

Second Regular Session  
Seventy-second General Assembly  
STATE OF COLORADO

INTRODUCED

LLS NO. 20-0594.01 Nicole Myers x4326

SENATE BILL 20-200

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SENATE SPONSORSHIP

Donovan and Pettersen,

HOUSE SPONSORSHIP

Kraft-Tharp and Becker,

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Senate Committees

Finance

House Committees

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A BILL FOR AN ACT

101 CONCERNING THE IMPLEMENTATION OF THE COLORADO SECURE  
102 SAVINGS PROGRAM TO INCREASE THE AMOUNT OF RETIREMENT  
103 SAVINGS BY COLORADO'S PRIVATE SECTOR WORKERS.

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Bill Summary

*(Note: This summary applies to this bill as introduced and does not reflect any amendments that may be subsequently adopted. If this bill passes third reading in the house of introduction, a bill summary that applies to the reengrossed version of this bill will be available at <http://leg.colorado.gov>.)*

In 2019, the general assembly created the Colorado secure savings board (board) in the office of the state treasurer to study the costs to the state of insufficient retirement savings and 3 approaches to increasing retirement savings in Colorado. The board found that a state-facilitated automatic enrollment individual retirement account program is the best

Shading denotes HOUSE amendment. Double underlining denotes SENATE amendment.  
Capital letters or bold & italic numbers indicate new material to be added to existing statute.  
Dashes through the words indicate deletions from existing statute.

option for Colorado and recommended the establishment of such a program, coupled with the greater use of financial education tools in the state.

In furtherance of the board's recommendation, the bill directs the board to create and implement the Colorado secure savings program (program).

The bill specifies the powers and duties of the board in connection with the creation and administration of the program and updates the criteria to which the board is required to adhere in developing the program. The board is required to adopt rules regarding enrollment in the program, contributions to and withdrawals from program accounts, the process for employer exemptions from offering the program, and required disclosures.

The bill creates the Colorado secure savings program fund in the state treasury to consist of money appropriated by the general assembly, money transferred to the fund by the federal government, money from fees and penalties in connection with the program, and any gifts, grants, or donations made to the fund.

All individual account information for accounts under the program is confidential and may not be disclosed except under specified circumstances.

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1 *Be it enacted by the General Assembly of the State of Colorado:*

2 **SECTION 1. Legislative declaration.** (1) The general assembly  
3 hereby finds and declares that:

4 (a) Nearly half of all families in the United States have no  
5 retirement assets. Even among those families who are nearing retirement,  
6 four out of ten have no retirement assets.

7 (b) Middle-class, working-age families whose incomes are at the  
8 fiftieth percentile have, on average, only five thousand dollars saved in  
9 retirement accounts. The average for families with incomes at the  
10 ninetieth percentile is two hundred seventy-four thousand dollars.

11 (c) Most African-American and Latinx families have no  
12 retirement savings. About four out of ten African-American families and  
13 one out of four Latinx families have retirement savings. The median

1 white family with retirement savings has over three times as much saved  
2 as the median African-American or median Latinx family.

3 (d) Older workers are working longer and delaying their  
4 retirement. Many of today's seniors rely on their children, who are already  
5 struggling to raise their own families, or rely on other social services that  
6 are underfunded.

7 (e) Over nine hundred thousand working Coloradans, or about  
8 forty percent of the Colorado workforce, do not have access to a  
9 retirement savings account or program at work;

10 (f) Colorado's younger workers are disproportionately affected,  
11 with forty-eight percent of workers between the age of twenty-five and  
12 twenty-nine, forty-six percent of workers between the age of thirty and  
13 thirty-four, and forty-one percent of workers between the age of  
14 thirty-five and thirty-nine, lacking access to a retirement program at work;

15 (g) Minority workers in Colorado are also disproportionately  
16 affected, with forty-six percent of African-American workers and  
17 fifty-nine percent of Latinx workers lacking access to a retirement  
18 program at work;

19 (h) Colorado's lowest wage workers are also less likely to have  
20 access to a workplace retirement savings program. Sixty-nine percent of  
21 Colorado's workers in the lowest income quintile and forty percent of  
22 Colorado's workers in the second lowest income quintile have no access  
23 to a retirement program at work.

24 (i) The major reason many workers do not participate in  
25 retirement savings programs is because their employers do not offer them.  
26 Experts on retirement recommend that the best way to increase retirement  
27 savings is to enroll all employees in a workplace savings program with

1 the right to opt out. Workers are fifteen times more likely to save for  
2 retirement when they have access to an automatic enrollment savings  
3 program at work.

