

MERIT

Maine Retirement Investment Trust



Maine's Auto-IRA Program

November 2, 2023

With Payroll Management



TODAY'S AGENDA

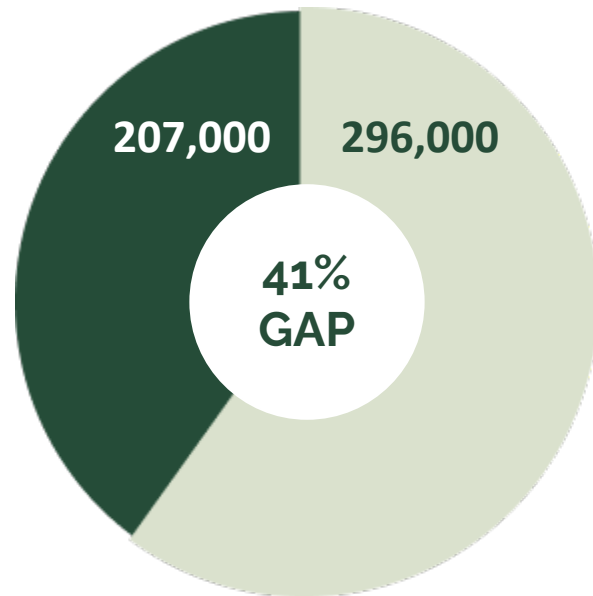
- The Retirement Landscape in Maine
- What is MERIT?
 - Employer Responsibilities
 - Employee Opportunities
- Implementation Schedule
- Answers to Frequently Asked Questions
- Answers to Your Questions



Maine's Retirement Landscape

Many Employers in the State Lack Access to a Retirement Savings Plan at Work

Workplace Access to Retirement Savings Among Private Sector Workers (2020)



504,000 Private Sector Employees Statewide

- Coverage Access Gap
- Access to Coverage at Work

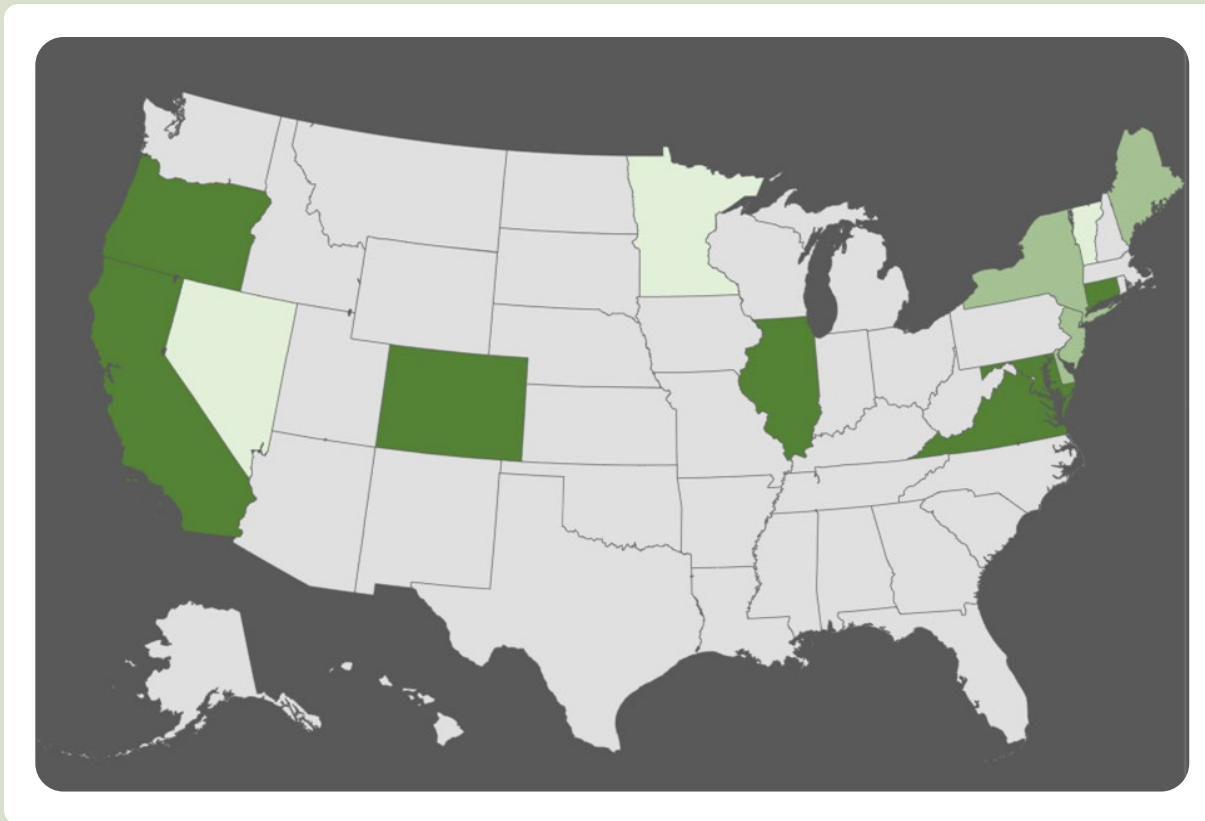
Source: ESI Analysis of Census Bureau and BLS Data



