



**STATE OF CONNECTICUT**

# **RETIREMENT SECURITY BOARD**

**CO-CHAIRS:** STATE COMPTROLLER KEVIN LEMBO & STATE TREASURER DENISE L. NAPPIER

## **Staff Report to CRSB**

### **Re: DOL Opinion on Federal myRA**

#### **January 5, 2015 CRSB Meeting**

The Federal myRA program is a retirement savings program recently established by the U.S. Department of the Treasury, in response to a presidential directive to the Secretary of the Treasury to create a retirement savings security targeted at new savers, low and medium income, who do not have access to an employer-sponsored retirement plan. Before launching the program, J. Mark Iwry from the Department of the Treasury requested an opinion on ERISA's applicability to the program from the Department of Labor. The DOL responded on December 15, 2014 with an opinion stating that the program would be exempt from ERISA applicability. Below are the main points from the DOL opinion:

The DOL placed significant emphasis on:

- its establishment, sponsorship, and administration by the federal government,
- the absence of any employer funding,
- the absence of any employer role in its administration and design,
- its voluntary nature, as it requires affirmative election for enrollment and would not include automatic enrollment as an option, and
- the limited nature of the employer's involvement, which is limited to distributing information, facilitating enrollment, and otherwise encouraging employees to make deposits to myRA accounts owned and controlled by employees.

The DOL also considered that:

- myRA accounts would only be invested in U.S. Treasury retirement savings bonds,
- there would be no fees to open or maintain a myRA, and
- the account would never lose value.

Please find the complete DOL Opinion here: <http://www.dol.gov/ebsa/pdf/il121514.pdf>