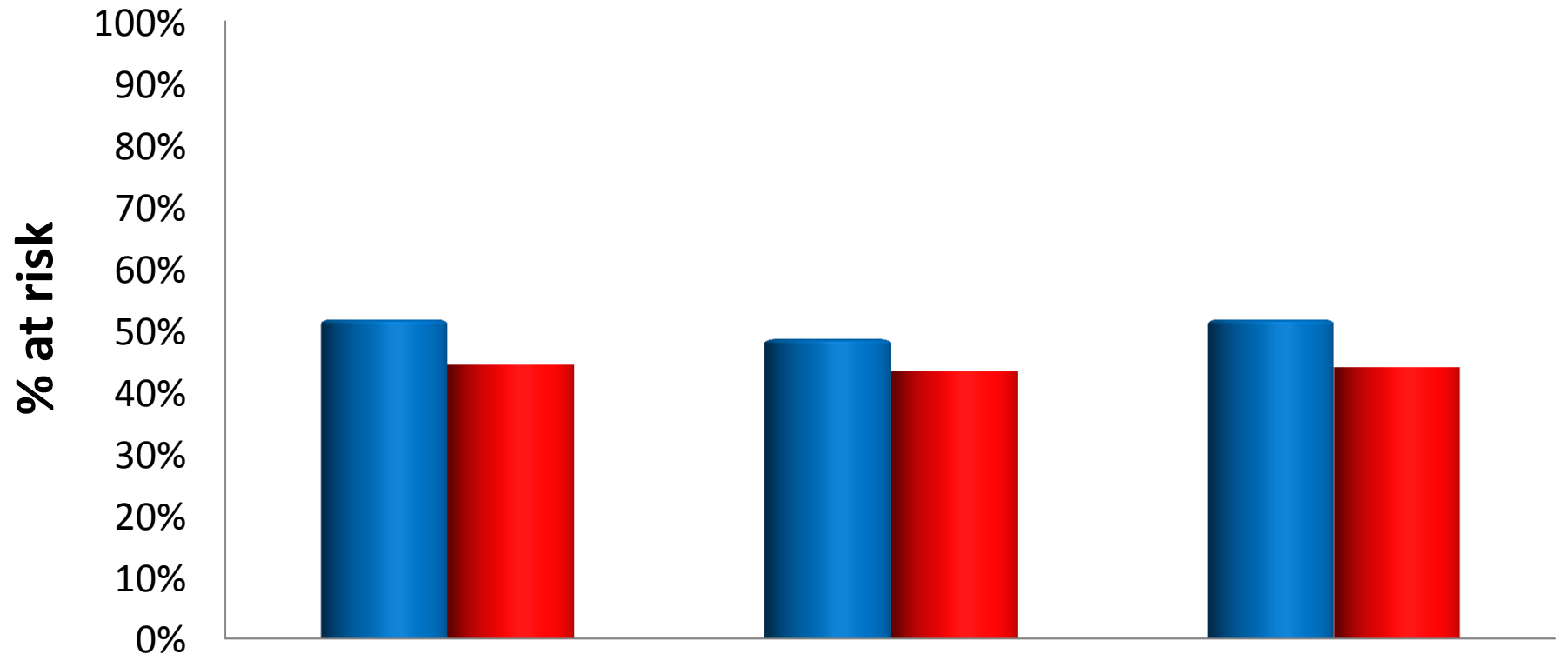




# Work & Save

# Work and Save

## Almost Half of Baby Boomers & Gen Xers At Risk

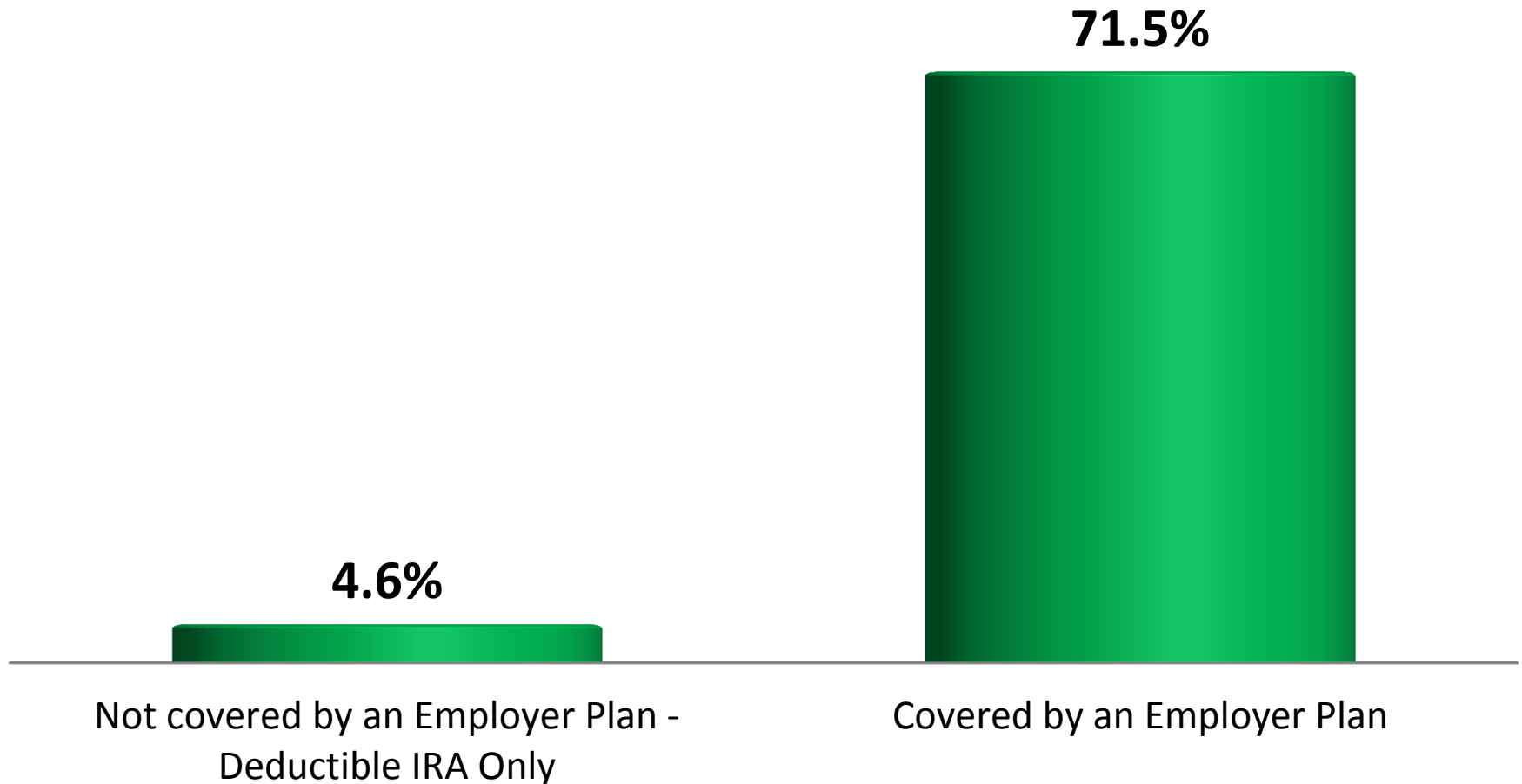


Source: EBRI Retirement Readiness Rating™: 2003 vs. 2012

# Work and Save

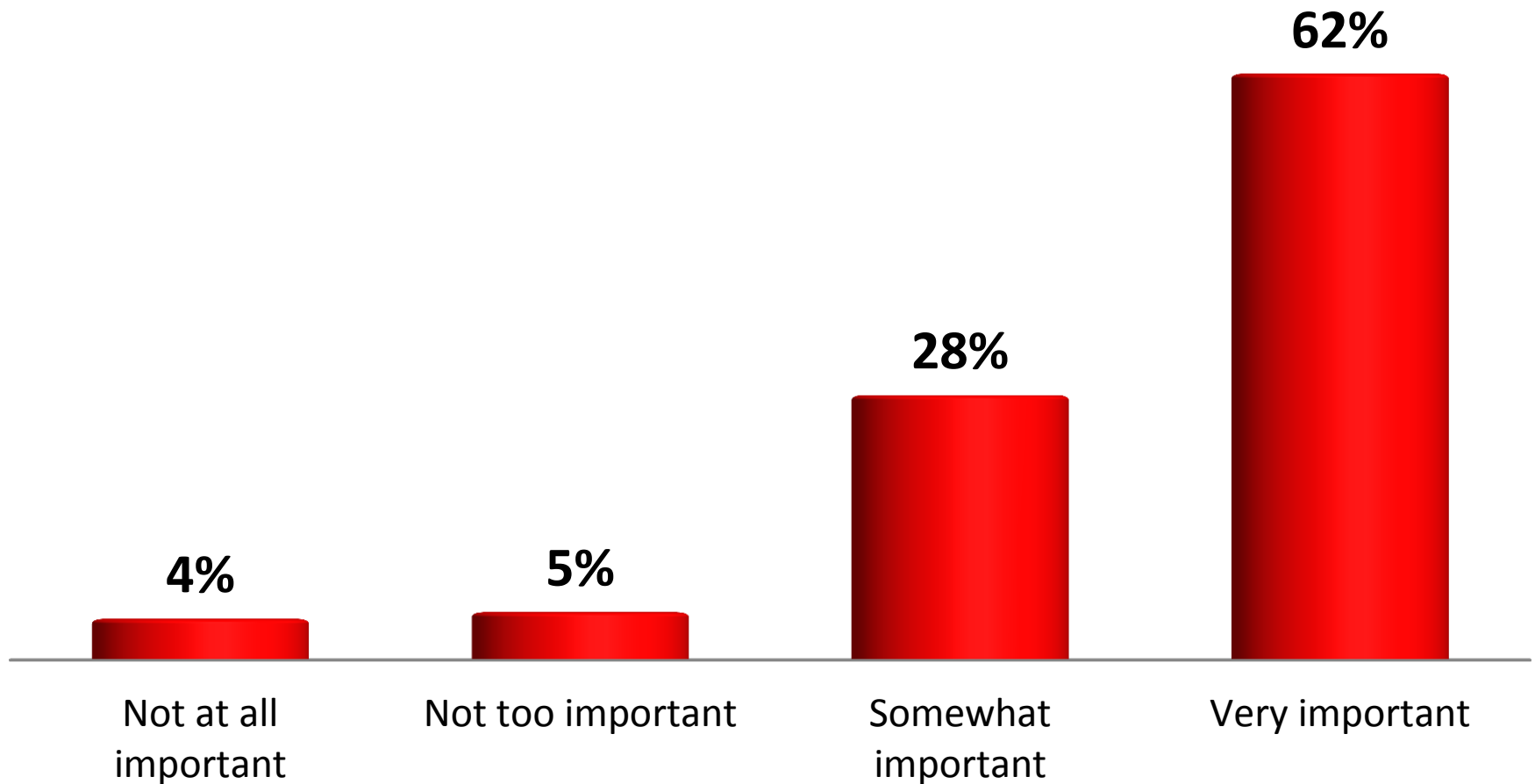
## More Americans Save if Employer Offers Plan

### Participation Rates



# Work and Save

## Payroll Deductions Can Increase Participation



# Work and Save

## Work and Save Basics



- Promotes Financial Freedom
- Gives Americans a Choice
- Gives Employees Control
- Saves Taxpayer Dollars
- No Risk

# Work and Save

## National Context

**Massachusetts 2012 House Bill 3754 (plan)**

**California- Passed 2012 (study)**

**Oregon- Passed 2013 (study)**

### **In progress**

West Virginia

