

Colorado Department of the Treasury



Colorado Secure Savings Program



COLORADO
Secure
Savings

Secure Savings Program Background

The financial impact of retirement savings goes beyond the future of the individual: it affects local, state and federal budgets

Cumulative Impact (2021-2035)

\$10 Billion

State and Local Impact

\$18 Billion

Combined State, Local, and Federal Impact



Secure Savings Basics

- 1. Auto IRA programs are administered through public/private partnerships**
 - Government entity serves as fiduciary for the plans
 - Investment management and record keeping are performed by private sector
- 2. Employers without retirement plans are required to participate**
 - Five or more employees
 - In business for more than two years
- 3. Employees are automatically enrolled**
 - May opt out of retirement program
 - Default contribution rates, investments, with option of changing election



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Secure Savings Program

Under no circumstances are you required to purchase a private retirement plan for your employees

The Secure Savings program is free, and enrollment is expected to only take minutes.



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Eligibility Diagram

What qualifying employees are:

- Full time employees
- Part time employees

Which employees do not qualify:

- 1099 employees
- Seasonal workers

Non qualifying employees can voluntarily participate in the program but employers cannot enroll them on their behalf



** Employed for at least 180 days*





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Benefits to Employers

Benefit offered at no cost to employers

- Accounts are funded entirely by employees
 - Employers cannot match funds
- No employer fees or liability for the plans
- Administrative burden will be minimal
- Will be compatible with your existing payroll system
- Ability to provide a new benefit for no cost burden





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Benefits to Employers

Program leverages best practices in financial services

- Investment management and record keeping will flow through private firms
- Professionally managed, with oversight from Board and State Treasurer
- Digital platform will likely be the primary method for enrollment facilitation and payroll remittance



Benefits to Employees

Program will provide a high quality, competitive option for workers

- Low fees for plan administration
- Easy to use platform
- Low obligation for workers

Provides an easy, accessible way to save for the future

- Automatically enrolled via their employer
 - Employees can opt out
- Program board will set default contribution rate
- Simplified investment menu



EMPLOYEE
BENEFIT

Program Timeline



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IMPLEMENTATION TIMELINE



Next Steps - Pilot Program



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Starting in October of this year, the pilot program for interested businesses will begin

- Pilot Program will ensure the enrollment and recordkeeping system is working properly.
- Businesses with five or employees, and who have been in business for two or more years are eligible to participate.
 - A limited number of sole proprietors and 1099 workers will also be allowed to participate.
- If you're interested, please complete this [form](#).



Next Steps



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1. Financial education

- Broadly highlighted in SB20-200
- Begin educating workers and employers about the program
- Board emphasis on underserved populations across Colorado
- Factsheets available at <https://treasury.colorado.gov/colorado-secure-savings-program>

2. Regulations and Program Design

- Rulemaking currently in progress
- Stakeholder input key to ensuring program design meets the needs of savers and employers

3. Enrollment Outreach

- Beginning in mid 2022

4. Enrollment expected to begin in 2023

Questions & Answer - Contact Us



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Secure Savings General Inbox:
cssp.general@state.co.us

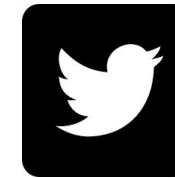
[Pilot Program Intake Form](#)



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