

NATIONAL COUNCIL OF INSURANCE LEGISLATORS
LIFE INSURANCE & FINANCIAL PLANNING COMMITTEE
2026 NCOIL SPRING MEETING – LOUISVILLE, KENTUCKY
APRIL 17, 2026
DRAFT MINUTES

The National Council of Insurance Legislators (NCOIL) Life Insurance & Financial Planning Committee met at the Hyatt Regency Hotel in Louisville, KY on Friday, April 17, 2026 at 4:45 p.m.

Massachusetts Representative David LeBoeuf, Chair of the Committee, presided.

Other members of the Committee present were:

Sen. Justin Boyd (AR)	Sen. Jerry Klein (ND)
Del. Mike Rogers (MD)	Asm. Jarett Gandolfo (NY)
Rep. Brenda Carter (MI)	Asw. Pam Hunter (NY)
Sen. Mark Huizenga (MI)	Rep. Tom Oliverson, M.D. (TX)
Sen. Lana Theis (MI)	Rep. Barbara Dittrich (WI)

Other legislators present were:

Sen. Jessie Bjorkman (AK)	Sen. Jeff Barta (ND)
Rep. Justin Wilmeth (AZ)	Sen. Bill Gannon (NH)
Rep. Stephen Meskers (CT)	Sen. Tim McGough (NH)
Rep. Brett Barker (IA)	Rep. Julie Miles (NH)
Rep. Elizabeth Wilson (IA)	Rep. Kellie Deeter (OH)
Rep. Wendy Dant Chesser (IN)	Rep. Mark Tedford (OK)
Rep. Peggy Mayfield (IN)	Rep. Perry Warren (PA)
Sen. Beverly Gossage (KS)	Rep. Yusuf Hakeem (TN)
Rep. Mike Clines (KY)	Rep. Calvin Callahan (WI)
Sen. Donald Douglas (KY)	Sen. Jamie Wall (WI)
Rep. Mike McFall (MI)	Sen. Cale Case (WY)
Sen. Paul Utke (MN)	
Sen. Keri Heintzman (MN)	

Also in attendance were:

Will Melofchik, NCOIL CEO
Christa Rapoport, NCOIL General Counsel
Pat Gilbert, Director of Policy, Administration & Member Services, NCOIL Support Services, LLC

QUORUM

Upon a Motion made by Sen. Jerry Klein (ND) and seconded by Sen. Justin Boyd (AR), the Committee voted without objection by way of a voice vote to waive the quorum requirement.

MINUTES

Upon a Motion made by Sen. Boyd and seconded by Rep. Tom Oliverson, M.D. (TX), NCOIL Immediate Past President, the Committee voted without objection by way of a voice vote to adopt the minutes of the Committee's November 13, 2025 and February 23, 2026 meetings.

CONSIDERATION OF NCOIL MODEL ACT REGARDING LIFE INSURERS' USE OF GENETIC INFORMATION

Rep. LeBoeuf stated that we will begin with consideration of the NCOIL Model Act Regarding Life Insurers Use of Genetic Information (model). We've had a vigorous discussion about this topic going back to last year's spring meeting. I think we've made great progress on this model and I'm comfortable with voting it out today as it is, and I believe that is also the sponsor's intent. I will now turn over things to the sponsor of the model, Rep. Brenda Carter (MI), NCOIL Secretary.

Rep. Carter stated that I'm very proud to sponsor this model, and I agree with you that we've made great progress with this topic since first discussing it last April. And I'm particularly pleased with the interim meeting we had in February where a large group of both legislators and interested parties were able to offer their feedback. Thank you to everyone who has participated in this process. As I mentioned at the beginning of this process last year, this is a topic that has generated a lot of discussion in state legislatures across the country in recent years so it's great timing for NCOIL to develop some guidance for states to consider using. The model is fairly straightforward in that rather than outright prohibiting life insurers from using genetic information, reasonable guardrails around such use are set forth, similar to what the state of Tennessee enacted a few years ago. And as I mentioned during the interim meeting, this model essentially codifies what the current practice is right now in terms of life insurance and genetic testing and I haven't seen yet enough evidence to go in the opposite direction and ban the use of such information. I think the model in its current form is very strong, and I encourage the committee to support it. And lastly, I want to stress that overall NCOIL philosophy of developing its models. They are meant to be a framework that states can use to add or remove things as they deem best for their state. The important thing is by discussing this issue at a national level and producing guidance, it sends a signal to states that this issue is worth devoting time to in their legislatures. It's important that guardrails can be enacted for both consumers and insurers alike.

