



News from:
COMPTROLLER KEVIN LEMBO

FOR IMMEDIATE RELEASE

WEDNESDAY, FEBRUARY 15, 2017

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**COMPTROLLER LEMBO, PART OF MULTI-STATE COALITION,
URGES CONGRESS TO PRESERVE STATE EFFORTS TO ADDRESS
RETIREMENT SECURITY CRISIS**

Comptroller Kevin Lembo announced today that he has called on Congress to protect state rights to address a growing retirement savings crisis, including Connecticut's new retirement security program that seeks to protect hundreds of thousands of private-sector workers who have no access to workplace-based retirement savings.

Nearly 55 million people nationwide lack access to employer-sponsored retirement plans – including approximately 600,000 private-sector workers in Connecticut.

Two recent congressional resolutions (H.J. Res 66 and H.J. Res 67) seek to repeal key U.S. Department of Labor (U.S. DOL) rules. The repeal would complicate efforts by states and municipalities to develop retirement security solutions.

Lembo, as part of a multi-state coalition of state and municipal leaders, sent letters to U.S. House and Senate leaders and U.S. Rep Joe Courtney this week to fight the repeal. Lembo praised Courtney for his leadership as a member of the Education and Workforce Committee's Subcommittee on Health, Employment, Labor and Pension, and for the congressman's efforts to defeat the resolutions.

“Connecticut has the right – with or without this repeal – to protect its economy and its residents from a growing retirement savings crisis, as ERISA attorneys have already advised us,” Lembo said. “However, the federal government should be a partner, not an obstacle, to states, municipalities, businesses and middle-class workers who all benefit when an entire generation has access to a financially secure retirement.

“There is an entire generation of workers, many of them lifelong hardworking middle class people, who are headed to retirement financially unequipped, in part due to lack of access to a workplace-based retirement savings option. This is not just a serious issue for those individuals and families who are financially forced to delay retirement indefinitely, but for our entire state and national economy.”

To respond to the national retirement savings crisis, Connecticut and states and municipalities across the country began developing programs to address this problem.

Lembo co-led an initiative last year with state Treasurer Denise L. Nappier that successfully established a new retirement security program in Connecticut. Now under implementation, the financially self-sustaining retirement savings program will ensure that private-sector workers in Connecticut have an opportunity to voluntarily save for retirement through their workplace, whether through a state-facilitated plan or a plan offered in the private market.

The U.S. DOL issued a final rule last year that clarified the ability of states and municipalities to implement such retirement programs for private-sector workers in collaboration with private employers.

Lembo said that ERISA attorneys have already advised Connecticut that states could establish these retirement savings programs even if the U.S. DOL rule is repealed. However, such a repeal of the rules would nevertheless complicate and unnecessarily undermine those efforts.

There are approximately 30 states and municipalities in the process of implementing or exploring retirement programs for private-sector workers.

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