4 (j) For decades, Americans have built their retirement with  
5 traditional pensions, social security, and individual savings, but America's  
6 retirement system has not kept pace with the changing economy. Over  
7 half of Colorado workers in the private sector do not have any type of  
8 employer-sponsored retirement program, and individual savings have not  
9 filled the void.

10 (k) The future of Colorado's economic growth relies on our aging  
11 population having sufficient income in retirement so they can afford to  
12 live independently and have quality healthcare. Our seniors contribute  
13 significantly to local economies throughout the state, and their retirement  
14 investment spending provides stability to those communities. The cost of  
15 insufficient retirement savings to the state is estimated to be close to ten  
16 billion dollars over the next fifteen years.

17 (l) Colorado needs a remedy to the retirement security crisis so  
18 that Coloradans can look forward to a retirement free from financial  
19 anxiety or hardship;

20 (m) The Colorado general assembly created the Colorado secure  
21 savings board to study the costs of insufficient retirement savings to the  
22 state and three approaches to increasing retirement savings in Colorado:  
23 A retirement savings marketplace, an automatic enrollment IRA, and  
24 increasing financial education;

25 (n) The board found that a state-facilitated automatic enrollment  
26 IRA plan would be the best option for Colorado. The board further found  
27 that a retirement marketplace and similar approaches, where

1 implemented, have not expanded retirement savings in any meaningful  
2 way. Financial education programs on their own have not demonstrated  
3 the ability to meaningfully increase savings levels.

4 (o) The board's study indicates that under a range of scenarios and  
5 assumptions, a state-facilitated automatic enrollment IRA plan is  
6 expected to be cost-neutral to the state within a five-year period; and

7 (p) Therefore, the board recommended the establishment of a  
8 state-facilitated, automatic enrollment IRA plan, coupled with the greater  
9 use of financial education tools in the state.

10 (2) The general assembly further finds and declares that it is in the  
11 best interest of the state to create a state-facilitated Colorado secure  
12 savings program to provide a workplace savings program for all Colorado  
13 workers whose employers do not provide such a program.

14 **SECTION 2.** In Colorado Revised Statutes, **amend** 24-54.3-101  
15 as follows:

16 **24-54.3-101. Short title.** The short title of this article 54.3 is the  
17 "Colorado Secure Savings ~~Plan~~ PROGRAM Act".

18 **SECTION 3.** In Colorado Revised Statutes, 24-54.3-102, **amend**  
19 (1) and (4); and **add** (6.5) as follows:

20 **24-54.3-102. Definitions.** As used in this article 54.3, unless the  
21 context otherwise requires:

22 (1) "Board" means the Colorado secure savings ~~plan~~ PROGRAM  
23 board established in section 24-54.3-103.

24 (4) "Fee" means investment management charges, administrative  
25 charges, investment advice charges, trading fees, marketing and sales  
26 fees, revenue sharing, broker fees, and other costs necessary to run the  
27 Colorado secure savings ~~plan~~ PROGRAM.

1 (6.5) "PROGRAM" MEANS THE COLORADO SECURE SAVINGS  
2 PROGRAM CREATED BY THE BOARD PURSUANT TO SECTION 24-54.3-103  
3 (1).

4 **SECTION 4.** In Colorado Revised Statutes, 24-54.3-103, **amend**  
5 (1) and (7) as follows:

6 **24-54.3-103. Colorado secure savings program board -**  
7 **creation - composition.** (1) There is hereby created in the office of the  
8 state treasurer the Colorado secure savings ~~plan~~ PROGRAM board to ~~study~~  
9 ~~the feasibility of creating the Colorado secure savings plan as well as~~  
10 ~~other approaches specified in section 24-54.3-104 to increase the amount~~  
11 ~~of retirement savings by Colorado's private sector workers~~ CREATE AND  
12 IMPLEMENT THE COLORADO SECURE SAVINGS PROGRAM.