Patrick McNulty, Director of State Relations at Northwestern Mutual Life Insurance Company thanked the committee for the opportunity to speak and stated that I'm delivering this testimony on behalf of the American Council of Life Insurers (ACLI) in support of the proposed Model. First, we thank you all for your commitment to developing a thoughtful, well-reasoned approach to life insurers' use of genetic testing information. The model recognizes the fundamental principle of information symmetry in life insurance underwriting. By doing so, it will help protect against adverse selection and ensure that life insurance remains accessible and affordable for all American families. As ACLI has stated on numerous occasions, genetic information is not fundamentally different from other health data such as blood pressure and family medical history. Access to all relevant health information is essential for maintaining the voluntary life insurance market. The very core of life insurance underwriting involves pooling the risks of individuals with similar health and life expectancies, and information symmetry is essential to this. Again, we thank you for your hard work and dedication to an approach that will help sustain a healthy and affordable life insurance market. ACLI appreciates your support of the model.

Rep. Stephen Meskers (CT) asked if the intent of the Model could be clarified. Rep. Carter stated that the intent is to put guardrails in place that would allow the life insurance industry to

utilize actuarial information to determine risk. Rep. Meskers stated so is the intent to prohibit them from using it for the policyholder who's applying but they could potentially, with their permission, collect the data? Rep. Carter replied the model is intended to make sure that we put guardrails in place to make sure that the consumer is protected and not use it as a discriminatory factor.

Sen. Bill Gannon (NH) stated if I wanted to take a test and I find out that I'm a low risk and I don't have any bad genetic factors and then I'm a much less likely person to need to utilize the insurance so are you not stopping me from joining a pool of very healthy people without bad genetic factors? Now, you're going to make me pay more and be in a higher risk pool? Rep. Carter stated that's not what the model aims to do.

Sen. Tim McGough (NH) stated that this legislation reminds me of the first time we dealt with the BRCA genes and genetic testing and the desire of underwriters to utilize that known history of a deadly cancer that's so very much hereditary. And we dealt with that in 1996 in my first term in the House. I offer an amendment that we strike section 4D because that very much opens the door for inappropriate medical underwriting for the daughters and granddaughters of breast cancer victims because most certainly that information would be obtained within their medical record, regardless of whether they tested themselves for BRCA1, 2, A, B, etc.

Rep. LeBoeuf stated that only members of the committee can introduce amendments.

Asw. Pam Hunter (NY), NCOIL Immediate Past President, stated that I'd like to applaud Rep. Carter and stated that this model follows work that we have done for the past several years in trying to be on time and innovative and on topic to where we are in healthcare today. And this mirrors in some ways the biomarker legislation that we passed several years ago in trying to make sure that we're using all information available to make sure that people can utilize their genetics in making sure that they have appropriate diagnoses and getting the appropriate treatment. So, I applaud you and I make a motion to adopt the model.

Sen. Lana Theis (MI) then seconded the motion. Rep. LeBoeuf then stated that as a reminder, per NCOIL bylaws, all NCOIL votes are voice votes except that a roll call vote shall be taken at the direction of the chair or upon the request of a committee member in instances where there are dissenting votes. The Committee then voted to adopt the model without objection via a voice vote. Rep. LeBoeuf thanked everyone and stated that the model will now be placed on the Executive Committee's agenda for final ratification.

PRESENTATION – THE COMMON THREAD: WHAT'S WOVEN INTO THE MOST SUCCESSFUL STATE RETIREMENT PLANS

Rep. LeBoeuf stated that next up is a presentation on the common thread - what's woven into the most successful state retirement plans. Also, if you look at the informational card distributed before you, the QR code will link to information that is discussed during this presentation.