Indiana

Illinois

Nebraska

Wisconsin

Connecticut

Minnesota

Maryland

Ohio

Arizona

# Work and Save

## Massachusetts- implementation phase



*Steven Grossman*  
*Treasurer and Receiver General*

*The Commonwealth of Massachusetts*  
*Department of the State Treasurer*  
*One Ashburton Place*  
*Boston, Massachusetts 02108-1608*

### TRE RFI DC NON-PROFIT RK 2012

#### Request For Information Pertaining To: FEE STRUCTURE FOR DEFERRED COMPENSATION PLAN AND COMMONWEALTH PLAN FOR NON-PROFITS – RECORD-KEEPING SERVICES

**Advisory:** please be advised that with respect to the following questions, the Treasury is not requesting and does not want to receive any specific fee information. The Treasury is seeking only information on how you would structure costs, i.e. bps or \$ per participant account.

#### **I. Overview**

The Commonwealth of Massachusetts Office of the State Treasurer (“Treasury”) seeks to gather information for a forthcoming Request for Responses to acquire record-keeping services for the Commonwealth of Massachusetts Deferred Compensation Plan and the Commonwealth-Sponsored Plan for Non-Profits. The purpose of this RFI is to gain insights into how the Treasury might best structure the eventual RFR with a goal of providing maximum value to the Commonwealth while making the RFR as easy to respond as possible for the vendor community.

