

CORY V. McCRAY
Legislative District 45
Baltimore City

DEPUTY MAJORITY WHIP

Budget and Taxation Committee

Subcommittees

Vice Chair, Capital Budget

Pensions

Chair, Public Safety, Transportation,
and Environment



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THE SENATE OF MARYLAND
ANNAPOLIS, MARYLAND 21401

Vote Yes on Senate Bill 6

Bill Title: Maryland Teachers and State Employees Supplemental Retirement Plans – Automatic Enrollment

Hearing Date: January 19, 2023

Dear Chair, Vice Chair and members of the committee, I speak with you today in **support** of Senate Bill 6. Our teachers and State employees are the backbone of our State's operations and continued progression. In response to their tireless service, we must take proactive steps to ensure that upon retirement age, they have the opportunity to retire with dignity and take advantage of all tax shelters to their avail.

The purpose of this bill is to automatically enroll all eligible State employees in a supplemental retirement plan. Employees may opt out of automatic enrollment within 90 days of beginning employment with the State. Both community and familial conversations around retirement are unbalanced. Individuals from a lower socioeconomic status are less likely to have access to financial education. The effect of approving this bill will provide monetary consciousness and financial security for civilians upon retirement.

Our current law creates a gap between our teachers and state employees' pre-retirement income and their foreseeable post-retirement income. Supplemental plans have the advantage of sealing that gap allowing those individuals to receive the optimal financial resources they deserve following their service.

It is critical that those with limited incomes are able to capture concessions that are usually only taken advantage of by wealthier populations. Our neighbors in Virginia and West Virginia currently offer automatic enrollments for all public sector plans. This bill

will allow Maryland to act as a leader in supporting our workers and providing them an automatic boost toward financial security following their commitment to our State.

In a sincere effort to support our teachers and State employees effectively and efficiently, it is my hope that you will **support** Senate Bill 6.

Respectfully,

A handwritten signature in blue ink, appearing to read "Cory V. McCray". The signature is fluid and cursive, with a large initial "C" and a long horizontal stroke.

Cory V. McCray
State Senator