cri.georgetown.edu

Georgetown University McCourt School of Public Policy

CENTER FOR RETIREMENT INITIATIVES

State-Facilitated Retirement Savings Programs
Overview of Current Status, Lessons Learned, and Best Practices

OregonSaves Board Meeting

Angela Antonelli
Research Professor and Executive Director

August 19, 2025

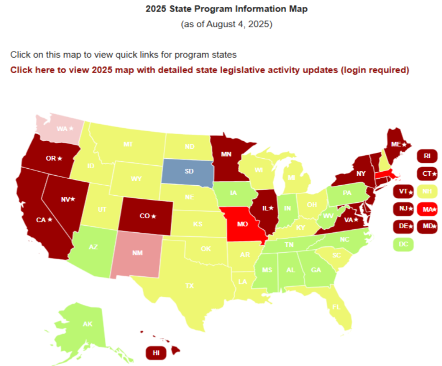
Who We Are

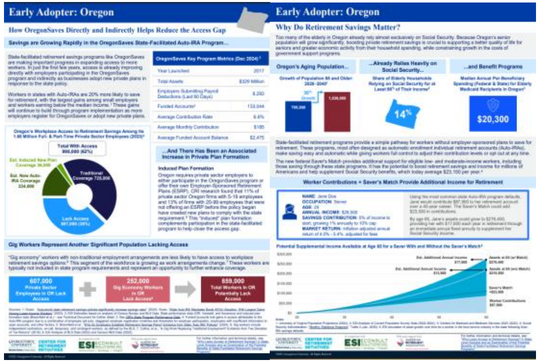
The Georgetown Center for Retirement Initiatives

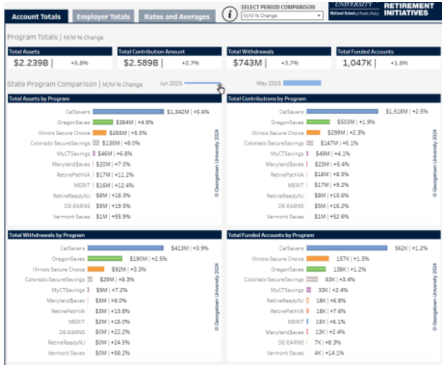
State-Facilitated Retirement Savings Programs Research and Clearinghouse

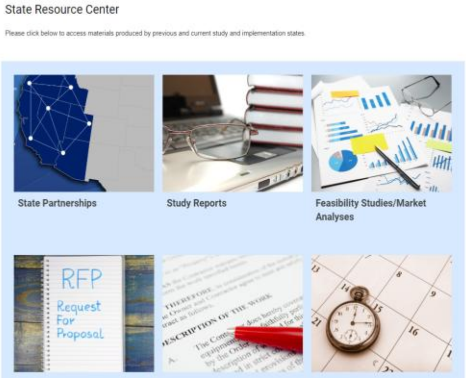
Working to close the access gap for private sector workers since 2014

- Educate and inform about state-facilitated programs
- Host the network of the states (monthly and annual meetings)
- Provide technical assistance to the states to support legislative and program implementation
- Share resources to address legal, policy, and regulatory issues
- Maintain a State Resource Center for the states
- Maintain and disseminate state program performance data
- Share best practices and lessons learned









The Case for State Programs and the Current Landscape

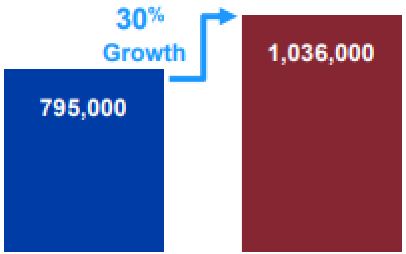
The Challenges Are Significant

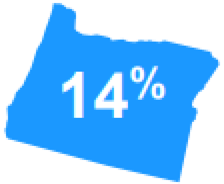
Early Adopter: Oregon

Why Do Retirement Savings Matter?

Too many of the elderly in Oregon already rely almost exclusively on Social Security. Because Oregon's senior population will grow significantly, boosting private retirement savings is crucial to supporting a better quality of life for seniors and greater economic activity from their household spending, while constraining growth in the costs of government support programs.

Oregon's Aging Population...	...Already Relies Heavily on Social Security...	...and Benefit Programs
Growth of Population 65 and Older: 2020–2040[1]	**Share of Elderly Households Relying on Social Security for at Least 90% of Their Income[2]**	**Median Annual Per-Beneficiary Spending (Federal & State) for Elderly Medicaid Recipients in Oregon[3]**





The Benefits Can Be Great

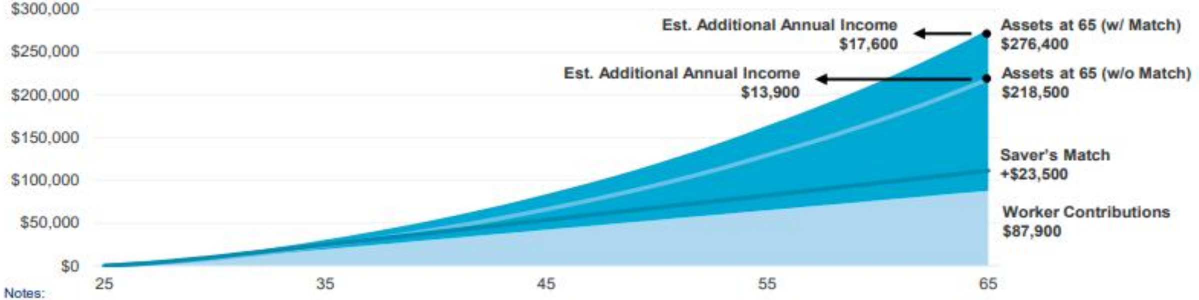
Worker Contributions + Saver's Match Provide Additional Income for Retirement

NAME: Jane Doe
OCCUPATION: Server
AGE: 25
ANNUAL INCOME: $26,500
SAVINGS CONTRIBUTION: 5% of income to start, growing 1% annually to 10% cap
MARKET RETURN: Inflation adjusted annual return of 4.0% - 5.4%, adjusted for fees

Using the most common state Auto-IRA program defaults, Jane would contribute $87,900 to her retirement account over a 40-year career. The Saver's Match could add $23,500 in contributions.

