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Issue Brief

Impact of Automatic Enrollment in the 457 Plan for South Dakota Public Employees

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Introduction

In 2009, South Dakota became one of the first states to add automatic enrollment to its Section 457[1] supplemental retirement saving plan (SRP) for public employees. Prior to 2009, state and local employees were offered the opportunity to enroll in the SRP. During this period, relatively few public employees voluntarily enrolled in the plan. The state legislature enacted legislation in 2009 that allowed, but did not require, each government entity that participated in the South Dakota Retirement System and the SRP to institute automatic enrollment for all newly hired employees. This study examines how the shift to automatic enrollment in those governmental units altered the proportion of workers enrolled in the SRP plan and the annual contributions to the plan. (Note: the SRP does not have an employer matching contribution.)

Traditionally, newly hired employees whose employer offered a retirement saving plan must actively enroll in the plan. If they take no action, workers are not enrolled in the saving plan and cannot make any contributions to the employer-provided plan. In contrast, automatic enrollment provisions immediately enroll new employees in the organization's retirement saving plan. In plans with automatic enrollment, the employer must specify a default contribution rate and a default investment option for the plan where the contributions are deposited. (Target date funds are now being used as the default investment in many plans.) Employees have the ability to opt out of the plan, change their contribution rate, and move from the default investment into other investment products offered by the plan.

Since the passage of the 2006 Pension Protection Act, employers in the private sector have rapidly adopted automatic enrollment provisions for their 401(k) plans. Studies have shown that automatic enrollment dramatically increases the proportion of new employees who participate in the 401(k) plan[2] and that the "opt out" rate from the plan is rather small.[3] Most studies of automatic enrollment in 401(k) plans examine participation rates for workers in companies where the 401(k) plan is the only retirement plan offered other than Social Security coverage. In contrast, adoption of automatic enrollment provisions in public sector retirement saving plans has been much slower, and relatively few studies have examined the impact of these policies on participation rates in these public plans. A major difference in participation rates between public and private sector plans is that, in most cases, retirement saving plans in the public sector are usually supplemental to a mandatory pension plan, typically a defined benefit plan, and usually (but not always) Social Security coverage. Thus, for public employees, these contributions are usually supplemental to a base retirement benefit from two sources, while for private sector workers, retirement saving plans are usually their only employer-provided retirement plan, in addition to Social Security. Another major difference between public and private plans is that the supplemental public plans rarely have employer matching contributions, so there is less of an incentive for employees to contribute to the saving plans.[4]

In comparison to the numerous studies examining the impact of automatic enrollment in 401(k) plans in

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the private sector, there has been virtually no analysis of automatic enrollment in public retirement saving plans. Clark and Franzel provide an early assessment of the introduction of automatic enrollment in one state, South Dakota, using aggregate enrollment data in the SRP.[5] They found an immediate jump in participation rates after automatic enrollment became effective. This study builds on this finding using a longer time period before and after the adoption of automatic enrollment.

I. Adoption of Automatic Enrollment in South Dakota

Virtually all state and local government employees in South Dakota are covered by the South Dakota Retirement System (SDRS) and they are also covered by Social Security.[6] SDRS is a defined benefit pension plan with a benefit formula that aims to provide lifetime income replacement of at least 55 percent of final average compensation for career employees in each membership class. The retirement income replacement objective of SDRS is to provide the opportunity for employees to achieve total lifetime income replacement of at least 85 percent of final average compensation, including income from SDRS, Social Security, and personal retirement savings of at least one times annual compensation at retirement.[7]

For employees, achieving this target retirement income requires building retirement wealth through contributions to the SRP or saving elsewhere. Prior to the introduction of automatic enrollment, very few newly hired employees enrolled in the SRP. For example, between 2005 and 2009, fewer than 3 percent of newly hired workers enrolled in the SRP during their first year of employment. SDRS leaders were concerned about the low participation rate and the likelihood that the lack of contributions to the SRP would prevent employees from achieving the desired retirement income. This concern about retirement readiness of public employees led SDRS to propose that the South Dakota legislature enact legislation to enable agencies to implement automatic enrollment policies.

