

HCS HB 1229 -- WORKPLACE RETIREMENT SAVINGS PLAN

SPONSOR: O'Donnell

COMMITTEE ACTION: Voted "Do Pass with HCS" by the Standing Committee on Pensions by a vote of 12 to 0.

The following is a summary of the House Committee Substitute for HB 1229.

This bill establishes the "Missouri Workplace Retirement Savings Plan", which is a multiple-employer retirement saving plan treated as a single plan under Title I of The Employee Retirement Income Security Act of 1974 (ERISA) under 401(a), 401(k), and 413(c) of the Internal Revenue Code, in which multiple employers may voluntarily choose to participate regardless of whether any relationship exists between and among the employers other than their participation in the plan.

The bill establishes the "Missouri Workplace Retirement Savings Board" in the office of the State Treasurer. The Board consists of nine members, including three members appointed by the Speaker, and three members appointed by the President Pro Tem of the Senate, with the State Treasurer serving as chair. The Board shall design, develop and implement the Plan as outlined in the bill. The Board shall establish the Plan so that individuals can begin making contributions to the Plan no later than September 1, 2023.

Any employer joining the Plan shall not be liable for an employee's decision to participate in or opt out of the Plan, the employee's decision on which investments to choose, or the administration, investment, investment returns, or investment performance of the Plan.

This bill is similar to HB 1311 (2020) and HB 1142 (2019).

The following is a summary of the public testimony from the committee hearing. The testimony was based on the introduced version of the bill.

PROPONENTS: Supporters say that the bill will help citizens get a retirement nest egg. This is good for small businesses to help them be able to set up a retirement plan while sharing the costs with many employers.

Testifying for the bill were Representative O'Donnell; Matt Choinka, State Treasurer Office; and the American Association of Retired People.

OPPONENTS: Those who oppose the bill say that the bill say that this puts government in the business against private companies and since the government is putting money into it, that it creates an unfair advantage over competition.

Testifying against the bill were Matthew Panik, Missouri Chamber Of Commerce And Industry; Arnie C. Dienoff; David Kent, Missouri Bankers Association.

This bill is similar to HB No. 1311 (2020) (3784H.01I).
Written testimony has been submitted for this bill. The full written testimony can be found under Testimony on the bill page on the House website.