By age 65, Jane's assets could grow to $276,400, providing her with $17,600 each year in retirement through an immediate annual fixed annuity to supplement her Social Security income.

Potential Supplemental Income Available at Age 65 for a Saver With and Without the Saver's Match[5]



Notes:
1: University of Virginia Population Projections (2024); 2: ESI Analysis of Current Population Survey Data (2022-2024); 3: Centers for Medicaid and Medicare Services (2021-2022); 4: Social Security Administration, "Monthly Statistical Snapshot," Table 2 (Jan. 2025); 5: ESI simulation of asset growth over time for a worker in the food service industry in the state following Auto-IRA savings defaults.

Georgetown University McCourt School of Public Policy — Center for Retirement Initiatives

In conjunction with ESI Econsult Solutions Inc. economics | strategy | insight

With grant support from American Retirement Association

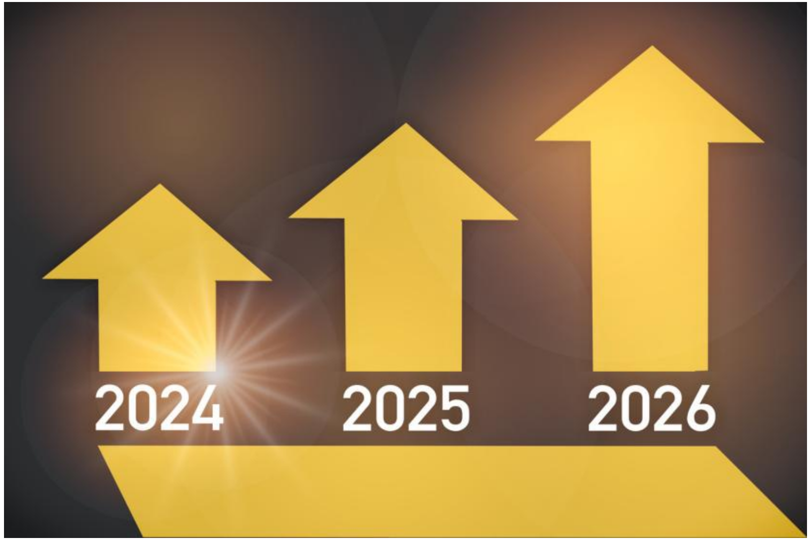
For further information and technical details, see: "Who Lacks Access to Retirement Savings? A State-Level Analysis and an Examination of the Potential Benefits of State-Facilitated Retirement Savings Programs"

And the Cost of Doing Nothing is Significant

Federal Budget Costs = $964 billion/OR share is **$11.4** billion between 2021 and 2040

State Budget Costs = $334 billion/OR share is **$3.4** billion between 2021 and 2040

Source: The Pew Charitable Trusts



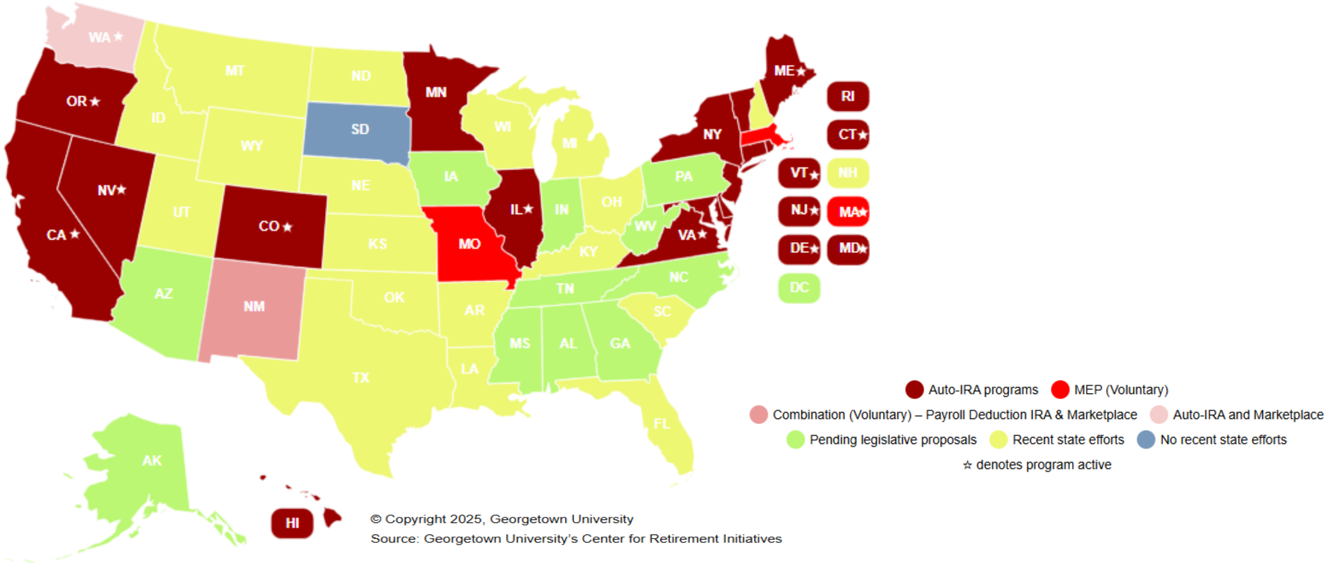
2025 State Programs and Legislative Activity

2025 State Program Information Map

(as of August 4, 2025)