In January and February 2008, House Bill 1020 was passed unanimously by both the South Dakota House and Senate and signed into law by Governor Mike Rounds "to authorize the South Dakota Retirement System Board of Trustees to establish an automatic enrollment feature within the South Dakota deferred compensation plan."[8] This law, which went into effect on July 1, 2009, applied only to newly hired workers whose public employers chose to adopt the new feature.[9] Each government agency participating in SDRS and the SRP then had to decide whether to adopt automatic enrollment for its new hires.[10]

While virtually all primary defined benefit and defined contribution public sector plans automatically enroll newly hired employees, the SDRS was one of the first major public sector retirement systems, along with the Employees Retirement System of Texas, to implement automatic enrollment for its supplemental savings, defined contribution plan. As of 2015, other government employers and retirement systems have also implemented this policy for a variety of their plans; these include the Employees' Retirement System of Georgia, the Indiana Public Employees' Deferred Compensation Plan, the Missouri State Employees' Retirement System, the Ohio Public Employees Deferred Compensation Program, the Virginia Retirement System, and the Wyoming Retirement System. At the local level, Cobb County (GA), Larimer County (CO), Multnomah County (OR), Nashville Electric Service (TN), and the City of Los Angeles (CA) are examples of the small minority of local governments that have implemented similar policies.[11]

By contacting SDRS's Supplemental Retirement Plan Office, any South Dakota public employer or its authorized agent can implement automatic enrollment. The adoption of the automatic enrollment policy by an agency requires this policy be applied to all of the agency's newly hired employees. Once the automatic enrollment policy is adopted by a South Dakota public employer, all permanent full-time employees hired on or after a determined date are automatically enrolled in the SRP at a default contribution of $25 per month. These employee contributions to the SRP go to a 457(b) deferred compensation plan,[12] administered by Nationwide Retirement Solutions and Nationwide Life Insurance Company ("Nationwide").

Through the automatic enrollment process, the initial contributions to the SRP are placed in a Qualified Default Investment Alternative (QDIA), a money market account, for the first 90 days, after which time funds are transferred to a target date fund aligned with the employee's age and estimated retirement window. (This QDIA was selected and can be changed in the future by the South Dakota state investment officer.) The participant can allocate these contributions to other investment options anytime during this 90-day window as well. Once automatically enrolled in the SRP, the participant has the option to: (1) increase contributions to the SRP up to IRS maximum limits (in 2017 the standard deferral limit was $18,000);[13] (2) move current and future contributions to other investment options or a combination thereof (e.g., fixed income contracts, stock index funds, bond index funds, a money market investment account, or a range of target date funds);[14] or (3) within the first 90 days of being automatically enrolled, opt out of the SRP and receive all contributions, adjusted for the short-term investment gains/losses and taxes. Once past this 90-day window, while future contributions can be stopped, the participant cannot receive this refund unless they are eligible for a one-time, in-service distribution under IRS rules, are separated from service, or retire.[15]

The automatic enrollment legislation was adopted because of two primary reasons:

(1) Prior to 2008, approximately 20 percent of eligible public employees in South Dakota were actively participating in the SRP.[16]

(2) The SDRS Board of Trustees, SDRS staff, lawmakers, representatives from a variety of public employers in the state, authorized agents, and other stakeholders were recognizing that the combination of retirement income from the SDRS qualified defined benefit plan[17] and Social Security might not achieve the target of at least 85 percent of pre-retirement compensation.[18]

The SRP may have increased progress toward achieving this replacement rate as an extensive employee communication and education plan resulted in greater employee awareness of the extent of benefits provided by SDRS and Social Security. Based on a 2015 benefits review study by SDRS, the system's main pension plan is expected to replace 55 percent of pre-retirement income for career employees.[19] Communications have emphasized the need for personal savings in order to reach SDRS's total income replacement goal of 85 percent of pre-retirement income.