Josh Freely, Managing Director of State Government Relations at TIAA, thanked the committee for the opportunity to speak and stated that for those of you who are not familiar, TIAA was founded by Andrew Carnegie in 1918 to provide a secure and dignified retirement for those in the higher education space. And 108 years later that is still what we're doing. We still are the largest provider of retirement services to those in the higher education and not-for-profit space. We also are an asset manager with about \$1.5 trillion in diversified assets under management. And since 1918, we've paid out about \$545 billion in lifetime income benefits. That's really

second only to Social Security. And last year, this committee passed a resolution that encouraged states to look at their state retirement plans and determine whether or not you were providing enough lifetime income. Well, after that resolution came out, we said “Well, you know this is something we could do.” And so we turned to our dear friends at the TIAA Institute and said, “Is there a way that you could look at the amount of lifetime income that is available to state workers and help states understand whether they have what they need and what are the pathways to get to what they need?” And now you’ll hear research and then I’ll come back and talk about some of the ways we can help you in your individual states.

Surya Kolluri, Head of the TIAA Institute, thanked the committee for the opportunity to speak and stated that I want to start with a little bit of context. So, at TIAA, when educators and folks working in healthcare and educational organizations retire, we cut them paychecks. The oldest recipient of such a paycheck is Professor Jerry Myers who when I interviewed him two years ago was 104 years old. So today he is 106. And so, when we look at the plan data that we have of 4 million participants, the number of people who are over 90 is in the tens of thousands. My father himself is a retired professor who’s 90 years old. And so, this fact that we live in an aging society racing towards 100 years is a very important context for the study that you’ve asked us to take a look at to say, “Are the employees in our state in a position of having financial security?” And so, the first benchmark that we established to answer your question was what should that replacement rate be when somebody retires? And so, that benchmark that we established was 80%. And you might say, “Why 80%? Why is it not 85%? Why is it not 75%?” And if you think about when we are working, we pay Federal Insurance Contributions Act (FICA) taxes. We do contribution to retirement plans, we have working expenditures we have. So, generally in economics, we agree that 80% replacement rate would be suitable for a secure retirement. So, we use that 80% benchmark as the lever to analyze plans in all 50 states. So, now when we look at the landscape of 50 states, what we find is it’s a variety of plans across the 50 states. So, for example, 35 states primarily have defined benefits plans. Twelve have hybrid plans which means that employees can get income from three sources. One could be a defined benefit plan, one could be a defined contribution plan. And also, Social Security. And there are several states where employees do not get Social Security. And then there are defined contribution plans. And then finally, there are also something called cash balance plans. So, how do you kind of get your mind around all these different plans and come up with a common thread to say, “What’s a solution that each state can take to get to this 80% replacement ratio?” So, that was the challenge of this analysis. So, I’m going to come up with four recommendations that I would ask the group to consider to get our state residents to that 80% replacement ratio.

So, the first recommendation that we have is providing qualified payout options. So, what do I mean by that? By that I mean, we climb a hill to kind of save for our retirement. But once we get to the top of the hill, we say, “Good luck. Here’s your lump sum.” But how about we give people a way to kind of climb down the hill? What are those lifetime income options that we can give them? It could be a guaranteed income amount. It could be managed payouts. Could be systematic withdrawal. So, adding lifetime income choices to defined contribution plans would be one recommendation. The second recommendation is the floors that we have. So, for example, I mentioned a cash balance plan. The floor there is 4%. And our economic modeling shows that you can’t get to the 80% replacement rate, if you have 4%. So, moving it up to 7%. So, the second suggestion that we have is to move the floor up so that people can work off a higher base. The third is the majority of the states that have defined benefit plans and some of them that don’t have Social Security. What do we do there? The suggestion there is provide at no cost to the states a supplemental plan, like a 457 with lifetime income options. So, we feel that if these three suggestions were adopted, this variety of plans that there are across the 50

states, wherever the state is starting at can get to that 80%. We're pretty confident. We are glad that you gave us this prompt. We are glad we did this analysis and I'm happy to say that this is not mission impossible. We can do this.

