



STATE OF CONNECTICUT

RETIREMENT SECURITY BOARD

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

Staff Report to CRSB

Re: Skeleton of Plan Design

December 3, 2014 Meeting Follow-Up

Below is a list of the requirements for the plan that the Board members discussed at the December 3 meeting for the Board's review. It includes plan design elements with which the Board members seemed to be in agreement.

1. IRAs
2. Pooled accounts
3. Non-profit annuity on back-end with more favorable terms than cash out provision
4. Automatic enrollment with opt-out provision*
5. Default contribution with opt-out provision
6. Default escalation with opt-out provision
7. Limited investment options and guaranteed rate of return
8. Allow employer contributions*
9. Mandate employers without retirement plan who employ 5 employees or more to offer plan*
10. Discourage employers offering and contributing to an employee payroll deduction retirement plan from dropping their plan
11. Allow rolling funds into account

*These provisions may trigger ERISA coverage and liability to either the employer or the state, and therefore, would be dependent on a Department of Labor opinion.