Current Status of Auto IRAs

Active Programs

Connecticut
Maryland
Virginia
Illinois
Colorado
California
Oregon



Enacted Legislation

Maine
Delaware
New York
New Jersey
Hawaii
Minnesota (2023)
Nevada (2023)
Vermont (2023)



Who is MERIT for?

Employers

Do not offer a retirement plan

5+ Maine Employees

In business
2 years

Employees

Employed in Maine

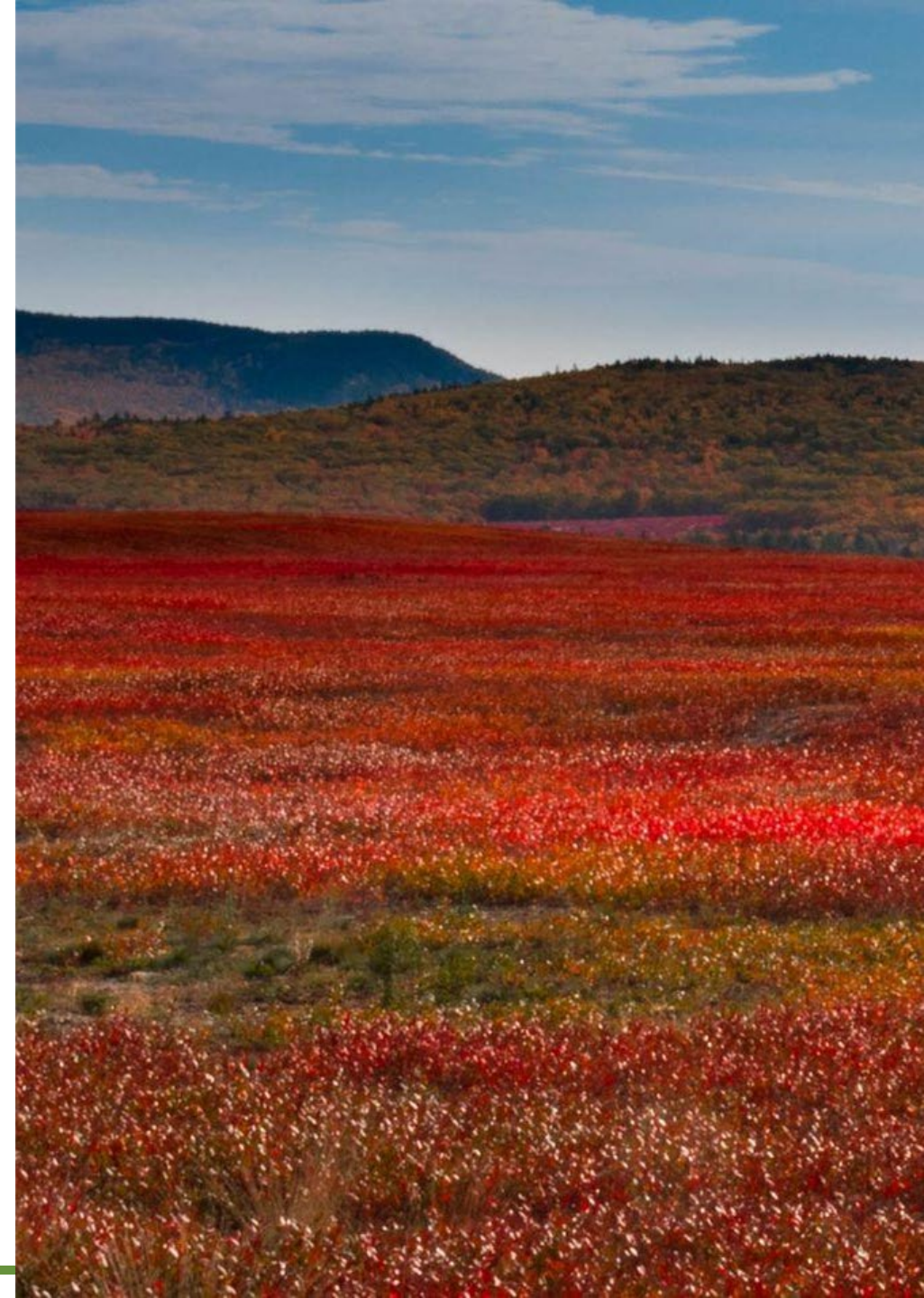
18 years or older

Social Security
Number



Examples of Qualified Plans

- 401 (k) plans (including multiple employer or pooled employer plans)
- 403 (b) plans
- 403 (a) plans
- 408 (k) - Simplified Employed Pension (SEP) plans
- A governmental deferred compensation plan
- A simple IRA plan
- A traditional pension plan



Primary Features of MERIT

- **Automatic Enrollment For Employees**
 - Participation is voluntary for employees, employees can opt out at any time
- **Public/Private Partnership**