After this law went into effect, the automatic enrollment feature was, and continues to be, publicized via the SDRS Outlook membership newsletter, postcards, websites, and email communications, among other related communication channels. A series of letters is periodically mailed to each participant that outlines: (1) the automatic enrollment process at the time of hire; (2) deduction and account statement schedules; (3) reminders of their participation in the SRP and their ability to increase contributions up to a maximum allowed amount; and (4) the process they can follow to opt out of the plan. Also, during visits with and presentations to governmental units throughout the state, staff members of SDRS promote the automatic enrollment option.

As of November 2017, 50 of the 345 employers who participate in the SRP had adopted automatic enrollment. The State of South Dakota (covering all departments, bureaus, and agencies), the Board of Regents (covering 8 higher education institutions), and 48 local governments (cities, counties, school districts, special districts, etc.) had adopted automatic enrollment into the SRP. Approximately 85 percent of the current SRP membership is employed by employers who have adopted automatic enrollment.

II. Impact of Automatic Enrollment on Participation and Contributions

Prior economic studies of automatic enrollment policies in the private sector have shown a substantial increase in participation rates for newly hired employees when automatic enrollment has been adopted. This result seems primarily based on inertia on the part of employees to not make changes to their benefit plans after initial enrollment in the plan. In addition, the tendency to remain in the plan after being automatically enrolled may be due to workers assuming that participation in the saving plan is a recommendation from their employer of optimal saving behavior. Studies have shown that the introduction of automatic enrollment leads to a decline in average contribution per participant due in part to the low default contribution levels.[20]

To determine whether similar effects are observed in the public sector, administrative records on all public employees in South Dakota who were working between 2005 and 2016 were obtained from SDRS. Using these data, enrollment and contribution rates for all new hires in the first year of employment and participation rates between the hire date and 2016 were determined. A unique aspect of this analysis is the observation of contributions for a number of years after employment both for those hired before and after the introduction of automatic enrollment. Since not all public agencies adopted automatic enrollment, observations also were made of participation and contributions for individuals hired in the same year for those automatically enrolled and those employed in agencies that did not adopt automatic enrollment. The data on annual contribution, account balance, and annual salary is reported over fiscal years (starting July 1). This analysis covers new hires who have access to the SRP. This means that new hires from 345 of the 491 different employers were considered, representing 50,033 new hires from a total of 54,974. Column 2, Table 1 shows the number

Table 1. *Participation rate in the SRP in first year of employment*

Fiscal year of hire	Number of new hires by year	Number of hires who were automatically enrolled	Number of hires who were not automatically enrolled	Percentage of hires enrolled in SRP	Percentage of hires who were automatically enrolled who are in the SRP	Percentage of hires not automatically enrolled who are in the SRP
2005	3150	N/A	3150	1.33%	N/A %	1.33%
2006	3483	N/A	3483	2.24	N/A	2.24
2007	3770	N/A	3770	1.99	N/A	1.99
2008	4020	N/A	4020	2.51	N/A	2.51
2009	3950	N/A	3950	2.86	N/A	2.86
2010	3335	1206	2129	37.96	92.29	7.19
2011	3349	1500	1849	43.95	94.40	3.03
2012	4183	2128	2055	44.47	82.75	4.82
2013	4692	2177	2515	45.23	92.93	3.94
2014	4959	2181	2778	42.83	91.79	4.39
2015	5493	2332	3161	42.93	93.35	5.73
2016	5949	2547	3402	43.99	93.95	6.58