# Work and Save

## California and Oregon Study Commissions



**Secure Choice Symposium | Senator Kevin deLeon**  
Investment firms managing trillions of dollars in assets will offer retirement plan design options for CA's Historic Secure Choice Program

SD22.SENATE.CA.GOV

**BUILDING A FOUNDATION FOR RETIREMENT SECURITY**  
Every working Oregonian should have an affordable, secure way to plan and save for retirement.



Today, nearly half of Oregonians aged 25-64 are not covered by a retirement plan at work. As a result, many are at risk of living in poverty when they retire - unable to cover basic living and medical expenses. Unless we address this problem proactively, we face insecurity for our growing senior population and a looming crisis for Oregon's social safety net and the state budget.



# Work and Save

## States Currently in Progress- Illinois

Thursday, 20 March 2014 20:02



### Committee approves Biss' private sector retirement savings plan

SPRINGFIELD — Today, State Senator Daniel Biss (D-Evanston) presented legislation to address the looming retirement security crisis in the private sector, winning a Senate committee's approval to bring the plan to a vote of the full Senate. In Illinois alone, over 2.5 million workers — more than half the private sector workforce — do not have access to a retirement savings plan through their employer.

"With private sector workers, especially low-wage workers, increasingly lacking access to retirement plans, Illinoisans face a severe and growing risk of retiring deep into poverty," Biss said. "The Secure Choice proposal is the only solution that gives workers a safe, portable and affordable way to save and invest while placing only a minimal burden on government and businesses."



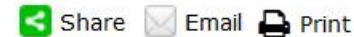
# Work and Save

## States Currently in Progress- Connecticut

### CT considering state retirement program for private sector

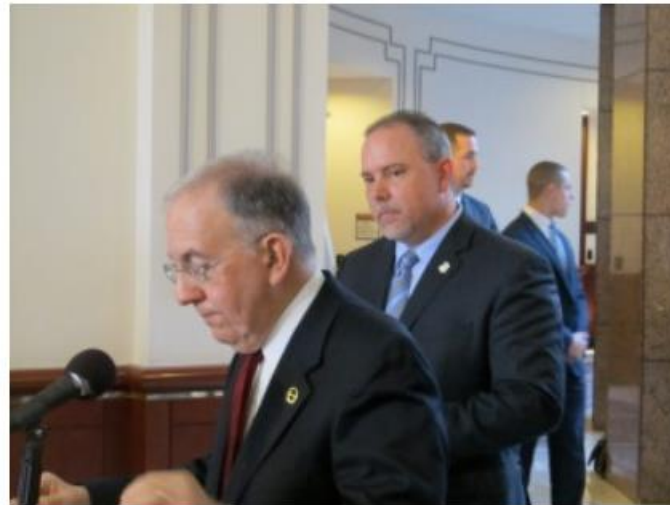
By: **MARK PAZNIOKAS** | March 11, 2014

[View as "Clean Read"](#)



With the support of the state treasurer and AARP, the Senate and House majority leaders are pushing legislation that would create a state-run retirement program for private-sector employees over the opposition of insurers and private investment advisers.

Senate Majority Leader Martin Looney of New Haven and House Majority Leader Joseph Aresimowicz of Berlin Tuesday urged passage of legislation that would make Connecticut the second state after California to offer a state retirement trust program.



Sen. Martin Looney, left, and Rep. Joseph Aresimowicz.

# Work and Save

## Positive Action Throughout the Country



VERA Passed West Virginia House

**Lawmakers consider state-assisted retirement plans**

January 8, 2014 | Filed under: Taxes & budget | Posted by: Lesley Weidenbener

By Amanda Creech  
TheStatehouseFile.com

INDIANAPOLIS — It may soon be easier for Hoosiers to save money under a bill a Senate committee passed Wednesday.

Senate Bill 66 creates a state-assisted savings plan for retirement.

Senator Greg Walker, R-Columbus, authored the bill and said it "encourages savings among the population today without a savings account offered by an employer."

Those who sign up for the retirement plan — and have never participated in one before — would receive a \$250 incentive in the form of a tax credit. "I believe the credit is a very modest thing to get people to save on their retirement," Walker said. "We should make an effort to do this."

SB 66 will now be sent to the Tax and Fiscal Policy Committee where it must pass before continuing to the Senate.