 - Professionally managed and advised by financial services companies
- **Simple for Employers and Employees**



Employer's Role – 3 Easy Steps

Employers Facilitate the Program

- No cost to employer
- Fast and Easy enrollment
- Works with your payroll processes and can be managed in coordination with payroll processors

1

Register On Portal

2

Send Contributions

3

Ongoing Maintenance



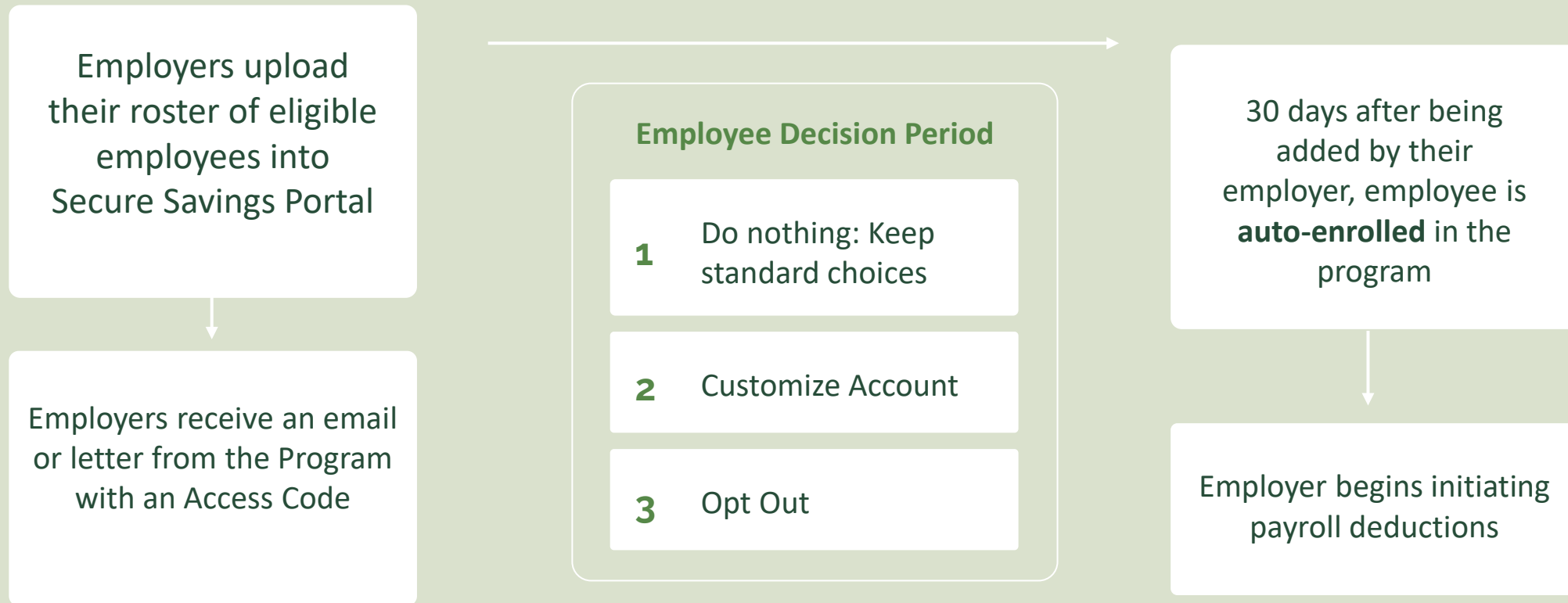
MERIT Program Details

- **Employees will be automatically enrolled in a ROTH IRA**
 - 5% of employee wages will be automatically withdrawn from each paycheck
 - Increasing 1% per year up to a maximum of 10%
 - Default Investment: Capital preservation Fund; Target Date Suite of Funds
- **Employees will have choices**
 - Employees can opt out of the plan
 - Employees can change the percentage of wages contributed
 - Employees can choose their investment options



