



General Assembly

**Amendment**

February Session, 2016

LCO No. 4863



Offered by:  
REP. CANDELORA, 86<sup>th</sup> Dist.

To: Subst. House Bill No. 5591      File No. 303      Cal. No. 227

(As Amended By House Amendment Schedules "A" and "B")

**"AN ACT CREATING THE CONNECTICUT RETIREMENT SECURITY PROGRAM."**

1      Strike section 19 in its entirety and substitute the following in lieu  
2 thereof:

3      "Sec. 19. Section 31-71j of the general statutes is repealed and the  
4 following is substituted in lieu thereof (*Effective July 1, 2016*):

5      (a) As used in this section: (1) "Automatic enrollment" means a plan  
6 provision in an employee retirement plan described in Section 401(k)  
7 or 403(b) of the Internal Revenue Code of 1986, or any subsequent  
8 corresponding internal revenue code of the United States, as from time  
9 to time amended, or a governmental deferred compensation plan  
10 described in Section 457 of said Internal Revenue Code, or a payroll  
11 deduction Individual Retirement Account plan described in Section  
12 408 or 408A of said Internal Revenue Code, or the Connecticut  
13 Retirement Security Program established pursuant to section 3 of this

14 act, under which an employee is treated as having elected to have the  
15 employer make a specified contribution to the plan equal to a  
16 percentage of compensation specified in the plan until such employee  
17 affirmatively elects to not have such contribution made or elects to  
18 make a contribution in another amount; and (2) "automatic  
19 contribution arrangement" means an arrangement under an automatic  
20 enrollment plan under which, in the absence of an investment election  
21 by the participating employee, contributions made under such plan are  
22 invested in accordance with regulations prescribed by the United  
23 States Secretary of Labor under Section 404(c)(5) of the Employee  
24 Retirement Income Security Act of 1974, as amended from time to  
25 time.

26 (b) Any employer who provides automatic enrollment shall be  
27 relieved of liability for the investment decisions made by the employer  
28 or the Connecticut Retirement Security Authority pursuant to section 8  
29 of this act on behalf of any participating employee under an automatic  
30 contribution arrangement, provided:

31 (1) (A) The plan allows the participating employee at least quarterly  
32 opportunities to select investments for the employee's contributions  
33 between investment alternatives available under the plan;

34 [(2)] (B) The employee is given notice of the investment decisions  
35 that will be made in the absence of the employee's direction, a  
36 description of all the investment alternatives available under the plan  
37 and a brief description of procedures available for the employee to  
38 change investments; and

39 [(3)] (C) The employee is given at least annual notice of the actual  
40 investments made on behalf of the employee under such automatic  
41 contribution arrangement; [.] or

42 (2) The employee is enrolled in a retirement plan under the  
43 Connecticut Retirement Security Program established pursuant to  
44 section 3 of this act.

45 (c) Nothing in this section shall modify any existing responsibility of  
46 employers or other plan officials for the selection of investment funds  
47 for participating employees.

48 (d) The relief from liability of the employer under this section shall  
49 extend to any other plan official who actually makes the investment  
50 decisions on behalf of participating employees under an automatic  
51 contribution arrangement."

This act shall take effect as follows and shall amend the following sections:		
Sec. 19	July 1, 2016	31-71j