

Labor and Public Employees Committee

JOINT FAVORABLE REPORT

Bill No.: HB-6552

AN ACT CONCERNING THE CONNECTICUT RETIREMENT SECURITY

Title: PROGRAM.

Vote Date: 2/16/2023

Vote Action: Joint Favorable Substitute

PH Date: 1/31/2023

File No.:

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SPONSORS OF BILL:

Labor and Public Employees Committee

REASONS FOR BILL:

The bill is intended to implement the recommendations of the Comptroller concerning the administration of the Connecticut Retirement Security Program. The program, also known as the MyCTSAvings System, was first piloted with the goal of encouraging more small businesses to enroll their employees in a retirement program and have these employees start saving for retirement.

The substitute language allows the Comptroller to adopt regulations regarding enforcement provisions of the program, including, but not limited to, financial penalties.

RESPONSE FROM ADMINISTRATION/AGENCY:

Sean Scanlon, Comptroller of The State of Connecticut: Supports this bill because it makes the necessary technical and operational improvements to the program called MyCTSAvings, which is run by the Comptroller's office. He believes it is important for these changes to be made to ensure the goal of the program is achieved, which is to provide an opportunity to save for retirement for over 600,000 Connecticut workers.

NATURE AND SOURCES OF SUPPORT:

John Erlingheuser, Senior Associate State Director of Advocacy, AARP Connecticut: Supported this bill on the ground that it will help the MyCTSAvings program provide a retirement option for over 600,000 private sector workers in Connecticut. He stated that the program is voluntary, and that businesses with five or more employees will be required to

offer access to the program only if they do not already offer a retirement savings option. He further said that it is an innovative program that will provide a retirement solution for today's workforce, and that this bill will help ensure the success of the program.

Leyla Jenkins, Owner of Lorca Coffee Bar: Supported this bill because it has given her staff the opportunity to start saving for retirement, and it helps her with employee retention. She stated that offering an IRA program was inaccessible to her business before, and this program would help many small businesses and their staff save for retirement.

John P. Miller, President and CEO of National Chromium Co. Inc.: Supported this bill because the program has given some of his employees the opportunity to start contributing to their retirement savings. He related firsthand experience that small businesses will benefit from this change to provide their employees with an opportunity to save for their retirement, and that it adds another tool to support employee recruitment and retention.

NATURE AND SOURCES OF OPPOSITION:

No sources of opposition were provided.

Reported by:

Date: 2/22/23

Gabriel Marques, Assistant Clerk