

HOUSE No. 4204

The Commonwealth of Massachusetts

HOUSE OF REPRESENTATIVES, April 13, 2016.

The committee on the Financial Services to whom were referred the petition (accompanied by bill, House, No. 899) of Robert M. Koczera relative to universal voluntary retirement accounts, the petition (accompanied by bill, House, No. 924) of James J. O’Day and others for legislation to establish secure choice retirement savings plans and the petition (accompanied by bill, House, No. 939) of Angelo M. Scaccia and William Francis Galvin (Secretary of the Commonwealth) relative to establishing a secure choice savings retirement plan, reports recommending that the accompanying resolve (House, No. 4204) ought to pass.

For the committee,

AARON MICHLEWITZ.

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**In the One Hundred and Eighty-Ninth General Court
(2015-2016)**

Resolve establishing a Commission to Study the Feasibility of a Secure Choice Retirement Savings Option.

1 **Resolved**, Notwithstanding any general or special law to the contrary, there shall be a
2 special commission to investigate and study the prospect of a state-run voluntary retirement
3 account programs as a mechanism to encourage private employees to save for retirement.

4 The commission shall evaluate the potential impact that the state-run voluntary
5 retirement accounts may have upon private employee retirees, both at present and at the time of
6 retirement.

7 The commission shall consist of 11 members: 2 of whom shall be the Speaker of
8 the House and the President of the Senate, or their designee, who shall co-chair the commission;
9 1 of whom shall be the secretary of administration and finance, or the secretary's designee; 1 of
10 whom shall be the treasurer, or the treasurer's designee; 1 of whom shall be the executive
11 director of the public employee retirement administration commission, or the director's designee;
12 1 of whom shall be a member of the financial planning industry; 1 member who shall be the
13 house minority leader or a designee; 1 member who shall be the senate minority leader or a

14 designee; 3 of whom shall be private citizens appointed by the co-chairs, based upon the citizens'
15 expertise in academia, retirement issues, or financial planning.

16 The commission shall consult with experts in the relevant fields and file a report
17 of its recommendations. The report shall include, but not be limited to: (i) an analysis of the
18 current retirement plans available for private employees ; (ii) an estimate of the cost and initial
19 funding of the establishment of the Secure Choice Multiple-Employer Retirement Trust (MERP)
20 as a profit sharing defined contribution; (iii) an estimate of the cost and initial funding of the
21 establishment of the Secure Choice Individual Retirement Account Trust with the purpose of
22 accepting individual contributions through payroll deduction and direct payment into individual
23 retirement accounts. (IRAP); (iv) an analysis of the effect and operation of an automatic
24 enrollment payroll deduction IRA for individuals in the private sector ; (v) analysis on the
25 potential impact that this plans may pose to private companies based in the Commonwealth
26 offering similar services; (vi) recommendations on effective administration and oversight of the
27 state-sponsored plans; (vii) an analysis of the commonwealth liabilities under ERISA; (viii)
28 recommendations on investment management and best practices.

29 The commission shall file a report of its recommendations, together with the
30 actuarial analysis, if any, with the clerks of the house and senate, the chairs of the house and
31 senate committee on ways and means and the chairs of the joint committee on financial services
32 not later than April 1st, 2017.