

**Statement of the
Connecticut Insurance and Financial Services Cluster**

Public Hearing of the Connecticut Retirement Security Board [CRSB]
November 19, 2014

Aetna
AIX Group, a member of
Hanover Insurance Group
Anthem Blue Cross/Blue
Shield of CT
Bank of America
Catlin, Inc.
ConnectiCare
Conning
First Niagara Financial
Group
The Hartford Financial
Services Group
Hartford Steam Boiler
Inspection & Insurance
Company/Munich RE
Insurity
KPMG
Lincoln Financial Group
Massachusetts Mutual Life
Insurance Company
Northwestern Mutual
Nutmeg State Federal
Credit Union
People's United Bank
The Phoenix Companies
PwC
Prudential Retirement
Robinson & Cole, LLP
Travelers Companies
UnitedHealthcare
United Illuminating
Vantis Life Insurance
Company
Voya Financial, Inc.
Webster Bank
XL Group plc

The Connecticut Insurance and Financial Services Cluster [CT IFS], as part of the MetroHartford Alliance, supports a strong and vibrant insurance and financial services industry. We seek to protect the jobs that contribute 9% of the state's gross state product and to grow employment by creating an economic environment that is predictable and strong.

We continue to oppose the act by the state to create a public retirement solution for private sector employees for the following reasons:

- Connecticut's employers and employees already benefit from a highly competitive marketplace with a variety of plans, products and services – many providing lower costs and simplified administration.
- The state would be in direct competition with the private sector and place in jeopardy the livelihood of over 100,000 residents that are employed by the state's IFS industry today.
- The proposal creates a burden on small businesses and creates unrealistic expectations that the plan comes with no administrative requirements or costs. The plan will further subject small businesses to potential liability as plan fiduciaries.
- The plan puts the state at risk with undetermined liabilities as the plan administrator, with compliance provisions with ERISA and substantial start-up costs.
- As a market alternative, the myRA (My Retirement Account) created by President Obama's executive order is designed specifically for private sector workers and will offer a simple, safe and affordable way to start saving for retirement. The Treasury expects to roll out the myRA's in late 2014.

The feasibility study should conclude that the most effective solution for a financially sound retirement is education. Connecticut should play a leadership role by encouraging private-sector plan coverage and employer awareness through education and financial literacy - not by placing more products on the market but by showcasing the myriad of products already designed to meet all consumers' needs. It's greater participation that is the true goal and the solutions are already provided. Thank you.

Susan Winkler, Executive Director
Connecticut Insurance & Financial Services Cluster

The Connecticut Insurance and Financial Services [IFS] Cluster, formed in 2003, is a strategic initiative of the MetroHartford Alliance that is designed to create a stronger IFS industry that is critical to sustain economic and employment growth in Connecticut. Leaders from business, state government and academia collaborate to foster growth among all of the industry's segments. The Connecticut IFS Cluster is comprised of 28 corporate sponsors whose shared vision is to create competitive advantages in business attraction and retention, to assist with recruitment and education of a trained workforce, and to increase public awareness through advocacy.