Click on this map to view quick links for program states

Click here to view 2025 map with detailed state legislative activity updates (login required)



Source: Georgetown University's Center for Retirement Initiatives

States Are Driving Change by Designing and Adopting Universal Access Retirement Savings Programs (20 States)

Individual Retirement Account (Auto-IRA)= 17 states (12 open)			Voluntary Open Multiple Employer Plan (MEP)	Voluntary Payroll Deduction IRA	Voluntary Marketplace
California	Maine	Oregon	Massachusetts	New Mexico (TBD)	New Mexico (TBD)
Colorado	Maryland	Rhode Island (2025)	Missouri (TBD)		Washington
Connecticut	Minnesota (2026)	Vermont			
Delaware	Nevada	Virginia			
Hawai'i (TBD)	New Jersey	Washington (2027)			
Illinois	New York (2025)				

Green = program now open to all eligible workers

Two Interstate Partnership Arrangements

Colorado's Partnership for a Dignified Retirement

Maine - 2023

Delaware - 2023

Vermont - 2024

Nevada - 2024

Minnesota - 2025

Connecticut's Partnership

Rhode Island - 2024

Best Practices
and
Lessons Learned

State Auto-IRA Programs –Trend Toward Standardization
Best Practices and Lessons Learned

Auto-IRA Programs are increasingly becoming standardized in **program design**:

- ✓ Roth IRA as default w/ traditional also available
- ✓ Low employer thresholds
- ✓ 5% default contribution
- ✓ Auto-escalation of 1% per year to a cap of 8%-10%
- ✓ Short asset holding periods
- ✓ Simple investment menus

Auto-IRA Programs are increasingly becoming standardized in **program administration**:

- ✓ Governance structures
- ✓ Marketing and outreach
- ✓ Data sharing
- ✓ Hybrid fee structure
- ✓ Program rollout
- ✓ Enforcement and compliance

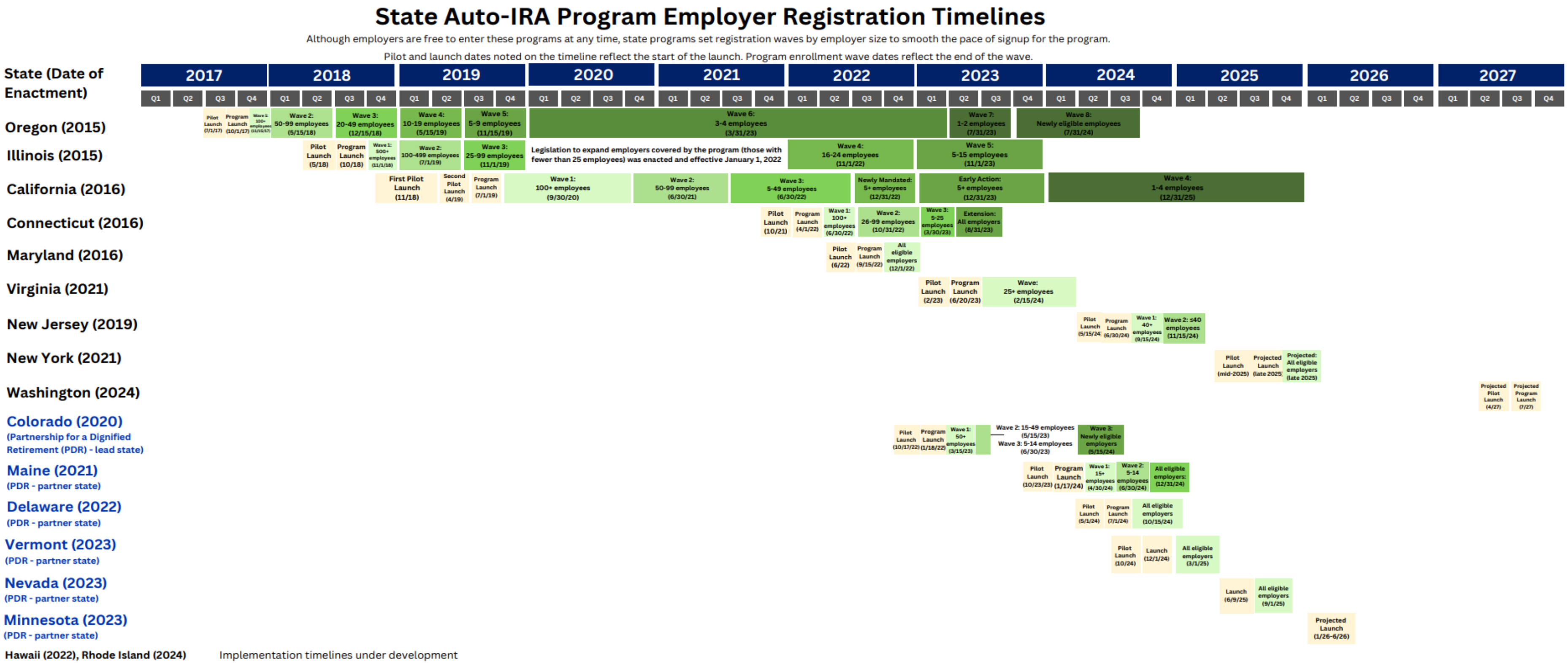
GEORGETOWN UNIVERSITY McCourt School of Public Policy CENTER FOR RETIREMENT INITIATIVES

Comparison of Key Program Design Features

GEORGETOWN UNIVERSITY McCourt School of Public Policy CENTER FOR RETIREMENT INITIATIVES

