

Dear Governor Malloy:

November 20, 2014

Last evening, I attended a public hearing called by the Connecticut Retirement Security Board, co-chaired by the State Treasurer and State Comptroller. The Board was ostensibly looking for public input on the creation and design of a state-run retirement plan to address the "crisis—du-jour", income security in retirement. Presumably the "crisis" is one for the state since the state will have to take care of these people since they were not able to take care of themselves.

The premise that the Board is working under is that people, mostly low-paid or underemployed workers, do not have access to an employer-sponsored retirement plan. The state can come to the rescue of these citizens by coming up with a state-run plan that doesn't cost the employer anything, requires the employer to automatically enroll the employee who has to opt-out not to have his or her pay put in the plan and provides very low-cost investment choices.

As a Certified Financial Planner™ practitioner, CFP®, who has worked in this arena for over 20 years, dealing with clients from a broad swath of the socio-economic spectrum, I can confidently say that this idea is naïve at best and a horrible waste of time and resources at worst. In other words, it's a typical offering from elitists who believe they, and the government, are the answer to everything. If we could just get these stupid people to do what they're supposed to do they'd be so much happier!

This Board and any board like it that is attempting to improve the economic security of more* of our citizens, retirement or otherwise, should be two-fold. First, create a business climate in Connecticut that requires full-time workers with skills that demand a competitive wage. Second, attack the cost elements that make living in this state so expensive. This Board and other boards should not waste valuable time tilting at windmills. What good does it do to have a state-run retirement plan so some part-time, fast-food worker can put \$5/week in to it only to turn around 6 months later and ask whoever the plan administrator is how he or she gets her \$130 out of it? (I have moderate income clients who call every week asking the same question, no matter what the taxes and penalties.)

To paraphrase President Reagan, "Mr. Malloy, tear down this Board!"

Respectfully,



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Cc: Denise Nappier, Treasurer, State of Connecticut
Kevin Lembo, Comptroller, State of Connecticut
Ted Kennedy, Jr. Senator, 12th District
Noreen Kokoruda, Representative, 101st District

*"You will always have the poor among you..." John 12:8