



Office of the State Treasurer
109 State Street, 4th Floor
Montpelier, VT 05602
802-828-1451

Public Retirement Study Committee Meeting

December 28, 2016
1pm

DRAFT

Committee Members in Attendance:

Beth Pearce, Chair, Vermont State Treasurer
Rebecca Towne, Appointed by the legislative Committee on Committees (Phone)
Robert Hooper, Appointed by the legislative Committee on Committees (Phone)
Russ Bennett, Appointed by the Speaker (Phone)
Lindsay DesLauriers, Appointed by the State Treasurer (Phone)
Dan Boardman, Appointed by the Speaker
Annie Noonan, Commissioner, Vermont Department of Labor (Phone)

Committee Members Not in Attendance:

Monica Hutt, Commissioner, Vermont Department of Disabilities, Aging & Independent Living

Also Attending:

Tim Lueders-Dumont, Policy Director, Office of the State Treasurer
Chris Rice, MMR (phone)
Dahne Duffy, Office of the Treasurer
Angela M. Antonelli, Executive Director, Center for Retirement Initiatives, Georgetown University (phone)
David Morse, Partner at K&L Gates (phone)
Mathew Barewicz, Vermont Department of Labor (phone)

CALL TO ORDER:

Ms. Pearce called the meeting to order at 1:15 p.m.

ITEM 1: Approval of minutes

Mr. Boardman made a motion to approve the minutes of 12.20.16. Mr. Bennett seconded the motion. The Committee unanimously approved the minutes.

ITEM 2: Member Discussion and Discussion of Legislative Report

The Committee discussed the Legislative report and noted two edits to include in the final draft. The Committee noted its support of a "Voluntary open multiple employer plan (MEP)" supplemented by an open retirement marketplace for employees not covered by the "Voluntary open multiple employer plan (MEP)." The Committee also recommended a three-year check-in (after the start-date of the program) where an analysis of participation and potential strategies to increase participation would take place. The committee discussed that

aspects of implementation would still need to be finalized by the Committee before implementation of any potential plan as well as the work of any potential successor board.

The Committee discussed threshold eligibility limits regarding the number-of-employees for a potential plan.

Mr. Hooper made a motion to adopt a threshold for eligibility of 50 employees or less for the MEP plan to include in the recommendation. Ms. Towne seconded this motion.

The Committee discussed different threshold structures with data provided by the Vermont Department of Labor as well as information compiled by Ms. Antonelli. The Committee agreed that the largest percentage portion of workers in Vermont who did not have access to a retirement plan were employed at firms of 50 employees or less.

At 1:47pm the Committee took a 5-minute recess. The Committee reconvened at 1:52pm.

Mr. Barewicz from the Vermont Department of Labor gave an overview of private-sector firm sizes in Vermont to assist the committee in contemplating threshold limits and stated that 96.5% of private-sector firms in Vermont had 50 employees or less (see the attached document). Other data sources all indicated that well over 90% of the Vermont private-sector workforce as being employed by firms of 50 employees or less.

The Committee also noted that while all members unanimously voted to adopt this model, some members felt that a third tier, using an auto-IRA model with mandatory employer participation, was needed when the prior two options were not adopted by the employer.

Mr. Hooper made a motion to call the question for his original motion. Mr. Bennett seconded the motion. A roll call was taken and the Committee voted 6-1 in favor of calling the question of Mr. Hooper's original motion.

A roll call was taken and the Committee voted 5-2 in favor of the original motion. The motion passed.

The Committee discussed next steps. Ms. Antonelli confirmed that she would be turning in the CRI report on January 4th. Ms. Pearce noted that a draft would be distributed to Committee members with the intention of turning in a final draft (with no edits of substance) in early January.

Mr. Hooper made a motion to adopt the Legislative Report contingent upon two noted edits made by the Committee, any technical edits, and an addendum document being drafted by Ms. DesLauriers. Mr. Bennett second the motion. A roll call was taken and the Committee unanimously voted to adopt the motion.

Public Comment

N/A

Adjournment

Mr. Boardman moved to adjourn the meeting. Ms. Noonan seconded the motion. The Committee unanimously voted to adjourn.

Vermont
Size of Firm by Industry Sector
private industry firms, employment and wages, first quarter 2016

Industry Sector	Total	Size of firm ¹					
		5 or fewer workers ²	6 to 10 workers	11 to 25 workers	26 to 35 workers	36 to 50 workers	over 50 workers
Statewide a firm is the aggregation of all a company's establishments in Vermont ³							
Total Private							
Firms	21,181	14,557	2,767	2,308	456	348	745
Employment, March	250,622	25,141	21,109	36,888	13,730	14,613	139,141
Wages, quarterly (000)	2,643,892	285,273	181,734	328,426	130,305	140,975	1,577,179
% of private firms.....	100.0	68.7	13.1	10.9	2.2	1.6	3.5
% of private employment.....	100.0	10.0	8.4	14.7	5.5	5.8	55.5
% of private wages.....	100.0	10.8	6.9	12.4	4.9	5.3	59.7

1 - Size of a firm is based on the March employment for that firm.

2 - Includes firms that reported no workers in March.

3 - Industry level firm totals and size class data does not add to statewide.

--- No firms in this size class.

n - Data can not be released, does not meet confidentiality standards.

Note: Detail may not add to totals due to rounding.

Source: Vermont Department of Labor, Economic and Labor Market Information, Quarterly Census of Employment and Wage in cooperation with the U.S. Department of Labor, Bureau of Labor Statistics

released: December 2016