	Account Type	Employer Threshold	Default Contribution	Default Investment
Auto IRA				
OregonSaves [1]	Roth IRA (traditional option available)	Employers that do not currently offer qualified plans.	5%, automatically increasing 1% annually until reaching 10%	Funds for the first 30 days held in a capital preservation fund, then defaulted into a target date fund (or other investment, if selected).
Illinois Secure Choice [2]	Roth IRA (traditional option available)	Employers with 5 or more employees in business for at least two years that have not offered a qualified plan in the last two years.	5%, automatically increasing 1% annually until reaching 10%	Funds for the first 90 days after initial contribution held in a money market fund, then defaulted into a target date fund (or other investment, if selected).
CalSavers [3]	Roth IRA (traditional option available)	Employers that do not currently offer qualified plans.	5%, automatically increasing 1% annually until reaching 8%	Funds for the first 30 days after contribution held in a money market fund, then defaulted into a target date fund (or other investment, if selected).
MyCTSavings [4]	Roth IRA (traditional option available)	Employers with at least 5 employees that currently do not provide qualified plans.	3%	Funds for the first 60 days after initial contribution held in a money market fund, then defaulted into a target date fund (or other investment, if selected).
MarylandSaves [5]	Roth IRA (traditional option available)	Employers with one or more employees in business for at least two years that use an automated payroll system and do not currently offer qualified plans.	5%, automatically increasing 1% annually until reaching 10%	The first $1,000 of contributions go to an emergency savings fund, then defaulted into a target date fund (or other investment, if selected).
Colorado SecureSavings [6]	Roth IRA (traditional option available)	Employers with 5 or more employees that have been in business at least two years and currently do not offer qualified plans.	5%, automatically increasing 1% annually until reaching 8%	Funds are held for the first 30 days in a capital preservation fund, and then defaulted into a target date fund (or other investment, if selected).
RetirePathVA [7]	Roth IRA (traditional option available)	Employers with 25 or more full-time employees in business for at least two years that do not offer a qualified plan.	5%, automatically increasing 1% annually until reaching 10%	Funds are held for the first 30 days in a capital preservation fund, and then defaulted into a target date fund (or other investment, if selected).
MERIT [8]	Roth IRA (traditional option available)	Employers with 5 or more employees that have been in business at least two years and currently do not offer qualified plans.	5%, automatically increasing 1% annually until reaching 8%	Funds are held for the first 30 days in a capital preservation fund, and then defaulted into a target date fund (or other investment, if selected).
DE EARNS [9]	Roth IRA (traditional option available)	Employers with 5 or more employees that have been in business at least six months and currently do not offer qualified plans.	5%, automatically increasing 1% annually until reaching 10%	Funds for the first 30 days held in a capital preservation fund, then defaulted into a target date fund (or other investment, if selected).
RetireReadyNJ [10]	Roth IRA (traditional option available)	Employers with 25 or more employees that do not offer a qualified retirement savings plan	3%	Funds for the first 30 days held in a capital preservation fund and then defaulted into a target date fund (or other investment, if selected)
Vermont Saves [11]	Roth IRA (traditional option available)	Employers with 5 or more employees that have been in business at least two years and currently do not offer qualified plans.	5%, automatically increasing 1% annually until reaching 8%	Funds for the first 30 days held in a capital preservation fund and then defaulted into a target date fund (or other investment, if selected)
NEST [11]	Roth IRA (traditional option available)	Employers with 6 or more employees that have been in business at least three years and currently do not offer qualified plans.	5%, automatically increasing 1% annually until reaching 10%	Funds for the first 30 days held in a capital preservation fund and then defaulted into a target date fund (or other investment, if selected)
MEP (voluntary employer participation)				
MA CORE MEP Plan [13]	Multiple employer 401k Plan	MA nonprofits employing 20 or fewer employees	6% escalating 1% or 2% (per employer election) per year up to 15%	Contributions are defaulted into age appropriate target date funds (or other investment, if selected).

Program Rollout Timelines Have Accelerated



State Program Performance

State Program Performance

(Auto-IRA States)

$2.24+ Billion in Assets

CA, CO, CT, IL, ME, MD, OR, VA, VT, DE, NJ
as of 6/30/2025

256,746 Registered Employers

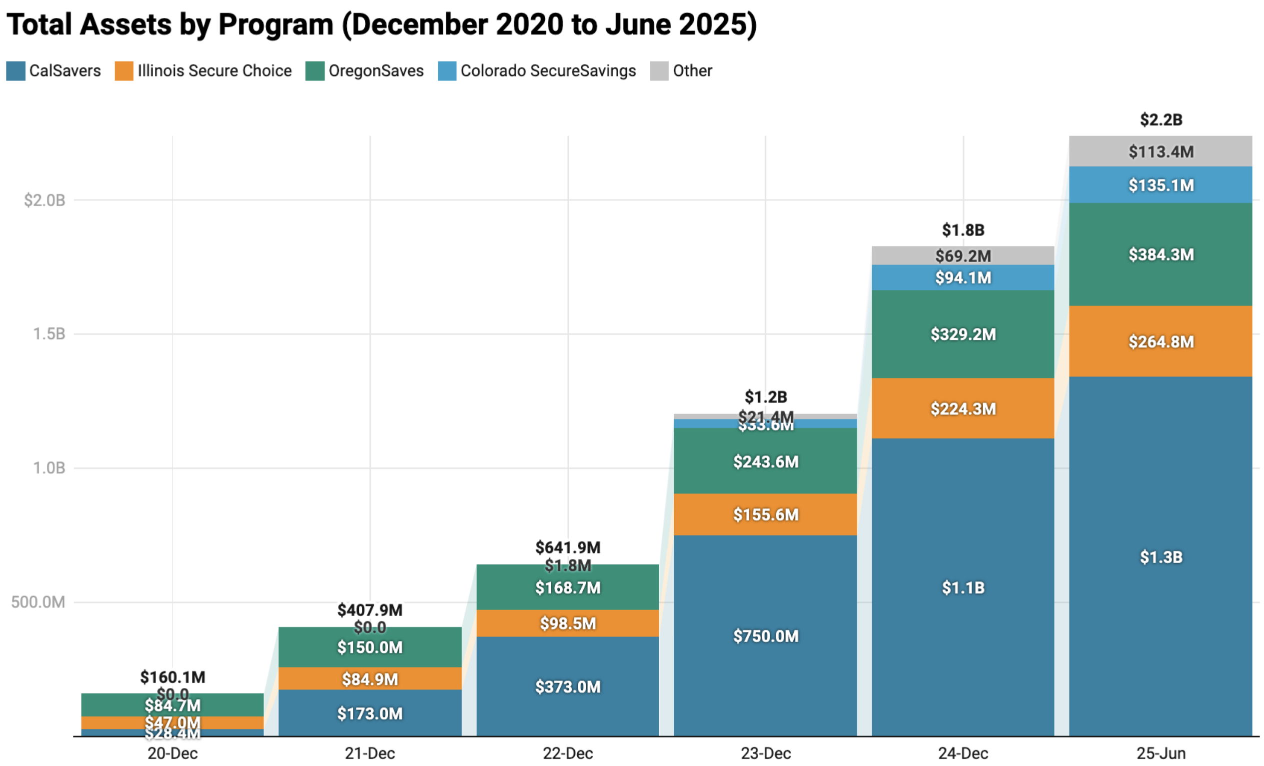
CA, CO, CT, IL, ME, MD, OR, VA, VT, DE, NJ
as of 6/30/2025

