



BBSI's 180 Integration & State Mandated Plans

2024

BBSI's 180 Integration Service

BBSI is excited to offer and provide payroll integration services to business owners who have opted-in to State Mandated Plans. BBSI's retirement specialists will work with state-approved retirement plan providers to ensure correct setup and timely deduction submissions for every payroll run.

States with State Mandated Plans (SMPs) in Place

California: CalSavers

Colorado: Colorado Secure Savings Program

Connecticut: MyCTSavings

Illinois: Illinois Secure Choice

Maine: MERIT Maine

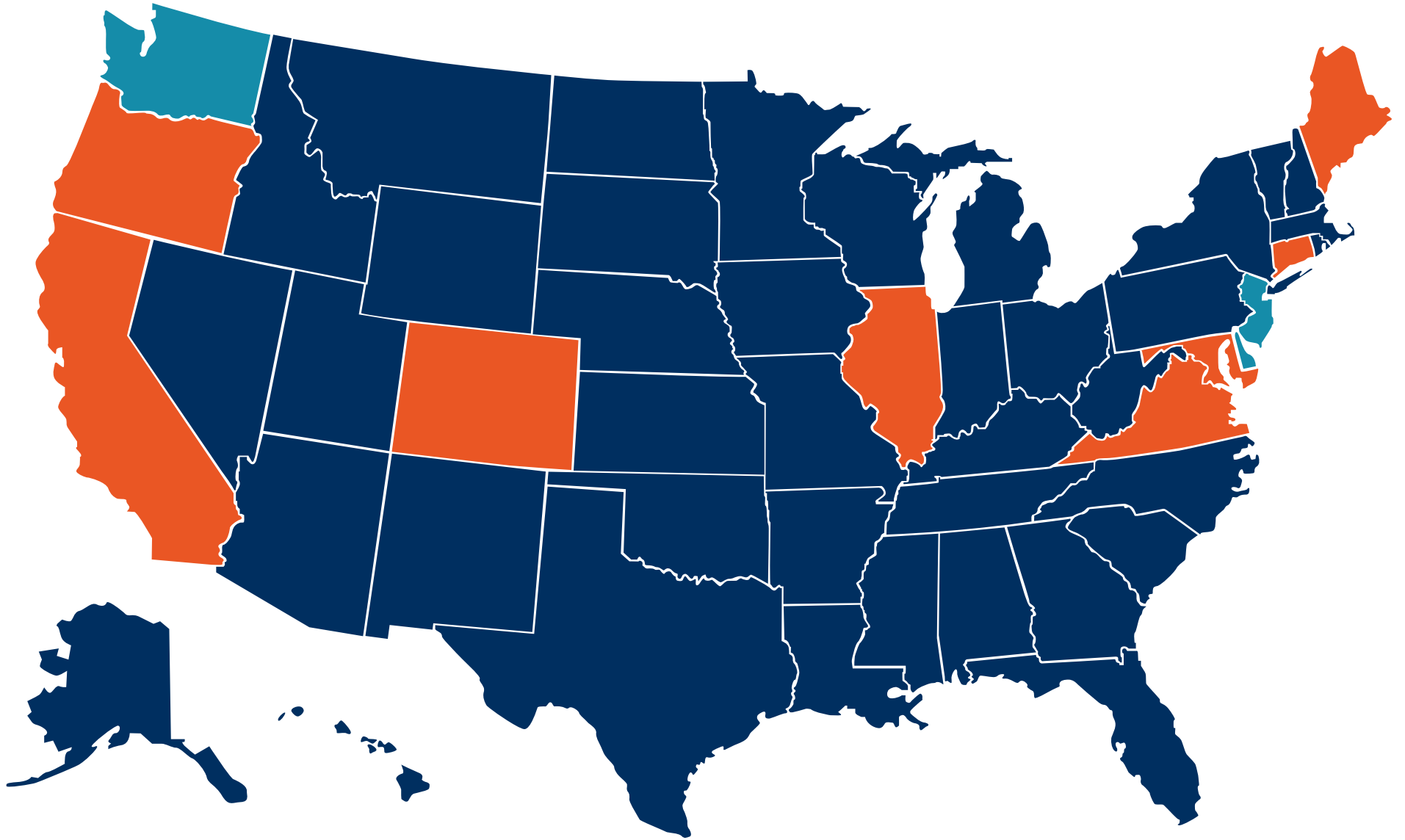
Maryland: Maryland Small Business

Retirement Savings Program

Oregon: OregonSaves

Virginia: RetirePath Virginia

**More State Mandated
Plans are on the horizon,
BBSI is here to help.**



What's the Difference?

