

**American Society of Pension Professionals & Actuaries**

**FOR IMMEDIATE RELEASE**

**Contact:** Chris Robichaux  
[crobichaux@asppa.org](mailto:crobichaux@asppa.org)  
703-516-9300 x 130

## ***ASPPA Opposes Connecticut 401(k) Legislation***

Hartford, Conn. – Mar. 11, 2008 – The American Society of Pension Professionals & Actuaries (ASPPA) opposes legislation in Connecticut that would create a state 401(k) plan for small businesses. Michael E. Callahan, a past ASPPA president and founder of Pentec, one of the largest pension firms in the state, said legislators should not kill a robust 401(k) system in Connecticut by creating an expensive state bureaucracy.

“A free and competitive market is the best system for 401(k) plans in Connecticut or any other state,” Callahan said. Callahan said an educational effort by Connecticut would do more to benefit employers and employees of small businesses. “If the intent of this legislation is make 401(k) plans available to more small business employees, this is not the best way to achieve that goal,” Callahan said.

The legislation, authored by State Senate Pro Tempore Donald E. Williams (D-Brooklyn) would make businesses with fewer than 100 employees eligible to participate in a new state-operated 401(k) plan. Both Senator Williams and state comptroller Nancy Wyman believe a state-operated plan would cut fees in half and encourage small-business employers to establish 401(k) plans that would enable a larger portion of employee salaries to accumulate for retirement.

ASPPA contends that a state-operated plan would be expensive to administer, unwieldy to manage, and would not necessarily provide citizens an improved retirement savings opportunity over the existing competitive market in 401(k) plans. It sees no reason to believe the state can administer a retirement plan for hundreds of employees at one-half the cost of private business that already manages a large number of plans for employees of small businesses.

To obtain the [testimony](#), or to speak with Michael Callahan, contact Chris Robichaux, director of media relations at ASPPA – [crobichaux@asppa.org](mailto:crobichaux@asppa.org) or call 703-516-9300, ext. 130.

###

ASPPA is a national organization of more than 6,400 retirement plan professionals who provide consulting and administrative services for qualified retirement plans covering millions of American workers. ASPPA members are retirement professionals of all disciplines including consultants, administrators, actuaries, accountants, and attorneys. The large and broad-based ASPPA membership gives it unusual insight into current practical problems with the Employee Retirement Income Security Act and qualified retirement plans with a particular focus on the issues faced by small- to medium-sized employers. ASPPA membership is diverse and united by a common dedication to the private retirement plan system.