



# Legislative Council Staff

## Research Note

Version: Final

Date: 4/27/2017

### Bill Number

House Bill 17-1290

### Sponsors

*Representatives Pettersen &  
Buckner  
Senators Donovan & Todd*

### Short Title

*Colorado Secure Savings Plan*

### Research Analyst

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### Status

This research note reflects the final version of the bill, which was postponed indefinitely by the Senate State, Veterans, & Military Affairs Committee.

### Background

Five states have enacted laws establishing state-sponsored retirement plans for private sector workers, with most of these states expecting to begin enrollment in the plans in 2018. These state laws all require that private sector employers of a certain size either offer their employees the ability to enroll in a qualifying private employer-sponsored retirement program, or automatically enroll their employees in the state-sponsored retirement plan. Employees in these states may elect to set their contribution rate at a rate that is different than the default rate, or opt out of the program altogether.

### House Action

***House Business Affairs and Labor Committee (April 13, 2017).*** At the hearing, representatives from the Bell Policy Center, AARP, Product Architects, NAACP Colorado, Mobilize Us, the Small Business Majority, Soul Salve, Bedrock Landscaping Materials, Young Invincibles, the Strategic Action Planning Group on Aging, the Colorado Center on Law and Policy, DSquared Financial Strategies, and the AFL-CIO Colorado testified in support of the bill. Representatives from the Colorado Farm Bureau, the American Council of Life Insurers, ANB Bank, the Colorado Bankers Association, the Denver Metro Chamber of Commerce, the Colorado Competitive Council, the National Federation of Independent Business, and the National

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Association of Insurance and Financial Advisors testified in opposition to the bill. A representative from the Mountain States Employers Council testified on the bill from a neutral position.

The committee adopted amendment L.001, and referred the bill, as amended, to the House Committee of the Whole. The amendment:

- added a requirement that employees must have been employed by their employer for at least 120 days;
- added a requirement that the newly created Colorado Secure Savings Plan Board of Trustees provide recommendations to the General Assembly concerning any additional consumer protections that should be included in the implementing legislation, based on an analysis of current federal laws;
- adjusted the penalties assessed against employers who fail, without reasonable cause, to enroll employees in the retirement plan within the specified time frame to include only a warning for the initial offense and gradually increasing the amount of the penalty over time based on the number and nature of the violations; and
- made several technical changes.

**House second reading (April 18, 2017).** The House adopted the House Business Affairs and Labor Committee report and passed the bill on second reading.

**House third reading (April 19, 2017).** The House passed the bill on third reading with no amendments.

## Senate Action

**Senate State, Veterans, & Military Affairs Committee (April 26, 2017).** At the hearing, representatives from Sazza restaurant, the Small Business Majority, the Bell Policy Center, the National Association for the Advancement of Colored People, AARP, and one private citizen testified in support of the bill. Representatives from ANB Bank, the Colorado Fruit and Vegetable Growers Association, the American Council of Life Insurers, the Colorado Bankers Association, the Colorado Competitive Council, the Denver Metro Chamber of Commerce, and the National Federation of Independent Business testified in opposition to the bill. The committee postponed the bill indefinitely.

## Relevant Research

Legislative Council, *State-Sponsored Retirement Plans*, Issue Brief, April 2017:  
[http://leg.colorado.gov/sites/default/files/ib\\_17-19\\_state-sponsored\\_retirement\\_plans.pdf](http://leg.colorado.gov/sites/default/files/ib_17-19_state-sponsored_retirement_plans.pdf)