



# ILLINOIS SECURE CHOICE PRIVATE SECTOR RETIREMENT SAVINGS

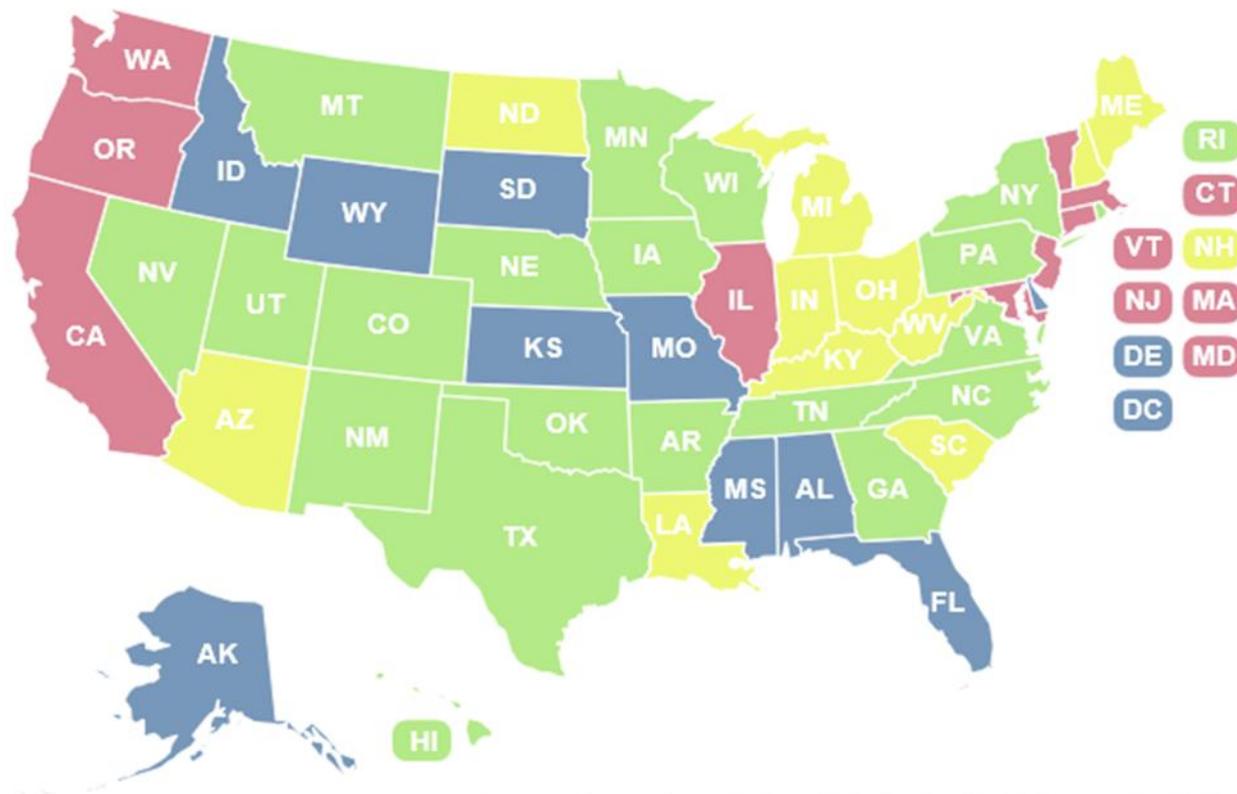
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# “Secure Choice” Environmental Update



Source: Georgetown University's Center for Retirement Initiatives

- = legislative proposal and/or study in 2017
- = laws enacted (2012-present)
- = recent state efforts (2012-2016)

# “Secure Choice” Environmental Update

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## ➤ OregonSaves Auto IRA

- Has moved from pilots to initial waves
- Opt-out rate:
  - Has been about 30%
  - In line with initial estimates
- Average contribution rate:
  - Is very close to 5%
  - In line with initial estimates

## ➤ CASCP Auto IRA

- Anticipates a soft launch in summer or autumn of 2018
- Officially open for statewide enrollment in early 2019
- RFP for service provider search pending

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## ➤ Washington Vendor Market Place

- Expects to open soon
- Will offer five plans
  - 2 Roth IRAs
  - 2 Traditional IRAs
  - SEP IRA
- Will add new offerings
- May provide modest grants to local business and economic development organizations to help build awareness and marketplace brand

## ➤ Connecticut:

- IRA with a marketplace of selected vendors and products
- Activity is progressing

## ➤ Maryland Payroll IRA:

- The Board to select one or more payroll deposit IRA arrangements.
- Mandatory for all employers that pay employees through a payroll system or service.

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- City of Seattle is 1<sup>st</sup> city to pass legislation for payroll IRA
- Vermont will create a MEP
  - Issued an RFP for a consultant to assist with service provider search
  - Stakeholder meetings are
  - Timeline with a goal of a December 2018 soft launch
- Additional states and municipalities have activity at various stages
  - Bill introduced in Virginia House for a feasibility study yesterday
- Implementation and identity
  - Branding the benefit
  - Effective and efficient
  - Maintaining the momentum
  - Expecting the unexpected

# Appendix: MEP

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State <b>MEP</b> Program	State <b>IRA</b> Program
Contribution Limit: \$18,000 or (if age 50+) \$24,000	Contribution Limit: \$5,500 or (if age 50+) \$6,500
Covered by ERISA.	Generally not covered by ERISA.
Restrictions on employee access to funds to prevent leakage and premature spending of retirement assets.	Payable on demand allowing individuals access to their funds at any time.
Employer participation is <b>voluntary</b> , reduced burdens may prompt many undecided employers who don't offer a plan to jump in.	Employer participation is generally <b>mandatory</b> if the employer is a certain size and does not already have a retirement plan.
Non-discrimination testing applies to ensure rank and file are benefiting.	No testing is required.

Ascensus