How MERIT Works

30 DAYS



The MERITSAVES.COM Portal

1. GATHER EMPLOYEE DATA 2. SUBMIT & VALIDATE

Add employees to the program

[Need Help?](#)

* indicate required fields

[Upload File](#) or enter data manually

SSN/ITIN*	FIRST NAME*	MIDDLE NAME	LAST NAME*	BIRTHDATE*

[Previous](#) [Finish Onboarding](#)

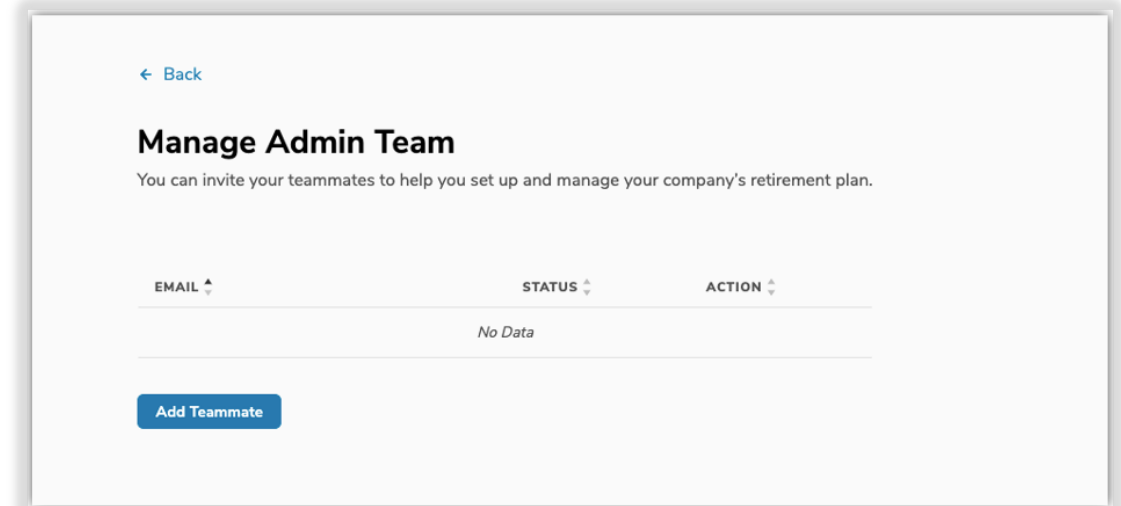
[← Home](#)

- ✓ Company Info
- ✓ Payroll Setup
- ✓ Payment Setup
- * Add Employees



Manage your Admin Team and Teammates

- Add Teammates to assist in administration
 - HR Manager
 - Payroll Processor
- Can access and edit payroll and employee information



We're here to support you

- ❖ Referrals to retirement experts
- ❖ Direct data integration with MERIT
 - ❖ Initial census data
 - ❖ Ongoing data reporting
 - ❖ Employer will need to notify us of start date and changes
- ❖ Custom reporting to help with retirement plan administration
- ❖ Track employee retirement contributions in payroll to ensure accurate reporting
- ❖ Data integrations with other retirement plan providers



Important Dates

- October 24, 2023 – MERIT PILOT commenced
- January 2024 – MERIT Available to all Employers
- April 30, 2024 – Employers of 15 or More Employees
- June 30, 2024 – Employers 5+ Employees:



Answers to Some FAQs

- **Seasonal Employees**
 - Employees who work for 120 days will need to be registered
- **Part-Time Employees**
 - Will count toward the 5 Employees and need to be registered
- **Temporary Employees**
 - Will count toward the 5 Employees and need to be registered



Answers to Some FAQs

- **Offer a Qualified Plan to some, but not all employees**
 - You are exempt – even if the Plan is not available to all employees
- **Business Owner status**
 - Will count toward the 5 Employees if they receive wages
- **Employees Who Opt Out**
 - May opt back in at any time



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