1,047,410 Funded Accounts

CA, CO, CT, IL, ME, MD, OR, VA, VT, DE, NJ
as of 6/30/2025

Source: Data compiled by Georgetown CRI from state public and provided data

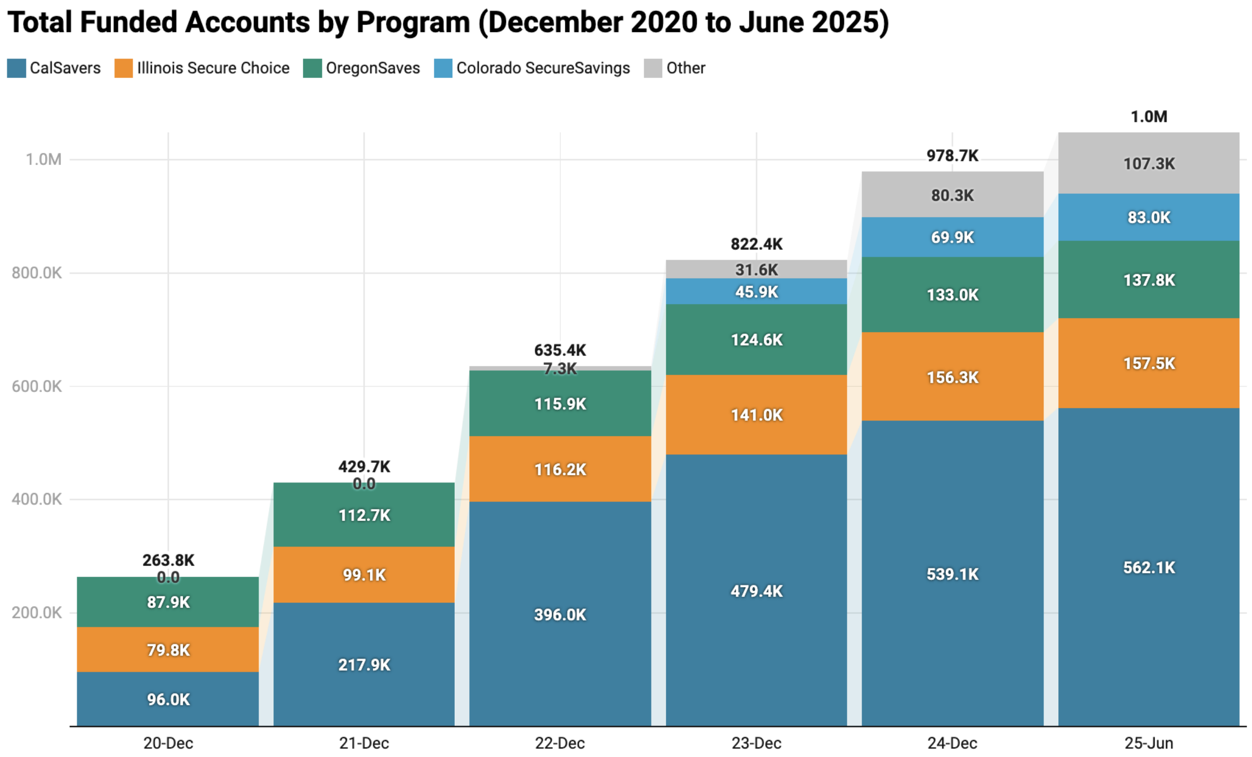
Total Assets by Program, 2020-2025



*Other includes MyCTSavings, Maryland$aves, RetirePathVA, MERIT, DE-EARNS, RetireReadyNJ, VermontSaves.
All program data is as of June 30, 2025.
Source: Georgetown CRI state programs database

GEORGETOWN UNIVERSITY
McCourt School of Public Policy
CENTER FOR RETIREMENT INITIATIVES

