

# Fact Sheet



## Overview

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- Nevada Employee Savings Trust (NEST) Program provides a savings mechanism for an estimated 500,000 Nevadans who currently do not have the opportunity to save directly from their paychecks, post-tax dollars, through their employer
- The NEST Program facilitates employee payroll contributions to state-administered individual retirement accounts (IRA)
- Employers that currently do not offer a tax-favored workplace retirement plan are required to participate in the NEST Program, or a similar program offered through the chamber of commerce or trade associations
  - Employers that have six or more employees **AND**
  - Have been in business for at least 36 months
- Program is required to cover employees that
  - Have been employed by the employer for 120 days or more
  - Are at least 18 years of age
  - Are receiving wages or other compensation
- Program does not cover employees that
  - Are employed by federal, State of Nevada, or any other government (other state, counties or municipal corporations)
  - make contributions to a Taft-Hartley multiemployer pension trust fund
  - are covered under the federal Railway Labor Act, 45 U.S.C. §§ 151 et seq.
- Employees will be automatically enrolled in the Program but may opt out and withdraw their contributions at any time
- Employees will have a default contribution rate of 5%, or elect to set their own contribution rate
- Employees will be able to choose one of several investment options, depending on their risk preference
- Employees may withdraw their contributions at any time, consistent with federal law, to meet a financial or other emergency
- The NEST Program is expected to launch by July 1, 2025, so that covered employees are able to make contributions to an IRA through the NEST Program

## Governance

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- Nevada Employee Savings Trust (NEST) Program was established by [Senate Bill 305](#) of the 2023 Legislative Session
- Nevada Revised Statutes (NRS) governs the NEST Program: [NRS 353D](#)
- Six-member [Board of Trustees](#) of the NEST Program serve as fiduciary to the Trust and each account maintained through the Program; the Board is authorized to design, establish, and operate the NEST Program
  - Treasurer or designee (Chair)
  - Lt. Governor or designee
  - One member, appointed by Governor, represents employers
  - One member, appointed by Governor, experience in field of investments
  - One member, appointed by Majority Leader of the Senate, represents retirees
  - One member, appointed by Speaker of the Assembly, experience in small business
- The Board of Trustees holds [monthly meetings](#) to discuss aspects of designing, establishing and operating the NEST Program
- Staff from the Nevada State Treasurer's Office, Division of Financial Literacy and Security provide administrative support for the Board and Program

## Program Requirements

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- Employers automatically enroll covered employees (employees can choose to opt out)
- Contributions to be withheld from compensation of each covered employee at rate set by Board unless employee elects not to contribute or contribute at different rate
- Exemption exists if business offers similar a tax-favored workplace retirement plan, including those offered by trade association or chamber of commerce
- Covered employers must share certain information regarding Program with employees
- Participant information deemed confidential and not subject to Public Records
- While many companies choose to use payroll providers to process NEST wage contributions, it's not a requirement.
  - Employers can manage their employees' NEST contributions without a payroll provider by adding contribution amounts directly to the NEST employer portal or by uploading an Excel file with necessary information.
  - Wage contributions can be sent directly through the NEST employer portal via ACH transfer, making the process seamless and efficient.