

CENTER *for*
RETIREMENT
RESEARCH
at BOSTON COLLEGE

To: Connecticut Retirement Security Board

From: Center for Retirement Research at Boston College (CRR)

Date: 5/1/2015

Re: Employer Mandate

Connecticut Senate Bill 249, “An Act Promoting Retirement Savings,” clearly states in its summary that “qualified employers (those with at least five employees) must offer employees a payroll deduction option to join the trust program unless they offer a different employer-sponsored retirement plan.” CRR fully supports this employer mandate. CRR does not believe a high share of employers who currently do not offer a retirement savings plan would choose to enroll workers in the State’s program voluntarily. This belief is partially based on the simple fact that setting up the type of individual retirement account outlined by the legislation is already a relatively easy task for an employer to complete, but these employers have not yet done it.

To obtain employers’ view on the mandate, CRR plans to ask questions about employers’ perceptions of it, as well as questions probing any concerns that employers may have about the costs or logistics of the mandated program in both the employer focus groups and employer survey. These questions will inform Connecticut of employers’ likely reactions to the mandate and allow Connecticut to address any pressing concerns before the mandate is put into effect.