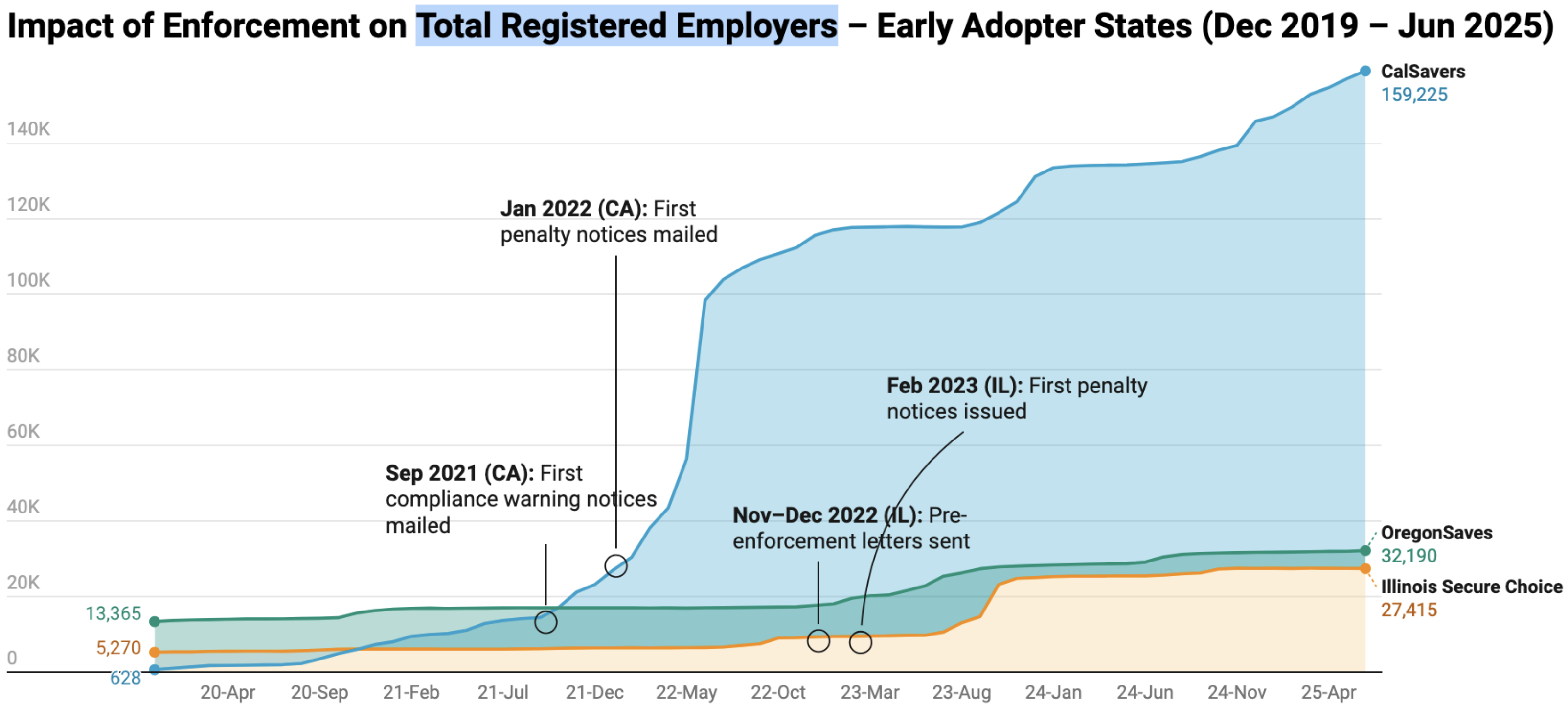
Total Funded Accounts by Program, 2020-2025



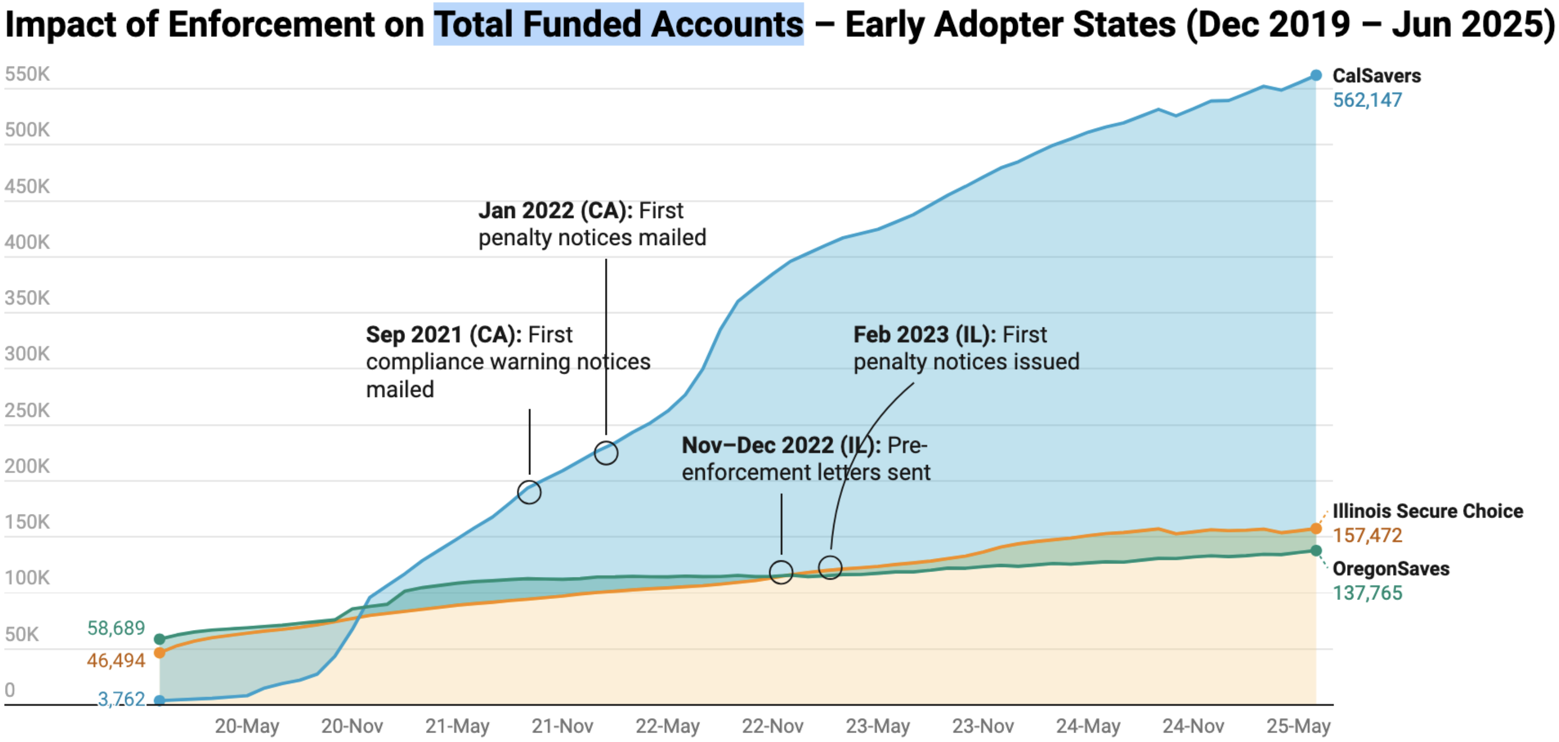
*Other includes MyCTSavings, Maryland$aves, RetirePathVA, MERIT, DE-EARNS, RetireReadyNJ, VermontSaves.
All program data is as of June 30, 2025.
Source: Georgetown CRI state programs database

