



STATE OF MAINE  
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**HENRY E.M. BECK, ESQ.**  
State Treasurer  
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March 1, 2022

Senator Margaret Rotundo, Chair  
Representative Melanie Sachs, Chair  
Joint Standing Committee on  
Appropriations and Financial  
Affairs

Senator Donna Bailey, Chair  
Representative Anne Perry, Chair  
Joint Standing Committee on  
Health Coverage, Insurance and  
Financial Services

Re: Maine Retirement Savings Program, **A-523**

Chairs and Honorable Members:

I submit this written testimony in support of the items appearing in the Maine Retirement Savings Program (MRSP) portion of the biennial budget. I do so in my capacity as Chair of the Maine Retirement Savings Board. MRSP Executive Director Elizabeth Bordowitz is not available today because of a pre-existing scheduling conflict and I know she regrets missing the opportunity to offer information and answer questions. In the meantime, I thought it helpful to offer a brief program description and context for the Enterprise Fund.

As the Committees recall, the Maine Retirement Savings Program was established in P.L. 2021, ch. 356, *An Act To Promote Individual Retirement Savings through a Public-Private Partnership* (Senator Vitelli of Sagadahoc). The program has a quasi-governmental structure and is overseen by an appointed confirmable Board which sets its internal budget. The Program's mission is to assist residents of the State establish private retirement savings accounts. The Board is charged with establishing a public-private retirement savings program for employees who do not otherwise have access to a retirement savings program through their employer. Retirement accounts are not funded or guaranteed by the State and employers do not provide matches for accounts established under the Program. The Board and Ms. Bordowitz have spent the last several months establishing policies, discussing partnerships and recently retained an investment advisor.

\$1.6 MM to stand up the program was sourced from a legal settlement between the State and Moody's Investor's Service. This initial funding is an acceptable use of settlement proceeds but note the legal matter is unrelated to the program. This \$1.6MM was deposited into the Maine Retirement Savings Enterprise Fund and will pay for operations until other revenues from investments, program fees or other supports are collected. The Fund is managed by the Treasurer's Office. Payments are periodically made to an external account managed by the Program for ongoing expenses. The Treasurer's Office has viewing access to the external account and both the Fund and the external account are subject to required audit. Per the Act, investment earnings from the Fund remain in the Fund.

Thank you for your time and attention and continued support of the objectives of the Maine Retirement Savings Program. I encourage Committee members to direct questions and comments to Ms. Bordowitz at [elizabeth.bordowitz@mainesaves.org](mailto:elizabeth.bordowitz@mainesaves.org).

Sincerely,

Henry Beck  
State Treasurer