

Secretary of the State File Number

6382

Regulation of the

Office of the State Comptroller

Concerning

Connecticut Retirement Security Program

Regulations adopted after July 1, 2013, become effective upon posting to the Connecticut eRegulations System, or at a later date if specified within the regulation.

Posted to the Connecticut eRegulations System on **May 1, 2023**

EFFECTIVE DATE

May 1, 2023

Approved by the Attorney General on

February 21, 2023

Approved by the Legislation Regulation Review Committee on

April 25, 2023

Electronic copy with agency head certification statement electronically submitted to and received by the Office of the Secretary of the State on

April 26, 2023

Form ICM-ECOPY (NEW 6/2015)
State of Connecticut
Secretary of the State



IMPORTANT NOTICE FOR CONNECTICUT STATE AGENCIES
This form should be used only for regulations first noticed *on and after March 23, 2015*.

Electronic Copy Certification Statement

(Submitted in accordance with the provisions of section 4-172 of the Connecticut General Statutes)

Regulation of the
Office of the State Comptroller
Concerning
Initial Opt-out Period

Approved by the Legislative Regulation Review Committee: **April 25, 2023**

eRegulations System Tracking Number: **PR2022-046**

I hereby certify that the electronic copy of the above-referenced regulation submitted herewith to the Secretary of the State is a true and accurate copy of the regulation approved in accordance with sections 4-169 and 4-170 of the *Connecticut General Statutes*.

And I further certify that in accordance with the approval of Legislative Regulation Review Committee, all required technical corrections, page substitutions and deletions, if any, have been incorporated into said regulation.

In testimony whereof, I have hereunto
set my hand on **April 26, 2023**.

DocuSigned by:

EBC25FDEC8AD441...

Yamuna (Yam) Menon
General Counsel/Assistant State Comptroller
Office of the State Comptroller

**State of Connecticut
Regulations of the
Office of the Comptroller
Concerning the
Connecticut Retirement Security Program**

Section 1. The Regulations of Connecticut State Agencies are amended by adding section 31-422-2 as follows:

(NEW) Sec. 31-422-2. Initial opt-out period.

(a) As used in this section:

- (1) “Contribution level” has the same meaning as provided in section 31-416 of the Connecticut General Statutes;
- (2) “Covered employee” has the same meaning as provided in section 31-416 of the Connecticut General Statutes;
- (3) “Individual retirement account” has the same meaning as provided in section 31-416 of the Connecticut General Statutes;
- (4) “Informational materials” means the materials described in subsection (a) of section 31-419 of the Connecticut General Statutes;
- (5) “Program” has the same meaning as provided in section 31-416 of the Connecticut General Statutes; and
- (6) “Program administrator” means the third party administrator chosen by the Comptroller to assist in carrying out the requirements of sections 31-416 to 31-429, inclusive, of the Connecticut General Statutes.

(b) A covered employee who does not wish to have an individual retirement account set up through the program may opt out of the program. The program administrator shall prescribe the methods by which a covered employee may opt out of the program. Such methods may include:

(1) electronically through the program administrator’s web site, (2) by phone, or (3) by completing and mailing an opt-out form prescribed by the program administrator. A covered employee may also opt out of the program by selecting a contribution level of zero.

(c) To avoid initial enrollment in the program, a covered employee shall opt out of the program not later than the thirtieth calendar day after the date of issuance of the informational materials to the covered employee.

(d) A covered employee who does not opt out during the thirty calendar-day period set forth in subsection (c) of this section shall be automatically enrolled in the program. Thereafter, a covered employee may opt out of the program at any time by following the instructions for opting out provided by the program administrator.

Statement of Purpose: The purpose of this new proposed regulation is to set forth the process by which a covered employee (that is, an employee who is eligible to participate in the Connecticut Retirement Security Program (the “Program”)) can initially elect not to participate.

A. The problems, issues or circumstances that the regulation proposes to address. Section 31-422(a)(1) of the Connecticut General Statutes requires qualified employers to provide the informational materials described in Section 31-419(a) of the Connecticut General Statutes to their covered employees. Section 31-422(a)(2) of the Connecticut General Statutes provides that, not later than sixty days after a qualified employer provides these informational materials to its covered employees, or such other time period as prescribed by the Comptroller, a qualified employer shall automatically enroll its covered employees in the program, subject to a covered employee’s decision to opt out of the Program. This proposed regulation sets forth a thirty calendar-day period prescribed by the Comptroller within which employees may initially opt out of the program.