13 ~~(7) Members shall serve for a minimum of two years or until the~~  
14 ~~board completes its report to the governor and general assembly as~~  
15 ~~described in section 24-54.3-105~~ THE TERM OF ANY MEMBER APPOINTED  
16 BY THE BOARD PRIOR TO JULY 1, 2020, SHALL EXPIRE ON JUNE 30, 2020.  
17 THE GOVERNOR SHALL MAKE NEW APPOINTMENTS TO THE BOARD FOR  
18 TERMS BEGINNING JULY 1, 2020, AND ANY MEMBER APPOINTED TO THE  
19 BOARD FOR A TERM BEGINNING ON OR AFTER JULY 1, 2020, SHALL SERVE  
20 A FOUR-YEAR TERM; EXCEPT THAT MEMBERS OF THE BOARD APPOINTED BY  
21 THE GOVERNOR SERVE AT THE PLEASURE OF THE GOVERNOR. A MEMBER  
22 IS ELIGIBLE FOR REAPPOINTMENT FOR AN ADDITIONAL TWO TERMS.

23 **SECTION 5.** In Colorado Revised Statutes, **add** 24-54.3-103.5  
24 as follows:

25 **24-54.3-103.5. Colorado secure savings program board -**  
26 **powers - duties.** (1) THE BOARD SHALL HAVE THE FOLLOWING POWERS  
27 AND DUTIES:

1 (a) TO ESTABLISH, IMPLEMENT, AND MAINTAIN THE PROGRAM  
2 DEVELOPED PURSUANT TO SECTION 24-54.3-104;

3 (b) TO ADOPT RULES FOR THE GENERAL ADMINISTRATION OF THE  
4 PROGRAM;

5 (c) TO DIRECT THE STATE TREASURER TO HIRE STAFF TO SUPPORT  
6 THE OVERSIGHT AND ADMINISTRATION OF THE PROGRAM;

7 (d) TO DEVELOP AN INVESTMENT POLICY STATEMENT AND  
8 OVERSEE THE INVESTMENT OF THE FUNDS CONTRIBUTED TO ACCOUNTS IN  
9 THE PROGRAM CONSISTENT WITH THE INVESTMENT RESTRICTIONS  
10 ESTABLISHED BY THE BOARD. THE INVESTMENT RESTRICTIONS SHALL BE  
11 CONSISTENT WITH THE OBJECTIVES OF THE PROGRAM, AND THE BOARD  
12 SHALL EXERCISE THE JUDGMENT AND CARE THEN PREVAILING THAT  
13 PERSONS OF PRUDENCE, DISCRETION, AND INTELLIGENCE EXERCISE IN THE  
14 MANAGEMENT OF THEIR OWN AFFAIRS WITH DUE REGARD TO THE  
15 PROBABLE INCOME AND LEVEL OF RISK FROM CERTAIN TYPES OF  
16 INVESTMENTS OF MONEY, IN ACCORDANCE WITH THE POLICIES  
17 ESTABLISHED BY THE BOARD.

18 (e) TO COLLECT APPLICATION, ACCOUNT, OR ADMINISTRATIVE FEES  
19 TO DEFRAY THE COSTS OF ADMINISTERING THE PROGRAM;

20 (f) TO CREATE A GRANT PROGRAM TO INCENTIVIZE COMPLIANCE  
21 WITH THE PROGRAM AND DEFRAY THE COSTS OF SMALL BUSINESSES WITH  
22 FIVE TO TWENTY-FIVE EMPLOYEES;

23 (g) TO SEEK AND ACCEPT GIFTS, GRANTS, AND DONATIONS TO BE  
24 USED FOR THE GRANT PROGRAM AND FOR THE PURPOSES OF THIS ARTICLE  
25 54.3, UNLESS SUCH GIFTS, GRANTS, OR DONATIONS WOULD RESULT IN A  
26 CONFLICT OF INTEREST RELATING TO THE SOLICITATION OF VENDORS FOR  
27 PROGRAM ADMINISTRATION;

1 (h) TO MAKE AND ENTER INTO CONTRACTS, AGREEMENTS, OR  
2 ARRANGEMENTS, AND TO RETAIN, EMPLOY, AND CONTRACT FOR ANY OF  
3 THE FOLLOWING SERVICES CONSIDERED NECESSARY OR DESIRABLE, FOR  
4 CARRYING OUT THE PURPOSES SET FORTH IN THIS ARTICLE 54.3:

5 (I) SERVICES OF PRIVATE AND PUBLIC FINANCIAL INSTITUTIONS,  
6 DEPOSITORIES, CONSULTANTS, INVESTMENT ADVISERS, INVESTMENT  
7 ADMINISTRATORS, AND THIRD-PARTY PROGRAM ADMINISTRATORS;