Mr. Freely stated that you all have this card and that'll lead you to this report and in the report, it gives you what we think is a really good news story, which is it doesn't matter what your state does. Whether, you have a defined benefit plan partnered with Social Security or you have a hybrid plan without Social Security. No matter what your approach to providing retirement income to your public employees is, you can get to this 80% benchmark. You just have to understand where you are, where your gaps exist, and what are the best tools to replace those gaps. And so here we have kind of a general example which are the various pathways depending on how you approach retirement to get to that 80% income replacement rate. But we've actually taken it a step further and we've done this analysis for every one of your states. And so we can produce a chart that looks like this that actually shows you where your gaps are. If you are a state that does not participate in Social Security, for instance, there's inherently going to be a gap between what you provide and that 80% benchmark. But there are again ways that the industry understands to make those gaps up. And so my encouragement is take a look at the report and come talk to us and we would love to share with you your specific results for your state and work with you on how you can get to that 80%. We want to thank you again for having us. We look forward to continuing the conversation. We think it's important to focus on giving people the ability to replace their income in retirement, and to make sure that retirement lasts throughout that retirement, so that the professors who live to 106 can continue to have money all the way through that perhaps 40 years of retirement.

Sen. Boyd stated that when we talk about TIAA and we're talking about a lump sum, is there any reason we can't talk about using a private annuity for that? Mr. Freely stated that those are absolutely options. We provide private annuities ourselves so that is one option. And depending on the state's approach, you may not need a private option if you have a defined benefit and Social Security. But in a lot of cases where you perhaps don't provide that there are options like private annuities, other qualified payout options and there's actually a lot of different options that are provided by different companies and different providers in the space. Mr. Kolluri stated the only point to kind of emphasize is that we have options while we save. We have mutual funds, we have equities, we have bonds. But we don't have options coming down the hill so what we're calling for is payout options when we retire.

Sen. Boyd asked where are you coming up with the 80% mark? I know there's kind of a 70% to 80% industry standard, but I also see people who don't need anywhere near that. Mr. Kolluri stated it's a fair point. When we did the analysis across all 50 states, across all plans, we just needed a benchmark. But the model is flexible enough to say: "what does it show when you make the benchmark 70%?" So, it's all scenario planning, but we had to anchor the analysis on a number, and we started with 80%, which is generally accepted, but we could easily flex it.

PRESENTATION ON RETIREMENT SECURITY AND GIG WORKERS

Matthew Sonduck, Director of Public Policy at the Academy of Actuaries, thanked the committee for the opportunity to speak and stated that the Academy is an independent nonprofit organization that legislators regularly turn to for nonpartisan, objective advice, analysis and research on many of the complex insurance and retirement topics that demand actuarial expertise. Of interest today is gig workers, which represent a growing segment of the total workforce who face particular risks pertaining to meeting their financial needs in retirement. Gig workers are prevalent in your districts and include many of your constituents. It's important to

note that the Academy's analysis of improving retirement security for gig workers falls under the framework of current labor law. Now, I will turn the presentation over to my colleague Claire Wolkoff, a former chairperson and current member of the Academy's Retirement Policy and Design Evaluation Committee.

Ms. Wolkoff thanked the committee for the opportunity to speak and stated let's start with who are gig workers? Part of what is confusing here is there is not a universal definition. Generally, these are non-traditional workers who are not covered by a regular employer-employee relationship. The main reasons that some individuals choose to be gig workers or independent contractors are for the lifestyle, the flexibility, and the desire to be their own boss. The Pew Charitable Trust did a lot of work on this, and they use the term "nontraditional workers" for these people. So, if you look at the pie chart on the left of the slide there, you'll see that 38% of the surveyed people had one non-traditional job. 22% had multiple nontraditional jobs, but 40% had both a traditional and a nontraditional job. And that's an important distinction because especially if someone is an employee of a large company that offers a good benefits package that individual would not have some of the problems that the other people do.

So, there's a whole variety of types of work that gig workers do and we've classified them here on the right-hand side of the slide broken down by income level and the type of work. The highest income people here are professionals such as doctors and lawyers. And these are sole proprietors. They're not employees of another organization. At the mid-level group, we see a lot of platform workers, Uber, Lyft, DoorDash, Etsy, freelancers. And then when you get to low income, that's when you're looking primarily at temporary workers, on-call, seasonal day labor. So, there's a huge range here of the types of work that people do and the resulting pay they have. And given that variety, that's why it's very hard to answer the question, what percent of the workforce is gig or non-traditional. So, when we were doing our research for the paper, the studies we examined had ranges from 4% to 40% so that's why it's a confusing topic for some people. So, we'll start by going over the challenges that these gig workers have and then we'll talk about what's available to them and what the potential solutions are. So, first of all, by not being in a traditional employee-employer relationship they don't have the ability to have a convenient automatic savings option as part of their plan. And since gig workers tend to have irregular work, that's not everybody, but a lot of them, they have a lack of job security and they have a volatile income. As a result, they have to focus on their immediate cash needs and the emergencies that inevitably come up. And finally, they don't have sufficient financial education and tools and if someone is working for a large employer with a big 401k plan, that's kind of part of the package they get.