GEORGETOWN UNIVERSITY
McCourt School of Public Policy
CENTER FOR RETIREMENT INITIATIVES

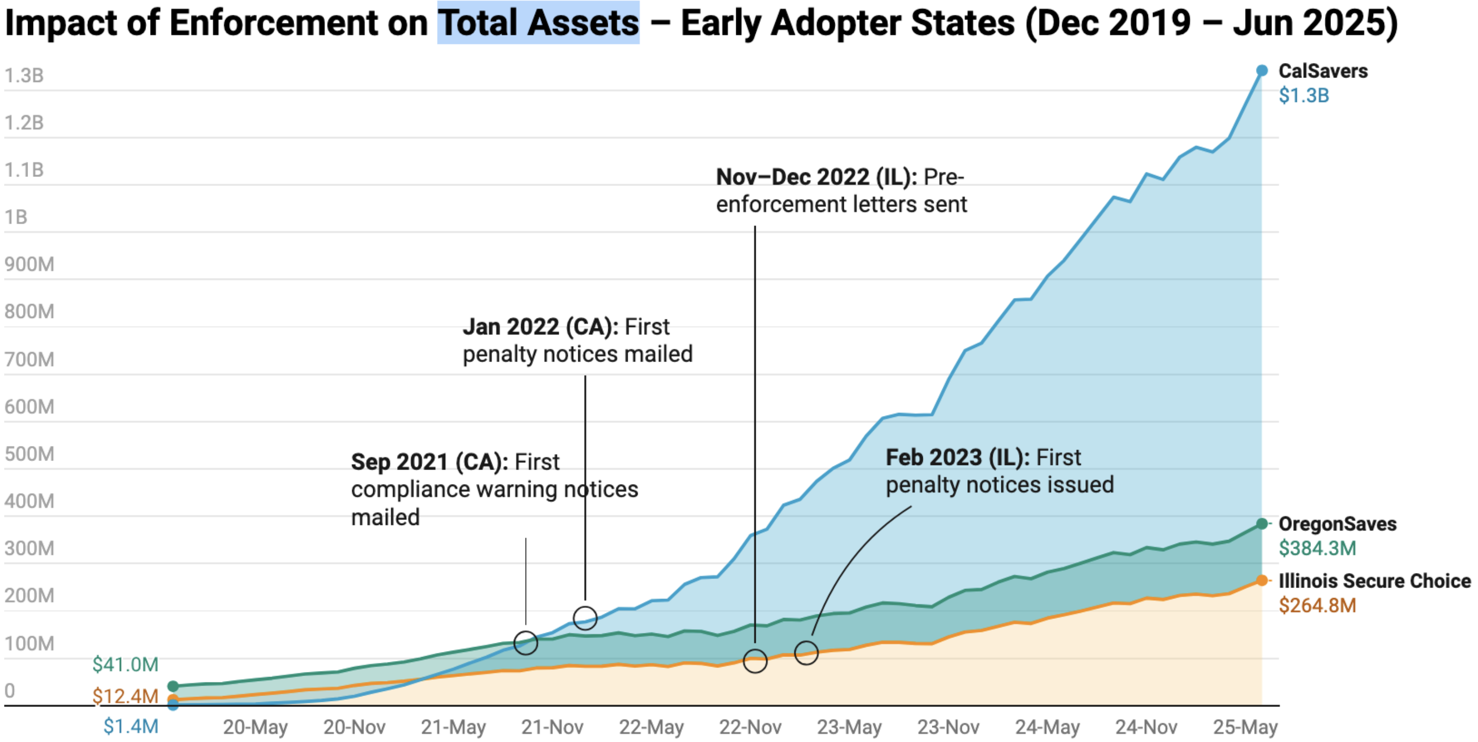
Enforcement and Compliance Directly Impacts Program Participation



Enforcement and Compliance Directly Impacts Program Growth



Enforcement and Compliance Directly Impacts Program Growth



Closing the Access Gap
How the Policy and the Program Work Together to Drive Both Public and Private Progress

Research Shows State Programs Help Private Plan Growth

Pew Charitable Trust (2023)

- Evidence from CA, OR, and IL indicate state programs complement the private sector market for retirement plans
- Employers are not enticed by state programs to drop their existing plans
- Rate of introduction of new plans as a share of existing plans grew in all three states after program enrollment began (higher than national average): 1.3% in CA; 0.9% in IL; 1.8% in OR

