



# STATE SPONSORED PLANS

## COLORADO SECURE SAVINGS PLAN

When it comes to retirement plans, Compass makes it our business to know what's best for your business — and that includes staying on top of federal and state mandates. Many states are now requiring that small businesses offer retirement plans, including Colorado.

Effective 2023, the Colorado Secure Savings Plan is required for all Colorado-based companies that have been in business for at least 2 years, have 5 or more employees, and who don't have an existing, qualified program in place. If a plan is NOT put in place after a year of eligibility, companies will be fined \$100 per eligible employee per year (with a max of \$5,000 annually.)

How does the Colorado Plan compare to Compass? Check out the comparison chart on the next page.

## YOU HAVE OPTIONS

Employers can offer a retirement plan without government intervention and may be able to help employees achieve more successful results. In addition to defined benefit and 403(b) plans, several types of defined contribution plans are available, including:

- Traditional 401(k)
- Safe Harbor 401(k)
- Simplified employee pension plan (SEP-IRA)
- Savings incentive match plan for employees (SIMPLE 401(k) or IRA)
- Multiple employer plan (MEP)

	Colorado Secure Savings Plan	401(k) Plan with Compass	Compass GPS
<b>Employee Eligibility</b>	Employees at least 18 years old, employed for at least 180 days	Custom	Custom
<b>Employee Exclusions</b>	None	Custom	Custom
<b>Annual Contribution Maximum</b>	\$6,000	\$20,500+ (Over 50 catch-up + matching + profit sharing)	\$20,500+ (Over 50 catch-up + matching + profit sharing)
<b>Income Limits</b>	Roth income restrictions apply	No restrictions	No restrictions
<b>Tax-Deferred Contributions</b>	Roth only	Pre-tax and Roth options	Pre-tax and Roth options
<b>Required Automatic Enrollment</b>	Roth: 5% of pay	Custom	Custom
<b>Employer Contributions</b>	None	Custom	Custom
<b>Matching</b>	None	Custom	Custom
<b>Participant Loans</b>	None	Custom	Custom
<b>Investment Options</b>	TBD	Open Architecture	3(38)
<b>Dedicated Service</b>	None	Dedicated Relationship Manager	Dedicated Relationship Manager
<b>3(16) Administrative Fiduciary Coverage</b>	None	Optional	Yes
<b>402a – Named Plan Fiduciary</b>	None	Optional	Yes
<b>3(38) Investment Fiduciary Coverage</b>	None	Optional	Yes

With Compass, every client receives a dedicated Relationship Manager and a team of Financial Advisors and Consultants to ensure your Retirement Plan success.

To find out more about how the Colorado Secure Savings Plan will affect small businesses, and how Compass can help you navigate the best retirement plan option for your business.



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