So, let's look at what retirement savings options they do have and let's start with government programs of which Social Security is the largest. Now, any worker with FICA return, any worker who works under Social Security coverage for at least 40 quarters gets a Social Security benefit. But that is based on reported incomes. If you're an employee, you get a W-2, that's reported to Social Security, you pay taxes, etc. But some gig workers and independent contractors do get 1099 forms, and the reporting limits for that have jumped around. But aside from that, a lot of what gig workers do and get in pay is not reported to the government by a third party. Therefore, we find that a lot of these workers do not report their full income to Social Security. They feel they need those earnings to live on now, and they don't realize what they are giving up. So, that is an issue. The federal government provides certain tax incentives and subsidies to lower-paid individuals who contribute either to a qualified plan like a 401k or 403b or to an IRA. Through this year that's in the form of a saver's credit. It's for lower-paid people. It gives a maximum credit of \$1,000. But that is a credit. If you don't end up with taxes to pay, it's not a refundable credit, so you get nothing from this.

Starting next year, that saver's credit becomes a saver's match. So, the government will be making a matching contribution into the individual's account based on income and up to \$1,000. But that's on the qualified plans like 401k and on traditional IRAs. Under the law as written that will not apply to Roth IRAs and that's an important point when we get to the state programs. And finally, we have the state-facilitated retirement savings programs, which I assume most of you are familiar with them. We're up to 22 states who have enacted these programs and most of them are auto IRAs. I think 17 of them are and most of those are Roth IRAs. Now, gig workers can generally self-enroll. That's not part of the law that was written, but it's something that is dealt with during the implementation process. However, very few gig workers do that and there's not direct outreach to them the way you have an employer community with the basic programs and the employers have to automatically get these people into the plans. So, it's an option, but it's limited at this point in time. Employer-based retirement programs only are applicable when there's an employer or employee. But self-employed people, and that's generally professionals, sole proprietors, can establish one. And frequently these people who tend to be high income take advantage of that. For other people, the personal savings options are IRAs, both the traditional deferred and the Roth IRA, and other personal savings. That could be bank accounts, mutual funds, brokerage accounts. However, most gig workers, especially the lower-paid ones, and even going beyond gig workers to other people who are employees don't take advantage of what they're entitled to because they feel they need the money now and it's more of an effort if you have to go out and set up an account yourself.

So, that's kind of the current landscape until very recently, and now we're going to talk about what you, the states, have been doing with the new portable benefit programs. And these are pretty new. When we started our project back in 2022, none of these were in existence. So, Utah was the first state enacted one in 2023, followed by Tennessee and Alabama the next year. And this year, we're only in April, but we have four states shown up there who have enacted new programs. So, these are all voluntary programs. And I kind of use the word employer in quotes but we know that's not an employer. It's a high earning party but both that party and the contractor can make contributions and those contributions go into an account which belongs to the contractor. It's fully portable and can be used to provide a variety of types of benefits. One specific provision in these laws that's important is that these deemed employer contributions cannot be used to determine employment classification. In other words, the fact that an organization, be it Uber or Lyft or whoever it is, gives contributions to an independent contractor you use for benefits, that cannot be used to say that person is now an employee, and the organization is an employer. So that is very important. And also, we noticed that some of the states specify that the contributions are tax deductible. I believe that's only for state income tax purposes. And just an example of an organization that has set up one of these programs is Lyft, who started it for Utah drivers in 2025 and there are others who are doing that now as well.

So, on this slide, we're showing you the range of programs that have been under consideration. The voluntary programs shown in the middle column there are what we were talking on the previous slide. The right-hand column is mandatory programs. And they're different in that, first of all, they specify the amount of contribution that the, and here it's called contracting agent, must put in. And maybe a percent of fees or dollars per hour. And usually the programs that are out there right now are designed for app-based drivers. And you see that there's a limited number of types of benefits. Well, you see the huge list of states under the voluntary and only a handful under the mandatory so that kind of shows us where things seem to be going. And the state names are color coded there. So, green means the state has actually enacted the program. Blue means it's under consideration. And red means they considered the program, but either it was vetoed or failed to advance to the next stage.