BBSI 401(k) Retirement Plan

vs.

State Mandated Retirement Plan

What are the benefits of BBSI's 401(k) Plan?

- ◆ BBSI partners with Milliman, Inc. and Morgan Stanley to offer a full service retirement program.
- ◆ Employees can make Traditional (pre-tax) and/or Roth contributions.
- ◆ The IRS annual limits are higher for 401(k) plans and aren't subject to household income limitations.
- ◆ There is flexibility in the plan design to meet the needs of your company, including age, service or hours requirements, as well as options to make employer contributions.
- ◆ BBSI handles all the day-to-day administration of the plan, such as employee deduction set-ups, employer contribution calculations and submitting funds into participants' accounts. BBSI also handles all the regulatory requirements of a 401(k) plan.
- ◆ Participants have access to the plan's financial advisors at Morgan Stanley for assistance in making investment elections and financial planning.
- ◆ Participants have access to an interactive website provided by Milliman, with financial planning tools, educational resources, and live and recorded webinars.

We are a qualified Employer Sponsored Retirement Plan.

If you are on BBSI's Retirement 401(k) Plan, you are exempt from State Mandated Retirement Plans.

Here is where BBSI's Retirement team can help your business.

If you do not offer a qualified employer sponsored retirement plan, you must enroll your employees in a State Mandated Plan.

Is the 180 State Mandated Plan ideal for my Business?

Every company is different. State Mandated Plans is another retirement savings plan offering to consider when other retirement plan offerings are not the ideal fit for your business.

180 payroll Integration with Vestwell - CO, OR, CT, MD, VA, ME (DE and NJ coming soon)
Ascensus - CA and IL

What can BBSI do for me if I elect to enroll into a State Mandated Plan?

As an established 180 payroll provider, BBSI's retirement team will assist you with the payroll deduction submission into the State Plan every Friday afternoon for any paychecks for the week. We do this in partnership with Vestwell, or other State-approved retirement plan providers.

BBSI helps clients correctly set up employees with State-approved retirement providers, such as Vestwell and Ascensus. By not having to manage the timely submissions on your own after every payroll, BBSI gives you time back to focus on what really matters most to you and your business.



KEY DIFFERENCE FOR STATE MANDATED PLANS

If you have multiple employees across multiple state lines with State Mandated Plans in place, you are required to enroll into each plan associated with each state for every employee. **Here's where BBSI's 180 service can help.**

Here are some notable features of State Mandated Retirement Plans:

- ◆ **Company size specifications:** Depending on the state, State Mandated Retirement Plans may be required for all companies or only those with a certain number of employees.
- ◆ **Roth Individual Retirement Accounts (IRA):** Most State Mandated Retirement plans are IRAs. These retirement accounts allow employees to contribute taxed income and **withdraw it tax-free** in retirement.
- ◆ **Automatic enrollment:** Employers must automatically enroll every employees into their State Managed Retirement Plan (unless they have an alternate retirement plan). Employees can either stay enrolled or opt-out.
- ◆ **Employee customization:** Employees participating in State Mandated Retirement Plans can set their contribution amounts and select from various investment options.
- ◆ **Portability:** Employees participating in State Mandated Retirement Plans can carry over their savings from job to job.
- ◆ **Limited employer involvement:** State Mandated Retirement Plans are typically one-size-fits-all. In turn, employers don't get to customize their benefits.

How Do State Mandated Retirement Plans Impact Employers?

While State Mandated Retirement Plans benefit employees, the implications for employers are slightly different. Complying with State Mandated Retirement Plans requirements can present many challenges for employers, such as:

- ◆ **Increased administrative responsibility:** State Mandated Retirement Plans require employers to automatically enroll eligible employees by the state's registration deadline. Setting up enrollment can place administrative burdens on small businesses.
- ◆ **Payroll complexities:** Like Social Security, State Mandated Retirement Plans deduct employee contributions directly from their paycheck. Factoring in these deductions can make payroll more complicated.
- ◆ **Legal liability:** States can fine employers who fail to comply with their mandated retirement plans. Fine amounts can vary from state to state.

Fortunately, you don't have to navigate retirement plans alone. BBSI can handle administration and payroll for you and ensure you're always compliant with State Mandated Plans.

While employers who participate in State Mandated Retirement Plans don't get much say in the benefits, they still bear responsibility for managing their implementation. Employers must set up proper payroll deductions and educate their employees on the program's offerings.

