

# Preparedness of Idahoans to Retire: Deciding the State's Role

Report highlights

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## Before evaluating specific options, Idaho policymakers must first decide on the state's role in expanding workplace retirement.

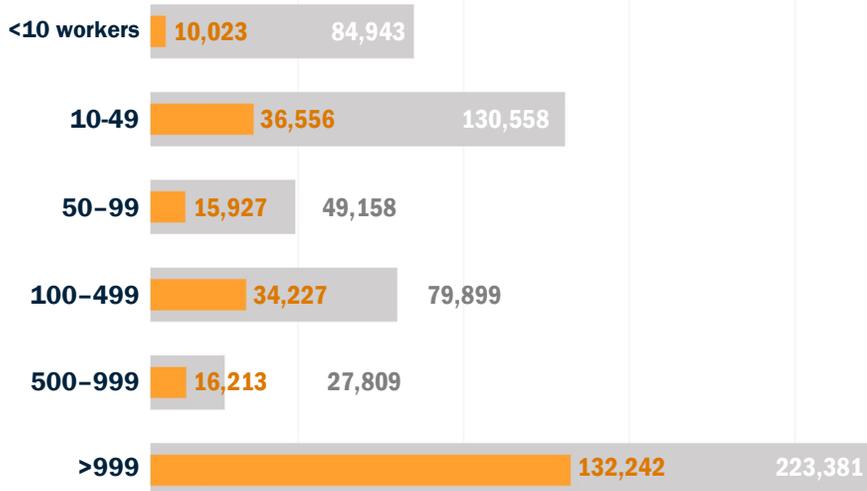
Idaho could establish a formal group of policymakers and stakeholders to articulate the state's role and general directions for studying policy options.

Smaller groups in other states have typically included constitutional officer, legislators, subject-matter experts, workers, and business owners. In 2019 the Idaho State Treasurer led an informal group to discuss retirement-related issues in Idaho and other states.

## Workers who don't save for retirement see decreases in their standard of living and use the safety net more in retirement.

Idaho workers are less likely to have a **workplace retirement plan** when employed by a small business.

Total workers by business size



In addition, Idaho workers who are younger or Hispanic are least likely to have a workplace retirement plan than other workers.



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Other states have pursued a variety of policies, but outcomes are still uncertain.

**6** states operate a state-facilitated IRA where workers would be automatically enrolled and mandate that certain businesses offer retirement plans.

These programs successfully expand worker access to retirement plans but are not very flexible and are costly compared with private plans.

**5** states seek to increase access to workplace retirement plans through a marketplace or through voluntary state-facilitated plans.

Voluntary programs are more flexible and allow employer matches, but have yet done little to expand access to workplace retirement plans.

**12** years is when we estimate that an Idaho-facilitated retirement plan, paired with a mandate, would become revenue neutral.

Cumulative debt or surplus by year in millions of dollars.

