

State-mandated retirement programs are coming. Are you ready?

America's retirement landscape is changing. Pensions have largely disappeared from the private sector, Social Security seems fragile, and many workers are struggling to save for retirement, especially employees at small and medium-sized businesses.

Many states have passed legislation regarding retirement plans—and have upcoming registration deadlines. It's more important than ever to figure out what's required of your clients, as well as to find the best retirement plan that fits for them and their employees.

It's essential to understand how state-sponsored retirement plans work, what coverage they provide, and how they can benefit your clients.

Which states are mandating participation?

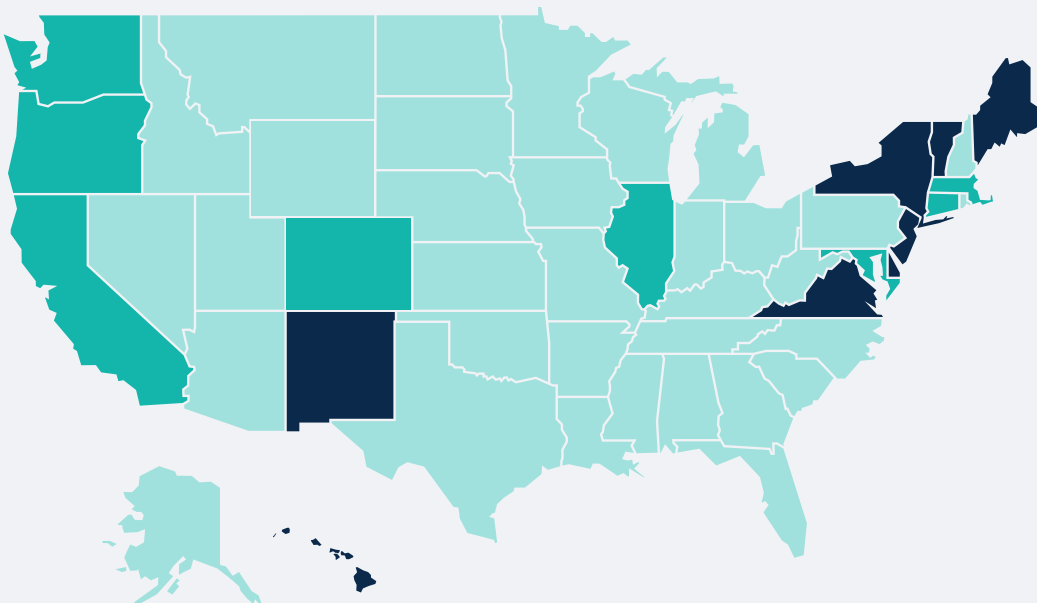
Currently 40+ states have introduced, passed, or implemented legislation regarding state-sponsored retirement programs! Of those, eight states have passed legislation, while eight states have active programs:

States with active legislation

California
Colorado
Connecticut
Illinois
Maryland
Massachusetts
Oregon
Washington

States with passed legislation

Delaware
Hawaii
Maine
New Jersey
New York
New Mexico
Vermont
Virginia



Here is a brief overview of the impending deadlines by state:

California: Called **CalSavers**, the deadline has passed for employers with 50+ employees (June 30, 2021) and employers with 5-49 employees (June 30, 2022).

Colorado: The **Colorado Secure Savings Program** is rolling out deadlines in phases. Employers with 50-plus employees must register by March 15, 2023.

Employers with 15 to 49 employees must register by May 15, 2023. Employers with five to 14 employees must register by June 30, 2023.

Connecticut: **MyCTSavings** opened for enrollment on April 1, 2022. Deadlines for employers with 26+ employees have passed. Employers with five to 25 employees have until March 30, 2023, to register.

Illinois: **Illinois Secure Choice** requires employers with five to 14 employees to register by November 1, 2023. The deadline for employers with 16-24 employees has passed.

Maine: The **Maine Retirement Savings Program** requires employers with 25+ employees to offer a program by April 1, 2023. October 1, 2023, is the deadline for employers with 15-24 employees while April 1, 2024, is the deadline for employers with five to 14 employees.

Maryland: The **MarylandSaves Program** fully launched to the public in September 2022, but specified deadlines are still forthcoming.

Massachusetts: The state created the **CORE** program for nonprofits with 20 or less employees, and is not a mandatory program.

New Jersey: The state created the **New Jersey Secure Choice Savings Program Act**, which requires employers with 25 or more employees who have been in business for at least two years to offer a state-sponsored retirement program. Implementation in progress. **Coming soon.**

New Mexico: The **New Mexico Work and Save Act**, expected to be live by July 1, 2024, will create an online retirement marketplace where workers 18 years and older who do not have retirement accounts can set aside a portion of their income to invest directly into a Roth IRA. **Coming soon.**

New York: The **New York State Secure Choice Savings Program** is mandatory for employers that have been in business for at least 2 years with 10 or more employees. As of early 2022, implementation of the program appears to be moving forward but final details including deadlines are to be determined. **Coming soon.**

Oregon: **OregonSaves**, the state's provided IRA program, deadlines for employers with more than three employees have passed. Employers with two or less employees must comply by July 31, 2023.

Vermont: The **Green Mountain Secure Retirement Plan** has not been launched yet. It's a voluntary MEP for employers with 50 employees or fewer.

Virginia: The **VirginiaSaves program** law went into effect July 1, 2021, but employer enrollment isn't expected to begin until at least July 1, 2023.

Washington: The state created **Washington's Retirement Marketplace** to offer low-cost retirement plans to businesses and individuals on a voluntary basis.

Some of these retirement plan mandates are still a ways off, but it is important for your clients to start planning early. With Human Interest, you can help your clients offer a flexible program that has all the benefits of a large organization's 401(k) plan, yet is made for small businesses.

By partnering with Human Interest, you'll be able to:

Offer clients a retirement savings solution that provides a competitive and affordable alternative to the state-run plans.

Streamline administration to help increase profitability.

Assist clients in creating a retirement benefit with flexible plan design, open-architecture investments, and integration with 400+ payroll providers.²

¹ Human Interest, "What is a state-sponsored retirement plan?" 2022.

² Refer to humaninterest.com/payrolls for a list of integrated payroll providers.

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