8 (II) RESEARCH, TECHNICAL, AND OTHER SERVICES; AND

9 (III) SERVICES OF OTHER STATE AGENCIES TO ASSIST THE BOARD  
10 IN ITS DUTIES;

11 (i) TO SET PENALTIES FOR EMPLOYERS THAT DO NOT COMPLY WITH  
12 THE REQUIREMENTS OF THE PROGRAM AND WORK WITH THE DEPARTMENT  
13 OF LABOR AND EMPLOYMENT TO ENFORCE COMPLIANCE WITH THE  
14 PROGRAM;

15 (j) TO EVALUATE THE NEED AND PROCEDURES, IF NECESSARY, FOR  
16 THE PROGRAM, PROGRAM ADMINISTRATION, AND BOARD MEMBERS TO  
17 HAVE PRIVATE INSURANCE;

18 (k) TO DEVELOP AND IMPLEMENT AN OUTREACH PLAN TO GAIN  
19 INPUT AND DISSEMINATE INFORMATION REGARDING THE PROGRAM AND  
20 RETIREMENT SAVINGS IN GENERAL;

21 (l) TO ASSESS THE FEASIBILITY OF MULTI-STATE OR REGIONAL  
22 AGREEMENTS TO ADMINISTER THE PROGRAM THROUGH SHARED  
23 ADMINISTRATIVE RESOURCES AND ENTER INTO THOSE AGREEMENTS IF  
24 DETERMINED BENEFICIAL; AND

25 (m) TO INCLUDE FINANCIAL EDUCATION AS A PART OF THE SECURE  
26 SAVINGS PROGRAM IMPLEMENTATION TO THE EXTENT FEASIBLE GIVEN  
27 AVAILABLE RESOURCES.

1           (2) THE BOARD MAY ENTER INTO INTERGOVERNMENTAL  
2 AGREEMENTS WITH THE SECRETARY OF STATE, THE DEPARTMENT OF  
3 REVENUE, THE DEPARTMENT OF LABOR AND EMPLOYMENT, AND ANY  
4 OTHER AGENCY THAT THE BOARD DEEMS APPROPRIATE TO PROVIDE  
5 OUTREACH, TECHNICAL ASSISTANCE, OR COMPLIANCE SERVICES FOR THE  
6 PURPOSES OF THIS ARTICLE 54.3. ANY AGENCY THAT ENTERS INTO AN  
7 INTERGOVERNMENTAL AGREEMENT WITH THE BOARD PURSUANT TO THIS  
8 SECTION SHALL COLLABORATE WITH THE BOARD TO PROVIDE THE  
9 OUTREACH, TECHNICAL ASSISTANCE, OR COMPLIANCE SERVICES TO THE  
10 BOARD.

11           **SECTION 6.** In Colorado Revised Statutes, 24-54.3-104, **amend**  
12 (1), (2) introductory portion, (2)(c), (2)(e), (2)(h), (2)(k), and (2)(l); and  
13 **add** (6) as follows:

14           **24-54.3-104. Colorado secure savings program - development.**

15 (1) (a) The board shall ~~conduct or cause to be conducted detailed market~~  
16 ~~and financial analyses to determine the financial feasibility and~~  
17 ~~effectiveness of creating a retirement savings plan in the form of~~  
18 DEVELOP an automatic enrollment payroll deduction IRA, to be known as  
19 the Colorado secure savings plan. For purposes of the analyses specified  
20 in this subsection (1), PROGRAM. The ~~plan would~~ PROGRAM WILL not be  
21 a defined benefit plan and the board shall ~~make the assumptions~~ ADHERE  
22 TO THE CRITERIA specified in subsections (1)(b) ~~through~~ TO (1)(g) of this  
23 section IN DEVELOPING THE PROGRAM.

24           (b) The state ~~would~~ DOES not have a duty or liability to any party  
25 for the payment of any retirement savings benefits accrued by any  
26 individual under the Colorado secure savings ~~plan~~ PROGRAM. Any  
27 financial liability for the payment of retirement savings benefits in excess

1 of money available under the ~~plan would be~~ PROGRAM IS borne solely by  
2 the entities to whom the board contracts to provide insurance to protect  
3 the value of the ~~plan~~ PROGRAM.

4 (c) No state board, commission, agency, or any officer or  
5 employee thereof ~~would be~~ IS liable for any loss or deficiency resulting  
6 from particular investments selected under this article 54.3.

