

Defined Contribution (DC) or State Solution?



If a *state-run retirement savings plan* were made available, how likely would it be that your company would discontinue your defined contribution plan and have your employees enroll in the state-run plan?

30% of plan sponsors say that they would be “very likely”
But...



Sponsors who want to stick with DC plans:



- ▶ Care *about retirement readiness*.
- ▶ Are *confident* that they are *managing their plans properly...so that the lawsuits are not a concern*.
- ▶ Feel that the *benefits of offering a plan* outweigh the challenges.
- ▶ Have a *strong sense of responsibility* to help their employees meet their retirement savings goals.

It is sponsors who fear the threat of potential lawsuits who are most likely to consider replacing their DC plan with a state solution.

LIMRA members can learn more from the full report and other study materials (Workplace Retirement Savings and State Plan Mandates: Employer and Employee Perspectives) at:

www.limra.com/secureretirementinstitute.com

METHODOLOGY

Based on a 2016 survey of 1,052 non-governmental sponsors of Defined Contribution plans, in organizations with 10 or more employees.