

October 25, 2017

The Honorable Walter F. Timilty  
Chair, Joint Committee on State Administration and Oversight  
State House, Room 213-B  
Boston, MA 02133

The Honorable Jennifer E. Benson  
Chair, Joint Committee on State Administration and Oversight  
State House, Room 22  
Boston, MA 02133

Subject: Testimony in Support of H.30, *An Act relative to the 401(k) CORE program*

Dear Chairman Timilty and Chairwoman Benson:

The Massachusetts Nonprofit Network (MNN) wishes to express our support for H.30, *An Act relative to the 401(k) CORE program* filed by Treasurer Goldberg.

MNN is the voice of the nonprofit sector and a statewide association that brings together all parts of the nonprofit ecosystem—nonprofits, funders, community and business leaders, and elected officials—to strengthen nonprofits and raise the sector’s voice on critical issues. MNN has over 800 member organizations in every region of Massachusetts. Our members come from all subsectors of the nonprofit world, including healthcare, human services, housing, education, and civic engagement. They work in partnership with state government on many of the Commonwealth’s largest challenges related to health, education, economic development, and quality of life.

In March of 2012, Governor Patrick signed into law legislation permitting the Treasurer’s Office to create and administer the Massachusetts Defined Contribution “CORE Plan”, a retirement plan option for employees of nonprofit organizations with employees of twenty or fewer. As the first state to offer this type of state-sponsored plan, key features of the CORE Plan include administration and oversight by the Office of the State Treasurer at no cost to taxpayers, fiduciary assistance to nonprofits who participate, and professionally managed investment options.

Since 2012, the Treasurer’s office, in partnership with MNN, has worked diligently to get approval from the IRS and DOL, find a participating vendor, and to create a plan structure that would be affordable for nonprofit employers and employees. Launched earlier this month, the CORE Plan offers an affordable, comprehensive retirement benefit to employees at participating nonprofits, an essential benefit that has been lacking for far too many in the nonprofit sector.

Bill H.30 would simply expand the CORE Plan to ensure all nonprofit employees are eligible to participate, regardless of their employer’s size. In addition, it would allow the Treasurer’s office to seek

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private donations or grants to offset their operating expenses. In doing so, H.30 would provide additional retirement options for thousands of nonprofit employees throughout the Commonwealth and help ensure more individuals and families have the ability to save for retirement.

On behalf of MNN members and the nonprofit sector, we respectfully request that the committee report favorably on H.30. As always, we appreciate your continued support of the nonprofit sector.

Sincerely,

A handwritten signature in black ink, appearing to read "Jim Klocke". The signature is fluid and cursive, with the first name "Jim" and last name "Klocke" clearly distinguishable.

Jim Klocke  
Chief Executive Officer  
Massachusetts Nonprofit Network