State Mandated Retirement Plan Chart / Comparison 2024

 = Comparison Highlights

Plan Name & State	CalSavers California/CA	ColoradoSecure Savings Colorado/CO	MyCTSavings - Connecticut/CT	Illinois Secure Choice Illinois/IL	MarylandSaves Maryland/MD	MERIT Maine/ME	OregonSaves Oregon/OR	RetirePath Virginia/VA	BBSI 401(k) Plan offering
Auto Enrollment	Starting at 5%... Increases 1% per year. Up to max of 8%	Starting at 5%... Increases 1% per year. Up to max of 8%	Starting at 3%... Increases 1% per year. Up to a max of 10%	Starting at 5%... Increases 1% per year. Up to a max of 10%	Starting at 5%... Increases 1% per year. Up to a max of 10%	Starting at 5%... Increases 1% per year. Up to a max of 10%	Starting at 5%... Increases 1% per year. Up to a max of 10%	Starting at 5%... Account is open 180+ days, then will increase to 1% per year. Up to a max of 10%	Multiple auto enrollment options available Federal Regulations Secure Act 2.0 will require auto enrollment as of 1/1/2025 for all new retirement plans
Eligibility	Age 18	Age 18 and employed 180 days	Age 19 and employed 120 days	Age 18	Age 18	Age 18 and employed 120 days	Age 18 and employed 60 days	Age 18 and employed at least 30 hours for any portion of a week in the preceding 12 months.	Multiple options to choose Age: No age up to 21 years. Service: 3 months to 1 year, or 1 year plus 1000 hours
Annual Contribution Maximum	\$7,000 (\$8,000 if 50 or older) depending on household income.	\$7,000 (\$8,000 if 50 or older) depending on household income.	\$7,000 (\$8,000 if 50 or older) depending on household income.	\$7,000 (\$8,000 if 50 or older) depending on household income.	\$7,000 (\$8,000 if 50 or older) depending on household income.	\$7,000 (\$8,000 if 50 or older) depending on household income.	\$7,000 (\$8,000 if 50 or older) depending on household income.	\$7,000 (\$8,000 if 50 or older) depending on household income.	\$23,000 (\$30,500 if 50 or older)
TPA	Ascensus	Vestwell	Vestwell	Ascensus	Vestwell	Vestwell	Vestwell	Vestwell	Milliman
Contribution Type	Roth IRA - Auto Enrollment	Roth IRA - Auto Enrollment	Roth IRA - Auto Enrollment	Roth IRA - Auto Enrollment	Roth IRA - Auto Enrollment	Roth IRA - Auto Enrollment	Roth IRA - Auto Enrollment	Roth IRA - Auto Enrollment	Traditional pre-tax 401k & Roth 401k
Eligible for Employer Match	No	No	No	No	No	No	No	No	Yes
Loans	No	No	No	No	No	No	No	No	Yes
Investment Options	4 + Target Date Funds	3 + Target Date Funds	2 + Target Date Funds	4 + Target Date Funds	3 + Target Date Funds	3 + Target Date Funds	2 + Target Date Funds	4 + Target Date Funds	35 + Target Date Funds
Enrollment Phases	Employees: 1 or more Deadline: 12/31/2025	Employees: 5 or more Deadline: 5/15/2024	Employees: 5 or more Deadline: 2024 (no date provided).	Employees: 5 or more Deadline: 11/1/2023	Employees: 1 or more Deadline: 12/31/2025	Employees: 5 - 14 Deadline: 6/30/2024 Employees: 15 or more Deadline: 4/30/2024	Employees: 1 or more Deadline: 7/31/2024	Employees: 25 or more Deadline: 5/15/2024	Voluntary
Penalties For Non Compliance by each state	\$250 per eligible employee - If an employer does not comply within 90 days. An additional \$500 per eligible employee - If the employer does not comply within 180 days	\$100 per eligible employee per year (up to a max of \$5,000 annually).	5 - 24 employees, the penalty is \$500. 25 to 99 employees, the penalty is \$1,000. For employers with 100 or more employees, the penalty is \$1,500.	\$250 per employee for 1st year non compliant, \$500 per employee each subsequent year.	No penalties at this time for non compliance.	\$100 per covered employee	\$100 per employee, up to \$5,000 per year.	\$200 per eligible employee	NA



Contact your local BBSI representative or email bbsi401k@bbsi.com to see which plan is the best fit for your people, and for your business.



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