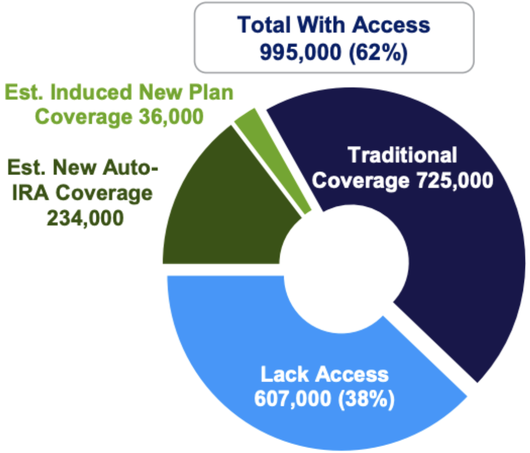
Bloomfield, Lee, Philbrick, Slavov (NBER, 2023) and

Bloomfield, Goodman, Rao, Slavov (NBER/CRI, 2024)

- Auto-IRA legislation has a positive impact on the likelihood of employers offering retirement plans and employee participation
- Firms in states with programs are 1.5-1.7% more likely to offer any employer-sponsored retirement plan relative to firms in states without and workers 3-5% more likely to participate in existing plans
- Recent state policies requiring employers to facilitate workplace savings options have induced at least 30,000 firms to establish retirement plans in four of the early adopter states (CA, IL, OR and CT).

Early Adopter States and Expanded Access
Oregon Businesses Are Adopting New Plans

Oregon's Workplace Access to Retirement Savings Among Its 1.60 Million Full- & Part-Time Private Sector Employees (2023)[2]

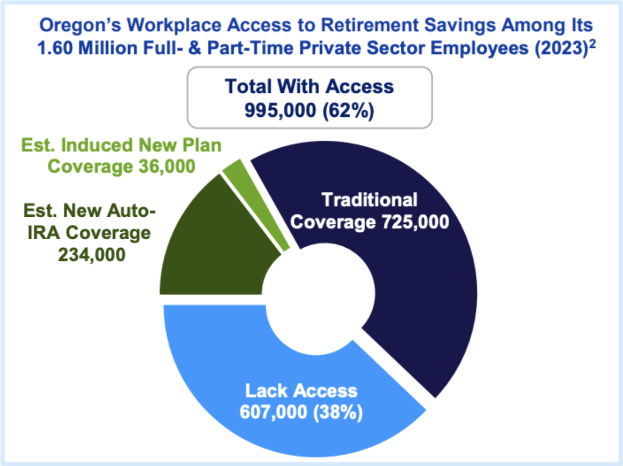


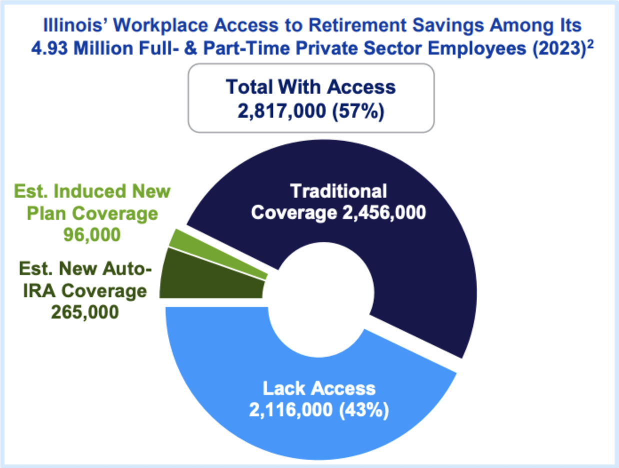
…And There Has Been an Associated Increase in Private Plan Formation

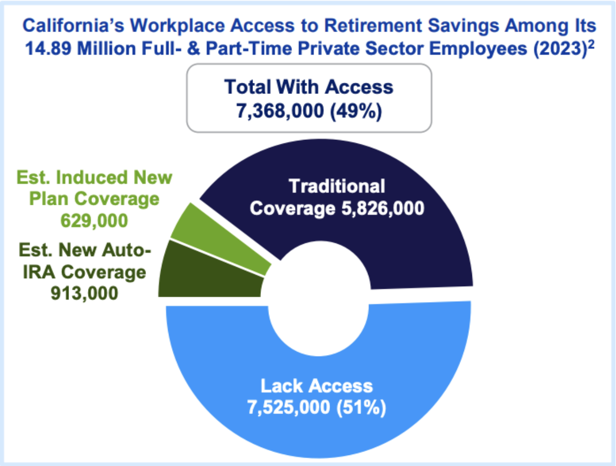
Induced Plan Formation

Oregon requires private sector employers to either participate in the OregonSaves program or offer their own Employer-Sponsored Retirement Plans (ESRP). CRI research found that 11% of private sector Oregon firms with 5-19 employees and 13% of firms with 20-99 employees that were not offering an ESRP before the policy began have created new plans to comply with the state requirement.[5] This "induced" plan formation complements participation in the state-facilitated program to help close the access gap.

Early Adopter States and Expanded Access
How State Programs Contribute Directly and Indirectly







The Road Ahead

The Road Ahead – States

✓Add new states & the continued growth of partnerships

✓Employer compliance & related data needs

✓Expand the pool of workers/savers (e.g., non-traditional workers; or re-enrollment)

252,000
Gig Economy Workers in OR Lack Access[8]

✓Know Your Customer

✓Saver's Match

The Road Ahead– Federal

- ✓ Implementation of SECURE and SECURE 2.0, including the Saver's Match, and use of new and expanded tax incentives and plan designs (PEPs, Starter 401(k)) intended to make it easier employers to adopt plans

- ✓ Consideration of federal legislative proposals, including "SECURE 3.0" and efforts to expand universal access (and the role of state programs)

Center for Retirement Initiatives
McCourt School of Public Policy

125 E Street NW, Suite 530, Washington, DC 20001
202-306-8540 | cri.georgetown.edu

Angela M. Antonelli
Executive Director
ama288@georgetown.edu

Follow us on social media for updates

GEORGETOWN UNIVERSITY
McCourt School of Public Policy

CENTER FOR RETIREMENT INITIATIVES