KEVIN LEMBO
STATE COMPTROLLER

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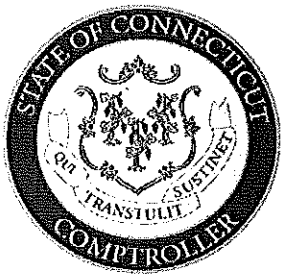

STATE OF CONNECTICUT
OFFICE *of the* STATE COMPTROLLER
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Hartford, CT 06106-177

WRITTEN TESTIMONY
State Comptroller Kevin Lembo
Co-Chair of the Connecticut Retirement Security Board

February 17, 2015

Concerning
H.B. 5858 An Act Providing Funding to the Connecticut Retirement Security Board

Senator Winfield, Representative Tercyak, Senator Hwang, Representative Rutigliano:

Thank you for the opportunity to testify on House Bill 5858. As one of the Co-Chairs of the Connecticut Retirement Security Board, I would like to take the opportunity to update the committee on the progress of the Board.

As you recall, the Board was charged with studying the feasibility of implementing a publicly-administered retirement savings plan. It has issued a Request for Proposals (RFP) to conduct a market and feasibility study, which includes four components: general consulting services, market analysis, plan design, and financial feasibility. These proposals are due today, Tuesday, February 17. The study must be delivered to the General Assembly on January 1, 2016 and an implementation plan is due April 2016.

The General Assembly appropriated $186,000 in 2014 for the study. The study including required legal services is anticipated to cost up to $1 million. The Board is actively pursuing private donations to fund the study as allowed by statute. To date we have contacted each of the organizations that contributed to the financing of similar work in California and have received some positive initial responses. Additional funds will be required to complete the market feasibility study, which will inform the Board's final recommendations to the General Assembly.

The legislation passed last year creating the Board made Connecticut a national leader in investigating opportunities to improve retirement security for employees that lack access to an employer sponsored payroll deduction retirement savings option. In only a few short months the Board has made great progress. We look forward to continuing our work on this valuable endeavor.