Now, I thought it would be interesting to review the experience under certain DoorDash pilot programs that were adopted by Pennsylvania first in 2024 and then by Georgia and Maryland in 2025. Because that might show you what might end up happening as typical kind of plans. The initial timing period was six months, but Pennsylvania extended it to 12 months. The eligibility for these programs was you had to have at least \$1,000 of earnings and 100 in-state deliveries in the specified three-month eligibility period before the program was going to start. The driver had to create a free account. It was an interest-bearing account in order to receive the DoorDash contributions. Those funds could then be used for a variety of types of benefits, and they were fully portable so even if the driver went to work for somebody else, it was his or her account. The DoorDash contributions were 4% of pre-tip earnings, and the driver could make voluntary contributions as well. So, now we're going to look and see what happened under those programs. In terms of enrollment, less than 25% of the eligible drivers actually enrolled. Now remember, all they had to do was sign up and get an account in order to receive the DoorDash contributions of 4%. So, perhaps if the program were permanent, more would have taken the initiative to sign up for an account.

And this information is in a footnote on the bottom of the slide that you're not seeing right now on the screen, but it was a separate firm, NVP Analytics, who did the research and developed the report. So, you see the average contributions. And the \$200 range is not a lot of money but for the top earners and these are the top drivers, some got as much as a \$1,000. So, it provides a useful benefit. And you see the statistics and italics on the right that show that people are happy with this idea. They felt more financially secure, and if they knew it was going to be permanent they would feel more that way. The top use of the funds was either for paid time off or for emergency savings. Only, about 5% or 6% of the people use the funds to put into a retirement account. Now, of course, our paper is about retirement but it's clear that people have more immediate needs, and these types of programs are beneficial for them. So, that's pretty much the lay of the land now in these state programs and what's available to gig workers. So, what changes could be made to improve retirement security for these people? First, under the State auto IRA plans, further adoption by more states to include gig workers and more outreach to them and the states are doing a lot now; they're setting up partnerships, they're making every attempt to expand the people who are covered by this. But we also need federal legislation so that the saver's match that is coming next year, which could be an additional \$1,000 a person, could apply to Roth accounts as well as regular IRAs.

Now, we've gone over these current state portable benefit programs and I know sometimes you consider model legislation. I don't know if this is something that would be of interest to you or not, but we noted that some other entities are doing that as well now. In our country as a whole, we have a concern about the low level of financial literacy and the need for more financial education but this is especially important for gig workers. They don't have employer provided plans that are doing this for them. So, if you're a gig worker, you have to figure everything out for yourself. What are your goals? How are you going to come up with the money to contribute for this? How are you going to invest the money? And ultimately, when you retire, how are you going to draw down on this money to give you hopefully lifetime income? But a second part of this is the need to include more education about the importance of income reporting for Social Security. And we go into this in more detail in our paper. People don't understand what they are giving up by not paying into the system and I think they know about Social Security benefits for retirement, but if you're young that's a long time in the future. But Social Security also provides disability benefits and survivor benefits. So, more education and examples would be helpful.

Now the next couple of slides here talk about Federal proposals. And these are all in our paper and if you have questions, I'm glad to handle all of them but I want to move on because I want to make sure we can answer your questions. And one thing I want to point out to you is if you go to the end of the deck where we list the resources available. You'll see that Georgetown University Central Retirement Initiatives is listed with the recent report they did. Now Georgetown is the one who's been tracking all these state programs but the reason I think you'd be interested in the report they came out with last year is that this discusses the issue of access and it does this on a state by state basis. So, they have everything they've done on a national level, they give you the information for each state and they also have a focus in this paper on gig workers. So, included is a lot of data about gig workers on a state by state basis. So if you are considering these issues and you're not aware of this resource, I recommend you look at it.