B. Summary of the main provisions of the proposed regulation. The main provisions of the new proposed regulation specify that covered employees have thirty calendar days following the issuance of the informational materials to decide whether or not to opt out of the Program. It describes methods for opting out. The proposed regulation also provides that covered employees who do not timely opt out of the Program will be automatically enrolled.

C. The legal effects of the regulation, including all ways that the regulation would change existing regulations or other laws. The proposed regulation specifies a 30-day period for covered employees to opt out of the program. The regulation is consistent with existing law (Section 31-422(a)(2)) which permits the Comptroller to specify a time period within which such action must be taken.

Form Agency-Cert-PR-TA-ICM (Rev 11/2017)
State of Connecticut
Secretary of the State



IMPORTANT NOTICE FOR CONNECTICUT STATE AGENCIES

This form is to be used for proposed permanent and technical amendment regulations only and must be completed in full.

AGENCY CERTIFICATION

Office of the State Comptroller

Proposed Regulation Concerning

Initial Opt-out period

eRegulations System Tracking Number **PR2022-046**

I hereby certify the following:

(1) The above-referenced **regulation** is proposed pursuant to the following statutory authority or authorities: **Connecticut General Statutes Sec. 31-422(a), as amended by Public Act 22-118**

For technical amendment regulations proposed without a comment period, complete #2 below, then skip to #8.

(2) As permitted by Section 4-168(h) of the *Connecticut General Statutes*, the agency elected to proceed without prior notice or hearing and posted the text of the proposed technical amendment regulation on eRegulations System website on **December 20, 2022**.

For all other non-emergency proposed regulations, complete #3 - #7 below, then complete #8)

(3) The agency posted notice of intent with a specified comment period of not less than 30 days to the eRegulations System website on **December 20, 2022**.

(4) *(Complete one)* No public hearing held or was required to be held. **OR** One or more public hearings were held on: **N/A**.

(5) The agency posted notice of decision to move forward with the proposed regulation to the eRegulations System website on **January 23, 2023**.

(6) *(Complete one)* No comments were received. **OR** Comments were received and the agency posted the statements specified in subdivisions (1) and (2) of CGS Section 4-168(e) to the eRegulations System website on **N/A**.

(7) The final wording of the proposed regulation was posted to the eRegulations System website on **January 23, 2023**.

(8) Subsequent to approval for legal sufficiency by the Attorney General and approval by the Legislative Regulation Review Committee, **the final regulation shall be effective**

(Check one and complete as applicable)

When posted to the eRegulations System website by the Secretary of the State.

OR On _____

(Date must be a specific calendar date not less than 11 days after submission to the Secretary of the State)

DocuSigned by:

Sean Scanlon

Comptroller

1/23/2023 | 3:38 PM EST

SIGNED

OFFICIAL TITLE

DATE

(Head of Board, Agency or Commission, or duly authorized deputy)

**OFFICE OF THE ATTORNEY GENERAL
REGULATION CERTIFICATION**

Agency: Office of the State Comptroller

***REGULATION NUMBER* PR2022-046**
Proposed Regs. Conn. State
Agencies § 31-424-3

This Regulation is hereby APPROVED by the Attorney General as to legal sufficiency in accordance with Connecticut General Statutes § 4-169.

DATE: 2/21/2023

Signed:



Eileen Meskill
Deputy Attorney General

Duly Authorized

The Connecticut General Assembly

Legislative Regulation Review Committee



Senator John Kissel
Senate Chair

Representative Lucy Dathan
House Chair

Official Record of Committee Action

April 25, 2023

Agency: Office of the State Comptroller
Description: Initial Opt-Out Period
LRRC Regulation Number: 2023-002
eRegulation Tracking Number: PR2022-046

The above-referenced regulation has been

Approved with Technical Corrections

by the Legislative Regulation Review Committee in accordance
with CGS Section 4-170.

Catherine M. Thomas
Committee Administrator



State of Connecticut
Office of the Secretary of the State

Confirmation of Electronic Submission

Re: Regulation of the Office of the State Comptroller concerning Connecticut Retirement Security Program
eRegulations System Tracking Number PR2022-046
Legislative Regulation Review Committee Docket Number 2023-002

The above-referenced regulation was electronically submitted to the Office of the Secretary of the State in accordance with Connecticut General Statutes Section 4-172 on April 26, 2023.

Said regulation is assigned Secretary of the State File Number 6382.

The effective date of this regulation is May 1, 2023.

A handwritten signature in blue ink, appearing to read "Stephanie Thomas".

Stephanie Thomas
Secretary of the State
May 1, 2023

By:

/s/ Christopher R. Drake
Christopher R. Drake
Director, Business Services
Division