

The SECURE Act Improves America's Retirement Security

American workers are significantly more likely to save for retirement when given access to a retirement plan at work. In fact, workers who earn \$30-50K are twelve times more likely to save at work than on their own¹.

But in **Massachusetts**:

- **100,614** employers do not provide a retirement plan to employees², meaning that...
- Approximately, **600,000** full-time employees in the state do not have access to an employer provided retirement plan³.

The SECURE Act helps employers provide access to this important benefit by:

- Significantly increasing the employer tax credit for starting a new retirement plan from the current cap of \$500 to \$5,000.
- Allowing employers to join a pooled employer plan, potentially lowering plan costs and administrative burdens.

And, since in **Massachusetts**, **401,538** part-time employees do not have access to an employer provided retirement plan⁴, the SECURE Act also helps to ensure more part-time employees can contribute to a plan.

¹ Vanguard, *How America Saves 2018* (DC plan participation), EBRI estimate based on 2014 IRS SOI tabulation (IRA-only participation).

² The number of establishments without employer sponsored retirement benefits was calculated by multiplying the percentage of establishments without retirement benefits in each state's regional division with the number of establishments in that state. Both data sets are based on U.S. Bureau of Labor Statistics (BLS) data.

³ The Pew Charitable Trusts, "Who's In, Who's Out: A look at access to employer-based retirement plans and participation in the states." Jan. 2016, Appendix D, available at http://www.pewtrusts.org/~media/assets/2016/01/retirement_savings_report_jan16.pdf

⁴ The number of part-time private sector employees in each state was calculated by multiplying the percentage of private sector employees in each state by the total number of private sector employees in that state (BLS). However, the data for the percentage of private sector employees per state is for the general workforce, and not specific to part time employees. We assume this percentage remains the same for part time employees to make this calculation.

MASSACHUSETTS RETIREMENT PLANS BY THE NUMBERS



100,614

EMPLOYERS DO NOT PROVIDE
RETIREMENT PLANS



600,000

FULL-TIME EMPLOYEES DO NOT
HAVE ACCESS TO AN EMPLOYER
RETIREMENT PLAN



401,538

PART-TIME EMPLOYEES DO NOT
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