7 (d) Participating employers ~~would~~ DO not have any liability for an  
8 employee's decision to participate in, or opt out of, the Colorado secure  
9 savings ~~plan~~ PROGRAM or for the investment decisions of the board or of  
10 any enrollee.

11 (e) A participating employer ~~would not be~~ IS NOT a fiduciary, or  
12 considered to be a fiduciary, over the Colorado secure savings ~~plan~~  
13 PROGRAM. A participating employer ~~would~~ DOES not bear responsibility  
14 for the administration, investment, or investment performance of the ~~plan~~  
15 PROGRAM. EMPLOYERS ARE NOT LIABLE FOR ANY ERRORS OR OMISSIONS  
16 ON DISCLOSURE FORMS, THE WEBSITE, OR INFORMATION PROVIDED BY THE  
17 STATE. A participating employer ~~would not be~~ IS NOT liable with regard  
18 to investment returns, ~~plan~~ PROGRAM design, and benefits paid to ~~plan~~  
19 PROGRAM enrollees.

20 (f) Money deposited by enrollees in the Colorado secure savings  
21 ~~plan would not be~~ PROGRAM IS NOT property of the state, and the plan  
22 ~~would not be~~ IS NOT a department, institution, or agency of the state.  
23 Amounts on deposit in the ~~plan would~~ PROGRAM SHALL not be  
24 commingled with state money and the state ~~would have no~~ SHALL NOT  
25 HAVE A claim to or against, or interest in, such money.

26 (g) The board ~~would be~~ IS responsible for designing and  
27 disseminating to all employers an employer implementation packet and

1 an employee information packet, which ~~would include~~ INCLUDES  
2 background information on the Colorado secure savings ~~plan~~ PROGRAM  
3 and appropriate disclosures for employees. The employee information  
4 packet ~~would~~ SHALL also include information on the mechanics of making  
5 contributions to the ~~plan~~ PROGRAM and how to opt out of the ~~plan~~  
6 PROGRAM.

7 (2) The BOARD SHALL DESIGN THE Colorado secure savings ~~plan~~  
8 ~~would be designed~~ PROGRAM to promote greater retirement savings for  
9 private sector employees in a convenient, low-cost, and portable manner  
10 and ~~would achieve the following~~ THE PROGRAM SHALL:

11 (c) Pool investment money, invest money in the Colorado secure  
12 savings ~~plan~~ PROGRAM to achieve cost savings through efficiencies and  
13 economies of scale, and make or enter into contracts with up to three  
14 investment managers, private financial institutions, and other service  
15 providers to invest money and administer the ~~plan~~ PROGRAM. If fewer  
16 than three entities bid to be investment managers or meet the  
17 qualifications to be an investment manager as determined by the board,  
18 the ~~plan would~~ PROGRAM MAY proceed with fewer than three investment  
19 managers.

20 (e) Minimize total annual fees associated with the Colorado secure  
21 savings ~~plan~~ PROGRAM. For the first five years of operation of the ~~plan~~  
22 PROGRAM, total annual fees associated with the ~~plan~~ PROGRAM shall not  
23 exceed one percent of the total value of the ~~plan's~~ PROGRAM'S assets. In  
24 the sixth year of the operation of the ~~plan~~ PROGRAM and in each year  
25 thereafter, the total annual fees associated with the ~~plan~~ PROGRAM shall  
26 not exceed three-quarters of one percent of the total value of the ~~plan's~~  
27 PROGRAM'S assets.

1 (h) Ensure that employers in all of Colorado's industries are  
2 covered by the Colorado secure savings ~~plan~~ PROGRAM and that  
3 employees in all of Colorado's industries can participate in the ~~plan~~  
4 PROGRAM;

5 (k) Allow employers who are not covered by the Colorado secure  
6 savings ~~plan~~ PROGRAM to voluntarily participate in the ~~plan~~ PROGRAM;  
7 and

8 (l) Allow individuals who are not considered employees under the  
9 Colorado secure savings ~~plan~~ PROGRAM but who meet the qualifications  
10 to open an IRA to voluntarily participate in the ~~plan~~ PROGRAM.

11 (6) EMPLOYERS ARE REQUIRED TO COMPLY WITH THE  
12 REQUIREMENTS OF THE PROGRAM DEVELOPED PURSUANT TO THIS ARTICLE  
13 54.3.