Rep. Mike McFall (MI) stated that I have been working for the last four years on a retirement savings program that I've been working with Pew Charitable Trust on, the Auto IRA. One of the difficulties is if there's not a mandate for businesses to participate, how are you getting the private sector to partner with the Treasury of the state? Because in the ones where it's not mandated, they find very few people sign up and so it's not really worth them participating. Ms. Wolkoff stated that's why the DoorDash study was interesting because DoorDash was putting in 4% of these workers' pre-tip earnings. Nobody told them how to do that. That was their decision to try that. And admittedly, they've done these as pilot programs and then they can consider the results and what they want to do going forward. But they found that by having that program, workers did more driving for DoorDash because they were getting something extra out of it. And DoorDash benefited because they had good drivers who were working for them. And there was no mandate there at all. And if you look at that slide that showed all the states in the voluntary column and none enacted in the mandatory.

Rep. McFall stated that the investment firm that controls the IRA along with the treasury, if there's not any sort of mandate, none of those investment firms bother putting in a bid to be part of the program because there is no mandate. One of the hurdles that we're having is whether or not a business on the auto IRA has to do this. The employee does not have to sign up, but the employer has to offer it to them. And that's where the hurdle is, is that if we don't require the business to do that there's not enough participation because participation is obviously much higher when the business offers it to their employee. But if there's not that mandate, not very many people sign up. So when the Treasury tries to set up the IRA, they're not getting those businesses to participate because they say it's not worth our time.

Ms. Wolkoff stated that the auto IRA in the state we're talking about the retirement side, not the portable benefit side, they have like a million people with accounts. They've got almost \$3 trillion of assets. So overall, a lot is happening there. The other thing that happened, and this is based on you know the Georgetown reports, is they found that once the employer was told that he was mandated to offer a plan. All he had to do was have the people auto-enroll, and take the money out of their pay and move it over. That was basically his sole responsibility. But when these employers, and we're talking about small employers here, when they started looking at this, they said well if I have to do something this particular program is not what I really want for my people. A lot of companies ended up establishing their own plans. So, they've seen that the state programs didn't lead to people pulling out of their own programs, rather the whole thing grew. So, the mandate was just set up a program where honestly there wasn't that much for the employer to do. So, they started with employers say of at least 100 people. And then they moved it down. And now they're generally if you have at least five people, I think. So, employers found it easy to deal with, a lot easier than if they were setting up their own plan. And I don't want to go on too long on this, but with one of the more recent laws, the federal SECURE Act,

they set up this private sector set up this concept of Pooled Employer Plans (PEPs) so that different companies could band together and have an administrator, the asset manager, etc. And the thought was these would be primarily small companies and it also cuts down on their fiduciary liability but they found that large firms also started moving over to them because it made it easier for them.

Rep. LeBoeuf stated that there's been a lot of ballot questions around gig workers. Most of them have been around classifications, but sometimes there's been compromise legislation or legal settlements that have avoided those that end to a collective bargaining agreement or the beginning of that. Have you noticed a pattern of this discussion around the retirement benefits in any of those states with ballot questions? Or have you seen any emerging legislation around this once a particular ballot question one way or the other has been passed? Ms. Wolkoff stated that I'm not personally familiar with these the ballot questions. I know California several years ago had a lot of issues and concerns about this. And I know on the federal side, there are various proposals out there and a lot of them do have bipartisan support as ways of expanding access to programs for people. But Congress is dealing with other things now and looking at a SECURE 3.0 for instance, but I'm not familiar with specifically what you're talking about.

CONSIDERATION OF RE-ADOPTION OF MODEL LAWS

Rep. LeBoeuf stated that last on our agenda is the consideration of the re-adoption of model laws. The model laws are the NCOIL Beneficiaries Bill of Rights, the NCOIL Life Insurance Consumer Disclosure Model Act and the NCOIL Long Term Care Tax Credit Model Act. As a reminder, during our interim meeting in February, we offered an opportunity for comment on these models from any interested parties and legislators and we haven't heard anything then or since so today we will not be taking any testimony from interested parties, but we are opening up the floor for any questions or comments from legislators.

Hearing no questions or comments, upon a Motion made by Sen. Boyd and seconded by Rep. Carter, the committee voted without objection by way of a voice vote to re-adopt the Models. Rep. LeBoeuf thanked everyone and stated that the models will now be placed on the executive committee's agenda for final ratification.

ADJOURNMENT

Hearing no further business, upon a motion made by Sen. Boyd and seconded by Sen. Theis, the Committee adjourned at 6:00 p.m.