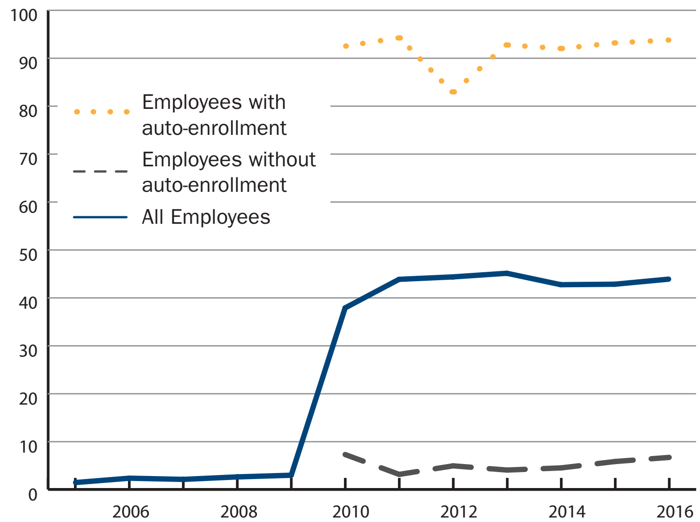
This table reports the participation rate in the SRP in the first year of employment for different year of hire cohorts. The participation rate is computed as the number of individuals hired in a given fiscal year, with positive earnings in the designated year, and who made a positive contributions divided by the number of individuals who were hired in this fiscal year and who had positive annual earnings in their first year.

of individuals hired each year and Columns 3 and 4 breaks down this number into hires whose employer had adopted automatic enrollment (50 employers) and those where automatic enrollment was not adopted by the agency (295 employers). Column 5 reports the percentage of employees enrolled, while Columns 6 and 7 indicates the percentage of individuals hired after 2009 who were automatically enrolled in the SRP compared to the percentage of individuals who enrolled in the SRP and were not subject to automatic enroll, respectively.

From the administrative data, the year each employee was hired is indicated as well as whether they contributed to the SRP in that first year. The solid line in Chart 1 indicates the participation rate for all newly hired workers in each year. This line shows that less than 3 percent of new hires enrolled in the SRP prior to the introduction of automatic enrollment. Once this new policy was introduced, total participation rates jumped to approximately 40 percent for all years from 2010 to 2016. However, this increase understates the actual impact of automatic enrollment because not all newly hired workers were covered by automatic enrollment. When individuals hired after 2009 are sorted based on whether their agency adopted automatic enrollment, it can be seen that the first-year participation rates for individuals at agencies with automatic enrollment exceed 90 percent while the similar rate at agencies without automatic enrollment averaged 5 percent. Thus, the adoption of automatic enrollment appears to have increased participation by approximately 40 percent for all South Dakota employees who have the option of contributing to the SRP; however, the initial participation rate for those at agencies that adopted automatic enrollment exceeds the rate for agencies that do not have automatic enrollment by 85 percentage points.

As seen in Table 2, the median contribution rates for workers who enrolled in the SRP in their first year of employment ranged between 2 and 3.5 percent of annual salary prior to the introduction of automatic enrollment.[21] As noted earlier, the default contribution rate for those automatically enrolled is only $25 per

Chart 1. *Participation rate to the SRP in the first year of employment*



This table reports the median contribution rate to the SRP in the first year of hire for different cohorts.

month. The average annual salary for all new hires during this period is $31,907, implying a default contribution rate for workers earning the mean salary for public employees equal to about 1 percent of annual earnings. The effect of this rather low default contribution rate is shown in the post-2009 years, when median contribution rates fell substantially to approximately 1 percent of annual salary. One should note that these participants include individuals who would have contributed to the SRP without automatic enrollment plus those who would not have participated without automatic enrollment. An interesting observation is that the contribution rate to the SRP plan fell even for those who were not subject to automatic enrollment. This latter decline may be due to peer effects or the idea that the state has endorsed a low optimal contribution rate.

In order to determine the long-range impact of automatic enrollment on participation in retirement saving plans, one needs several years of employment data to see whether participation rates with automatic enrollment decline over time. Similarly, one needs to

Table 2. *Median contribution rate to SRP as a percentage of annual salary, based on year of hire, conditional on participation.*

Fiscal year of hire	Contribution rate	Contribution rate for individuals who were automatically enrolled in the SRP	Contribution rate for those not automatically enrolled in the SRP
2005	3.51%	N/A%	3.51%
2006	3.35	N/A	3.35
2007	3.78	N/A	3.78
2008	3.23	N/A	3.23
2009	2.01	N/A	2.01
2010	0.99	1.01	0.57
2011	0.96	0.95	1.47
2012	1.00	1.00	0.98
2013	0.97	0.97	1.06
2014	0.94	0.94	0.95
2015	0.88	0.88	0.66
2016	0.86	0.86	0.80