Indiana Senate Bill 66 Passed  
Committee with Bipartisan Support

# Work and Save

## Positive Action Throughout the Country

### Rosapepe co-sponsors retirement plan expansion bill

   Comments { 0 }  Share { 21 }  +1 { 0 }  Tweet { 1 }  Recommend { 0 }

Why Choose Volusion®?

[volusion.com/Free-14-Day-Trial](http://volusion.com/Free-14-Day-Trial)

24x7 Support, More Sales. Join Us! Build Your Own Online Store Today.

**By Amanda Yeager, [ayeager@tribune.com](mailto:ayeager@tribune.com)**

7:56 a.m. EST, February 26, 2014

District 21 state Sen. Jim Rosapepe is co-sponsoring a bill that would expand retirement security to private-sector workers without employer-sponsored plans.

The Maryland Secure Choice Retirement Savings program, introduced by Rosapepe and fellow Democrats state Sen. Richard Madaleno and Del. Tom Hucker, would create a state-sponsored, non-profit retirement plan available to private-sector employees.

It would also require Maryland private sector employers who don't currently offer retirement plans to give employees the option of creating an employee-funded retirement plan.

Gov. Martin O'Malley testified in support of the legislation at a Senate Pensions Subcommittee hearing on Feb. 20.

Maryland Governor  
Testifies in Support  
of Secure Choice

# Work and Save

## Recent History of Work and Save Legislation

- California: 2009 Assembly Bill 125 and 2007-08 Assembly Bill 2940
- Connecticut: 2012 House Bill 5313 and 2009 Senate Bill 1
- Illinois: 2011-12 Senate Bills 1844, 3278, House Bills 1672, 4472 and 4497
- Maryland: 2008 Senate Bill 728 and 2006 House Bill 1414
- Massachusetts: 2012 House Bill 1194
- Michigan: 2007 House Bill 4135
- New York: 2011 Assembly Bill 3719
- Pennsylvania: 2009 House Resolution 5696 and 2007 House Bill 1669
- Rhode Island: 2009 House Resolution 5696 and Senate Resolution 453
- Washington: 2009-2010 Senate Bill 5791 and House Bill 1893 and 2008-2008 House Bill 2044 and Senate Bill 6067
- Vermont: 2006 State Treasurer Retirement Savings Plan Proposal
- Virginia: 2009 House Bill 2026
- West Virginia: 2012 House Bill 2423 and 2008 SCR 6



# Work and Save

## Features Vary

	California 2012 SB 1234	Massachusetts 2012 Non-profit Plan	Oregon 2013 House Bill 3436	Auto IRA Illinois 2013 SB 2400	Secure Choice NCPERS
Passed by state?	Yes	Yes	Yes	No	No
Study required?	Yes	No	Yes	No	No
Set up plan immediately?	No	Yes	No	Yes	Yes
Defined Contribution Plan/Tax Qualified	Yes, but with guaranteed investment return	Yes	Yes	Yes	No, hybrid
Employer required to offer a plan?	Yes	No	No	Yes	No
Size/type of participating employers?	Applies to businesses with five or more employees that do not already offer a retirement plan	Non-profits with fewer than 20 employees	State has not chosen yet	Applies to businesses without a plan, in existence for two or more years and ten or more employees	Designed for business without currently existing plans
Contributions can be made by Employee?	Yes	Yes	Yes	Yes. Employees are automatically enrolled, can opt-out.	Yes
Contributions can be made by Employer?	Yes, but only if allowed under federal law. Not required.	Yes, but only if allowed under federal law. Not required.	Yes, but only if allowed under federal law. Not required.	No	Yes, but only if allowed under federal law.
Contributions made by state?	No	No	No	No	No
"Guaranteed" Return	Yes- privately insured	No	No	No	Yes- notional accounts, minimum return
Creates Liability for State?	No	No	No	No	No
Self-sustaining Plan?	Yes	Yes	Yes	Yes	Yes
Pooled Investing?	Yes	Yes	State has not chosen yet	Yes	Yes

# Work and Save

## What is the next step for Washington?

STaRT:  
Save Toward a Retirement Today  
House Bill 2474



- Voluntary accounts bills introduced in WA five times since 2003
- This year:
  - HB 2474 passed House 54 – 43
  - Senate Bill Companion Bill 6294 stalled in Senate
  - Language to scope out and seek federal permissions included in Governor's budget proposal and House proposal but not final budget.
- Time to continue the conversation