14 **SECTION 7.** In Colorado Revised Statutes, **add** 24-54.3-107,  
15 24-54.3-108, 24-54.3-109, and 24-54.3-110 as follows:

16 **24-54.3-107. Colorado secure savings program - rules.** (1) THE  
17 BOARD SHALL ADOPT RULES THAT:

18 (a) ESTABLISH THE PROCESS FOR ENROLLMENT IN THE PROGRAM  
19 DEVELOPED PURSUANT TO SECTION 24-54.3-104, INCLUDING PROCEDURES  
20 FOR AUTOMATIC ENROLLMENT OF EMPLOYEES AND FOR EMPLOYEES TO OPT  
21 OUT OF THE PROGRAM;

22 (b) ESTABLISH THE PROCESS FOR WITHDRAWAL FROM PROGRAM  
23 ACCOUNTS, INCLUDING ALLOWING AN EMPLOYEE TO WITHDRAW MONEY  
24 WITHOUT PENALTY FROM THE PROGRAM FOR AT LEAST THE FIRST TWO  
25 YEARS OF ENROLLMENT WITHIN THE PROGRAM;

26 (c) ESTABLISH THE PROCESS FOR PARTICIPANTS TO MAKE THE  
27 DEFAULT CONTRIBUTION OF FIVE PERCENT TO PROGRAM ACCOUNTS AND

1 TO ADJUST THE CONTRIBUTION LEVELS, INCLUDING MECHANISMS FOR  
2 AUTOMATIC ADJUSTMENTS OF CONTRIBUTION LEVELS;

3 (d) ESTABLISH THE PROCESS FOR EMPLOYERS TO WITHHOLD  
4 EMPLOYEE CONTRIBUTIONS TO PROGRAM ACCOUNTS FROM EMPLOYEES'  
5 WAGES AND SEND THE CONTRIBUTIONS TO THE PROGRAM ADMINISTRATOR  
6 FOR THE PROGRAM WITHIN NO MORE THAN FOURTEEN DAYS OF  
7 CONTRIBUTION BEING WITHHELD FROM AN EMPLOYEE'S WAGES;

8 (e) ESTABLISH THE PROCESS FOR PARTICIPANTS TO MAKE  
9 NONPAYROLL CONTRIBUTIONS TO PROGRAM ACCOUNTS;

10 (f) SET MINIMUM AND MAXIMUM CONTRIBUTION LEVELS IN  
11 ACCORDANCE WITH LIMITS ESTABLISHED BY THE INTERNAL REVENUE  
12 CODE;

13 (g) (I) ESTABLISH THE PROCESS AND REQUIREMENTS FOR  
14 EMPLOYER EXEMPTION FROM OFFERING THE PROGRAM IF THE EMPLOYER  
15 OFFERS A QUALIFIED RETIREMENT PLAN, INCLUDING BUT NOT LIMITED TO  
16 A PLAN QUALIFIED UNDER SECTION 401 (a), SECTION 401 (k), SECTION 403  
17 (a), SECTION 403 (b), SECTION 408 (k), SECTION 408 (p), OR SECTION 457  
18 (b) OF THE INTERNAL REVENUE CODE;

19 (II) THE PROCESS FOR EXEMPTION SHALL BE MINIMAL FOR  
20 EMPLOYERS AND THE BOARD SHALL USE EXISTING STATE FORMS AND  
21 STATE COMPLIANCE STRUCTURES FOR EXEMPTION REPORTING;

22 (III) THE PROCESS FOR EXEMPTION SHALL ALLOW EMPLOYERS TO  
23 BECOME EXEMPT IF THE EMPLOYER ENTERS INTO LEGALLY COMPLIANT  
24 MULTIPLE EMPLOYER PLANS;

25 (h) ESTABLISH THE PROCESS AND REQUIREMENTS FOR PROVIDING  
26 GRANTS TO INCENTIVIZE COMPLIANCE WITH THE PROGRAM AND DEFRAY  
27 COSTS INCURRED BY SMALL BUSINESSES WITH FIVE TO TWENTY-FIVE

1 EMPLOYEES; EXCEPT THAT A GRANT FOR A SINGLE EMPLOYER SHALL NOT  
2 EXCEED THREE-HUNDRED DOLLARS;

3 (i) (I) ESTABLISH MINIMAL FINES FOR EMPLOYER NONCOMPLIANCE  
4 IN AN AMOUNT UP TO ONE HUNDRED DOLLARS FOR EACH EMPLOYEE PER  
5 YEAR WHO IS ELIGIBLE TO PARTICIPATE IN THE PROGRAM, NOT TO EXCEED  
6 AN AGGREGATE AMOUNT OF FIVE THOUSAND DOLLARS IN A CALENDAR  
7 YEAR;