This table reports the median contribution rate to the SRP in the first year of hire for different cohorts. The median contribution rate for SRP participants is computed as the median of the employee's annual contribution divided by thier annual compensation.

determine if participation rates rise over time without automatic enrollment. If rates decline relative to year-of-hire rates for those automatically enrolled and rise for those without automatic enrollment, then limiting the analysis of year-of-hire rates would overstate the positive impact of adopting automatic enrollment. To examine these issues, the data were once again sorted by year of employment and whether the employer adopted automatic enrollment, and then calculations determined the proportion of individuals by hire year who are contributing to the SRP for each year between year of hire and 2016. Participation rates between hire date and 2016 for those with and without automatic enrollment are shown in Table 3 by year of hire.

The proportion of workers contributing to the SRP among those automatically enrolled steadily declines with additional years of employment. For those hired in 2010 who were automatically enrolled, the participation rate fell from 92.3 percent in year of hire to 80.5 percent in 2016. Similarly, for those hired in 2011, the year of employment rate was 94.4 percent and this rate declined to 84.8 percent in 2016. In contrast, the participation rates for those not automatically enrolled rise with years of service so that the positive effect of automatic enrollment on participation in the SRP declines over time with increased tenure. For example, for those not automatically enrolled and hired in 2010, the participation rate increased from 7.2 percent in 2010 to 11.5 percent in 2016. Despite these trends indicating a narrowing of the differences in participation, the actual difference in participation rates for those subject to automatic enrollment and those who are not is still very significant several years after employment. This analysis shows that the adoption of automatic enrollment substantially increased participation in the SRP by South Dakota public employees.

III. Adoption of Automatic Escalation

From the initial passage and implementation of the SRP automatic enrollment law, most of the stakeholders involved viewed the minimum of $25 as an initial starting point but not enough to generate necessary, meaningful savings, even over a longer term. To help members better understand how much they need to save overall for retirement, how much they should be contributing to the SRP, and how much they can afford to contribute to the SRP, SDRS and the SRP vendor (Nationwide) began offering a comprehensive set of tools and calculators on the SPR website, which enable participants to determine individually appropriate contribution rates to the SRP.[22] Also, to increase employee levels of contributions to the SRP, House Bill 1011 was passed unanimously by both chambers of the South Dakota legislature in January and February 2015 and signed into law by Governor Dennis Daugaard, becoming effective on July 1, 2015. House Bill 1011 is "[a]n Act to provide for automatic increases in the

Table 3. *SRP participation rates by year of hire and by years of employment, with or without automatic enrollment*

Year of hire		2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
2005		1.33%	2.16%	3.11%	4.42%	6.18%	7.60%	7.90%	8.01%	8.29%	9.70%	10.88%	11.71%
2006			2.24	3.72	4.44	6.17	7.44	7.86	8.00	8.15	9.34	9.98	10.82
2007				1.99	3.59	5.06	6.86	7.51	8.52	8.87	10.08	11.56	12.83
2008					2.51	3.74	5.78	6.47	6.95	7.70	8.75	9.59	11.02
2009						2.86	4.55	5.55	6.29	7.05	8.11	9.42	10.86
2010							37.96	35.99	35.24	34.28	35.09	35.47	35.51
	with auto						92.29	86.57	84.04	82.28	81.87	80.90	80.50
	w/o auto						7.19	6.25	7.12	8.01	9.50	10.57	11.46
2011								43.95	40.83	39.18	40.14	39.58	39.19
	with auto							94.40	87.89	86.07	86.01	85.41	84.81
	w/o auto							3.03	2.99	3.47	5.63	6.27	7.06
2012									44.47	42.19	41.39	41.84	42.06
	with auto								82.75	77.33	73.93	73.26	71.90
	w/o auto								4.82	4.10	6.06	7.65	8.73
2013										45.23	43.97	43.40	42.74
	with auto									92.93	89.01	87.54	86.46
	w/o auto									3.94	4.49	5.75	6.82
2014											42.83	42.53	41.58
	with auto										91.79	89.40	87.38
	w/o auto										4.39	4.28	5.22
2015												42.93	41.85
	with auto											93.35	91.14
	w/o auto											5.73	4.54
2016													43.99
	with auto												93.95
	w/o auto												6.58

accounts of automatically-enrolled participants of the deferred compensation plan of the South Dakota Retirement System."[23]

