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General Comment

As the former Treasure of State of Indiana and as an advocate for better methods to allow workers to have access to
employer based retirement savings programs. I compliment the DOL for offering to expand "safe harbor" language. however:

Please remove the condition per the published Summary language: ".. A program described in this proposal would be established and maintained by a state government and state law would require certain private-sector employers to make the program available to their employees...." Though this requirement is undoubtedly meant to expand the number of workers ultimately covered it will likely have the opposite effect. From my own work on this issue with the Indiana legislature I can report that a perceived federal mandate will preclude the passage of a bill that would expand the possibility of IRA savings accounts offered through employers by the state. Many state legislators that might like to act to help employees have access to the plans will not support the initiatives if the employers are forced to provide them.

I was pleased to participate in a meeting on December 10th at Georgetown University's Center for Retirement Initiatives in which representatives of states that have already created such programs as mandates (Illinois, Oregon and California) unanimously agreed that the mandate would be counterproductive in other states and should not be imposed.

I accept at face value that the department and administration want to see more employees have access to retirement savings vehicles. It would be ironic therefore, to see access to millions of workers denied access by the department's own language. Also, I note the irony that while the administration would undoubtedly like to see ERISA type programs created by employers, none of these are mandated but are seen as the natural creation of companies desiring to offer benefits to their employees. In an environment in which maintaining a good, stable and competent work force is critical, many smaller companies are willing to step forward with auto-enroll IRAs if the employer has the option (not a mandate) to offer them.

A. Second, I ask that consideration be further clarified within the safe harbor language so that actions of states to the creation of auto-IRA savings vehicle by employers not be designated as triggering the application of ERISA. Specifically, if a state legislature offered to employers an incentive for providing access to auto IRAs offered through a state
platform such action should not be regarded as a triggering event. For example, should a state offer an annual tax credit to employers against its state taxes for offering such a plan to its employees such action should not be considered as a "kick back" or other action that would bring ERISA into play. Whatever costs may be borne by the employer to allow for the
direct deposit of the employees funds to the IRA fund manager might be compensated by the value of the tax credit.

Thank you for considering my comments.