8 (II) ENFORCEMENT OF FINES SHALL NOT COMMENCE UNTIL AT  
9 LEAST ONE YEAR AFTER THE PROGRAM IS ESTABLISHED OR ONE YEAR  
10 AFTER AN EMPLOYER IS SCHEDULED TO ENTER THE PROGRAM, WHICHEVER  
11 IS LATER;

12 (III) AN EMPLOYER SHALL NOT BE FINED UNTIL THREE MONTHS  
13 AFTER THE EMPLOYER HAS RECEIVED A NOTICE OF NONCOMPLIANCE;

14 (j) ESTABLISH THE PROCESS FOR ENFORCING EMPLOYER  
15 COMPLIANCE WITH THE PROGRAM, IN PARTNERSHIP WITH THE  
16 DEPARTMENT OF LABOR AND EMPLOYMENT; AND

17 (k) MANDATE THE CONTENTS AND FREQUENCY OF REQUIRED  
18 DISCLOSURES TO EMPLOYEES, EMPLOYERS, AND OTHER PROGRAM  
19 PARTICIPANTS. THESE DISCLOSURES MUST INCLUDE, BUT NEED NOT BE  
20 LIMITED TO:

21 (I) THE BENEFITS AND RISKS ASSOCIATED WITH MAKING  
22 CONTRIBUTIONS TO THE PROGRAM;

23 (II) INSTRUCTIONS FOR MAKING CONTRIBUTIONS TO THE PROGRAM;

24 (III) INSTRUCTIONS FOR OPTING OUT OF THE PROGRAM;

25 (IV) INSTRUCTIONS FOR PARTICIPATING IN THE PROGRAM WITH A  
26 LEVEL OF CONTRIBUTIONS OTHER THAN THE DEFAULT RATE;

27 (V) THE PROCESS FOR WITHDRAWING RETIREMENT SAVINGS IN

1 ACCORDANCE WITH THE EMPLOYEE'S INVESTMENT TYPE;

2 (VI) HOW TO OBTAIN ADDITIONAL INFORMATION ABOUT THE  
3 PROGRAM;

4 (VII) THAT EMPLOYEES SEEKING FINANCIAL ADVICE SHOULD  
5 WORK WITH THE PROGRAM ADMINISTRATOR OR CONTACT FINANCIAL  
6 ADVISERS, THAT PARTICIPATING EMPLOYERS ARE NOT IN A POSITION TO  
7 PROVIDE FINANCIAL ADVICE, AND THAT PARTICIPATING EMPLOYERS ARE  
8 NOT LIABLE FOR DECISIONS EMPLOYEES MAKE IN CONNECTION WITH THEIR  
9 PARTICIPATION IN THE PROGRAM;

10 (VIII) THAT THE PROGRAM IS NOT AN EMPLOYER-SPONSORED  
11 RETIREMENT PLAN;

12 (IX) THAT THE PROGRAM ACCOUNTS AND RATE OF RETURN ARE  
13 NOT GUARANTEED BY THE STATE; AND

14 (X) THE POSSIBLE TAX IMPLICATIONS AND RESTRICTIONS OF  
15 INDIVIDUAL RETIREMENT ACCOUNTS.

16 **24-54.3-108. Colorado secure savings program fund - creation.**

17 (1) THE COLORADO SECURE SAVINGS FUND, REFERRED TO IN THIS SECTION  
18 AS THE "FUND", IS HEREBY CREATED IN THE STATE TREASURY. THE FUND  
19 CONSISTS OF THE FOLLOWING:

20 (a) MONEY APPROPRIATED TO THE FUND BY THE GENERAL  
21 ASSEMBLY;

22 (b) MONEY TRANSFERRED TO THE FUND FROM THE FEDERAL  
23 GOVERNMENT, OTHER STATE AGENCIES, OR LOCAL GOVERNMENTS;

24 (c) MONEY FROM THE PAYMENT OF FEES, PENALTIES, AND THE  
25 PAYMENT OF OTHER MONEY DUE TO THE BOARD; AND

26 (d) ANY GIFTS, GRANTS, OR DONATIONS MADE TO THE BOARD.

