Secure Choice 2.0: States Blazing a Path to Retirement Security for All
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National Conference on Public Employee Retirement Systems
Agenda

• How did we get here?
• Where are the states?
• What’s next?
• Helpful information.
• Q&A.
Goals & Mission

• 6 years since the seminal Secure Choice Pension whitepaper.
• Reflect upon the activities that have transpired.
• Provide a broad and inclusive view on state-facilitated programs.
• Highlight best practices and provide model legislations.
• Inspire next group of states to innovate and evolve.
How did we get here?

• Retirement insecurity in the private sector.
• Data from an NCPERS survey conducted in January 2011 shows that 41% of respondents do not have retirement security.
How did we get here?

AARP

• 55 million working Americans do not have access to workplace retirement program.
Access to a Retirement Plan by Employer Size

U.S. PRIVATE SECTOR WORKERS: Does your employer offer a pension or retirement plan? By Size of Employer

A majority of full-time employees in smaller firms (<100 employees) say that their employer does not offer a pension or retirement plan (about 32 million individuals).

How did we get here?

Georgetown

- 45% of all working-age households (40 million Americans) do not own retirement assets.
How did we get here?

NIRS

• Private sector retirement savings gap upwards of $14 trillion.
How did we get here?

The Secure Choice Pension:
A Way Forward for Retirement Security in the Private Sector

Secure Choice 2.0:
States blazing a path to retirement security for all
How did we get here?

Secure Choice 2.0 methodology:

• Wanted broad perspective.
• Interviewed as many leading scholars, practitioners, experts, and state policymakers & implementers.
• Conducted research and commissioned supportive work.
Where are the states?

• Nine state have enacted state-facilitated retirement savings programs.
  ▪ One has started enrolling program participants.
  ▪ Rest in various states of implementation.
• 24 states and cities have introduced legislation.
OregonSaves

• Enactment: June 25, 2015.
• Account type: Roth IRA.
• Investment funds: target date mutual funds.
• Governance: Board of seven individuals and staff.
• Coverage: All employers that do not provide retirement plan to their employee(s) then must participate in OregonSaves.
• Current status: pilot program phase.
CA Secure Choice

- Account type: IRA.
- Investment funds: Managed accounts invested in U.S. Treasuries, myRAs, or similar investments.
- Governance: Board of nine individuals and staff.
- Coverage: All employers with 5 or more employees that do not provide retirement plan to their employees then must participate in Secure Choice.
- Current status: Development phase.
VT Green Mountain Secure Retirement

- Enactment: June 8, 2017.
- Account type: Multiple Employer 401(k) Plan.
- Investment funds: mutual funds.
- Governance: Board of seven individuals.
- Coverage: Voluntary.
- Current status: Development phase.
Other states

- Washington
- Illinois
- Connecticut
- Maryland
- New Jersey
- Massachusetts
What’s next?

- More state action.
- Federal action?
- Reaction and innovation from the private sector?
Additional Resources

California: www.treasurer.ca.gov/scib/index.asp
Illinois: www.illinoistreasurer.gov/Individuals/Secure_Choice
Oregon: www.OregonSaves.com
Additional Resources

Aspen Institute Financial Security Program
www.aspeninstitute.org

AARP  www.aarp.org

Center for Retirement Initiatives at Georgetown University
http://cri.georgetown.edu

Center for Retirement Research-Boston College
http://crr.bc.edu

National Institute on Retirement Security
www.nirsonline.org

The Pew Retirement Savings Project
www.pewtrusts.org

University of California at Berkeley Labor Center Retirement Security Program
http://laborcenter.berkeley.edu

APPENDIX 3
Helpful Organizations and Websites

Many nonprofit organizations and academic institutions contribute to our collective understanding of retirement security issues. Highlighted below are some organizations that are among the most deeply engaged in research and analysis on this pressing topic. While it is far from comprehensive, this list reflects a diversity of voices and approaches that have helped to shape public debate over retirement security.

Aspen Institute Financial Security Program. The program seeks to extend the world’s best minds to find breakthrough solutions for America’s family financial security crisis. Its projects include the Retirement Savings Initiative, which seeks comprehensive national policy solutions to improve retirement. Jeremy Smith, associate director. www.aspeninstitute.org

AARP AARP is a nonprofit, nonpartisan, social welfare organization with a membership of nearly 38 million that helps people put their goals and dreams into real possibilities, strengthens communities and fights for the issues that matter most to families—such as health care, employment and income security, and protection from financial abuse. Sarah Microwave Ed, senior legislative representitive. www.aarp.org

Center for Retirement Initiatives at Georgetown University. OBRI mission is to advance retirement solutions and models. It has played a key role in connecting state policy makers, advisors and industry experts and has created a working group to discuss implementation challenges and best practices. OBRI also analyzes legislative and regulatory developments, assists with program design, and serves as a resource to all states and stakeholders. Angela Almendral, Executive director. http://cri.georgetown.edu

Center for Retirement Research-Boston College. A leading center in retirement research, OBRI’s areas of focus include Social Security, state and local pensions, and financing retirement. OBRI reaches beyond economics to study behavioral factors that drive individual decisions. Alicia M. Munnell, director. http://crr.bc.edu

National Institute on Retirement Security. NIRS is a non-profit research and education organization established as a tool to inform policy makers by fostering a deep understanding of the value of retirement security to employees, employers, and the economy as a whole. NIRS works to encourage the development of public policies that enhance retirement security in America. Dianeucker, executive director. www.nirsonline.org

The Pew Retirement Savings Project. The project of The Pew Charitable Trusts studies the challenges and opportunities for improving retirement savings. The initiative focuses on barriers to retirement savings that affect workers, employers, and taxpayers; policies aimed at eliminating these barriers; and the tools associated with retirement plans. John Suttie, director. http://www.pewtrusts.org

University of California at Berkeley Labor Center Retirement Security Program. The Labor Center conducts research on workers’ retirement prospects in the context of the nation’s Social Security, the role of Social Security workplace pensions, and the shift from individual investment accounts like 401(k)s. It also assesses state policy proposals that aim to improve retirement security in California and nationally. Mary Wheel, director. http://laborcenter.berkeley.edu

A number of states have created web sites or web pages featuring their Secure Choice-inspired programs. This list current as of July 2017 is likely to change and grow as programs take shape.

California: www.zeus.ca.gov/securechoice
Connecticut: www.ctsecuredetroffice.sow.com
Illinois: www.illinoisretirementsecurity.com
Maryland: http://mymaryland.reaky.state.md.us/JSON/10066/securechoice.html
Oregon: www.OregonSecure.org
Virginia: www.virginia.gov/economic/business-retirement-plan-policies
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- Amanda Rok, Michael Kahn & NCPERS.
- Interviewees.
- Segal, K&L Gates, other collaborators.
Questions?
NCPERS 2017 Educational Programs

Public Pension Funding Forum
  September 10 – 12, Palo Alto, CA

NCPERS Accredited Fiduciary (NAF)
  Sept. 30 – Oct. 1, San Antonio, TX

Public Safety Employee Pension & Benefits Conference
  October 1 – 4, San Antonio, TX
Thank You

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