



General Assembly

Amendment

February Session, 2008

LCO No. 4889

SB0065204889SR0

Offered by:
SEN. DEBICELLA, 21st Dist.

To: Subst. Senate Bill No. 652 File No. 603 Cal. No. 399

"AN ACT CONCERNING SMALL BUSINESS RETIREMENT PLANS."

1 Strike everything after the enacting clause and substitute the
2 following in lieu thereof:

3 "Section 1. (NEW) (*Effective from passage*) (a) As used in this section:

4 (1) "Small employer" means a business with fifty or fewer
5 employees;

6 (2) "IRA" means an individual retirement account or individual
7 retirement annuity under Section 408 or 408A of the Internal Revenue
8 Code of 1986 or any subsequent corresponding internal revenue code
9 of the United States, as from time to time amended;

10 (3) "Payroll deposit IRA arrangement" means an arrangement by
11 which an employer makes its payroll system available to employees as
12 a conduit for transferring salary reduction contributions to IRAs; and

13 (4) "SIMPLE plan" means a SIMPLE IRA program under section

14 408(p) of the Internal Revenue Code of 1986 or any subsequent
15 corresponding internal revenue code of the United States as from time
16 to time amended.

17 (b) The Comptroller shall establish a tax-qualified defined
18 contribution retirement program to provide retirement investment
19 plans, including, but not limited to, SIMPLE plans and payroll deposit
20 IRA arrangements, for self-employed individuals, small employers
21 and organizations qualifying as tax-exempt pursuant to Section
22 501(c)(3) of said Internal Revenue Code. In administering such plan,
23 the Comptroller shall seek to minimize costs by helping small
24 employers and individuals purchase retirement savings plans,
25 arrangements and investments through economies of scale,
26 standardization and other measures.

27 (c) In carrying out the provisions of this section, the Comptroller
28 shall contract with a third-party administrator for the management of
29 such plan or plans and shall recover from program assets expenses
30 incurred to initiate, operate and administer the program established
31 pursuant to subsection (a) of this section."

This act shall take effect as follows and shall amend the following sections:		
Section 1	<i>from passage</i>	New section