27 (2) THE STATE TREASURER SHALL CREDIT ALL INTEREST AND

1 INCOME DERIVED FROM THE DEPOSIT AND INVESTMENT OF MONEY IN THE  
2 FUND TO THE FUND.

3 (3) ANY UNEXPENDED AND UNENCUMBERED MONEYS REMAINING  
4 IN THE FUND AT THE END OF A FISCAL YEAR SHALL REMAIN IN THE FUND.

5 (4) MONEY IN THE FUND IS CONTINUOUSLY APPROPRIATED TO THE  
6 BOARD FOR THE PURPOSES OF IMPLEMENTING AND ADMINISTERING THIS  
7 ARTICLE 54.3.

8 **24-54.3-109. Confidentiality.** INDIVIDUAL ACCOUNT  
9 INFORMATION FOR ACCOUNTS UNDER THE PROGRAM DEVELOPED  
10 PURSUANT TO SECTION 24-54.3-104, INCLUDING BUT NOT LIMITED TO  
11 NAMES, ADDRESSES, TELEPHONE NUMBERS, PERSONAL IDENTIFICATION  
12 INFORMATION, AMOUNTS CONTRIBUTED, AND EARNINGS ON AMOUNTS  
13 CONTRIBUTED, IS CONFIDENTIAL AND SHALL BE MAINTAINED AS  
14 CONFIDENTIAL; EXCEPT THAT INDIVIDUAL ACCOUNT INFORMATION MAY BE  
15 DISCLOSED TO THE EXTENT NECESSARY TO ADMINISTER THE PROGRAM  
16 DEVELOPED PURSUANT TO SECTION 24-54.3-104 IN A MANNER CONSISTENT  
17 WITH THIS ARTICLE 54.3, STATE TAX LAWS, AND THE INTERNAL REVENUE  
18 CODE. THE PROVISIONS OF THIS SECTION DO NOT APPLY IF THE PERSON  
19 WHO PROVIDES THE INFORMATION OR IS THE SUBJECT OF THE  
20 INFORMATION EXPRESSLY AGREES IN WRITING THAT THE INFORMATION  
21 MAY BE DISCLOSED.

22 **24-54.3-110. Annual report.** NOTWITHSTANDING THE PROVISIONS  
23 OF SECTION 24-1-136 (11), ON OR BEFORE APRIL 1, 2022, AND ON OR  
24 BEFORE APRIL 1 EACH YEAR THEREAFTER, THE BOARD SHALL SUBMIT A  
25 REPORT TO THE GOVERNOR AND TO THE MEMBERS OF THE FINANCE  
26 COMMITTEES OF THE SENATE AND THE HOUSE OF REPRESENTATIVES, OR  
27 ANY SUCCESSOR COMMITTEES, DETAILING THE BOARD'S ACTIVITIES AND

1 THE STATUS OF THE PROGRAM. AT A MINIMUM, THE REPORT SHALL  
2 INCLUDE STATISTICS REGARDING ENROLLMENT IN THE PROGRAM, THE  
3 NUMBER OF PROGRAM ACCOUNTS OPENED, THE AVERAGE AMOUNT  
4 EMPLOYEES ARE SAVING THROUGH THE PROGRAM, AVERAGE  
5 CONTRIBUTION LEVELS, A SUMMARY OF COMMON COMPLAINTS OR  
6 CONCERNS ABOUT THE PROGRAM, AND INFORMATION REGARDING THE  
7 ADMINISTRATIVE COSTS AND FEES ASSOCIATED WITH THE PROGRAM.

8 **SECTION 8.** In Colorado Revised Statutes, **repeal** 24-54.3-104  
9 (2)(f), (2)(j), (3), (4), and (5), 24-54.3-105, and 24-54.3-106.

10 **SECTION 9. Act subject to petition - effective date.** This act  
11 takes effect at 12:01 a.m. on the day following the expiration of the  
12 ninety-day period after final adjournment of the general assembly (August  
13 5, 2020, if adjournment sine die is on May 6, 2020); except that, if a  
14 referendum petition is filed pursuant to section 1 (3) of article V of the  
15 state constitution against this act or an item, section, or part of this act  
16 within such period, then the act, item, section, or part will not take effect  
17 unless approved by the people at the general election to be held in  
18 November 2020 and, in such case, will take effect on the date of the  
19 official declaration of the vote thereon by the governor.