This 2015 South Dakota automatic escalation policy can be introduced by governmental units that have adopted automatic enrollment. Coverage by automatic escalation follows the same enrollment process as that used for automatic enrollment—public employers or their registered agents must affirmatively notify SDRS and opt to apply the escalation policy to the SRP for their entire workforce. Once the governmental entity adopts the escalation policy, it applies to all automatically enrolled members and increases the employee contribution rate to the SRP by $10 per month each year of employment. Participants may choose to opt out of the automatic escalation feature only, adjust their contributions up to IRS limits, cease all contributions, or totally opt out of SRP participation.

As of November 2017, of the 50 employers who adopted automatic enrollment, 20 also opted for automatic escalation. Almost all state agencies and all higher education institutions which have adopted automatic enrollment have also adopted the automatic escalation policy. The 30 local governments that have not adopted automatic escalation include cities, counties, school districts, conservation districts, and local/regional agencies. Table 4 reports by hiring year the number of new hires with automatic enrollment or with automatic enrollment and automatic escalation. In both years, approximately 75 percent of those that were automatically enrolled were also covered by automatic escalation. Further analysis of the hiring data reveals that of the 4,948 hires in fiscal year 2015 who were still employed in 2016, 2064 (41.7 percent) were automatically enrolled and of those, 1,523 (73.8 percent) have automatic escalation. Of the new hires in 2015 who have automatic escalation, 95.2 percent kept making a contribution in 2016. The percentage decreases to 93.6 percent for the new hires automatically enrolled but who do not have automatic escalation.

Table 4. *Number of SRP members with automatic escalation*

Fiscal year	Number of hires	Number of hires with automatic enrollment	Number of hires with automatic enrollment and automatic escalation
2015	5493	2332	1691
2016	5949	2547	1906

This table reports the number of employees who were automatically enrolled in the SRP and the number who also have automatic escalation (an employee must be automatically enrolled to be covered by automatic escalation).

IV. Conclusion and Summary

In the private sector, the adoption of automatic enrollment by firms has been shown to significantly increase the proportion of employees who contribute to 401(k) plans. In general, these studies have examined employers where the 401(k) plan is the only employer-provided retirement plan and is supplemental to Social Security coverage. This study finds similar results for public employees in South Dakota who are also covered by a defined benefit pension plan as well as Social Security. This analysis indicates that SRP participation rates are 85-percentage points higher for employees who are automatically enrolled compared to workers in agencies that did not adopt the auto enrollment policy. These results highlight the positive response of individuals to automatic enrollment even when they participate in a primary defined benefit retirement plan and Social Security.

Endnotes

1 Internal Revenue Service, "IRC 457(b) Deferred Compensation Plans," accessed January 30, 2018, https://www.irs.gov/retirement-plans/irc-457b-deferred-compensation-plans.

2 See Madrian and Shea (2001).

3 See Choi et al (2004).

4 Public agencies are able to offer 457 plans and 403(b) plans as well as 401(k) plans. Many public employers offer their employees the ability to contribute to more than one of these plans.

5 See Clark and Franzel (2011).

6 The City of Sioux Falls maintains its own retirement system for employees hired before June 30, 2013.

7 South Dakota Retirement System, "SDRS Mission Statement," accessed January 30, 2018, http://www.sdrs.sd.gov/about/missionstatement.aspx.

8 South Dakota Legislature, "HB No. 1020," accessed January 30, 2018, http://sdlegislature.gov/docs/legsession/2008/Bills/HB1020ENR.pdf.

9 For more information on this law and its development, see Robert Clark and Joshua Franzel, "Adopting Automatic Enrollment in the Public Sector: A Case Study of South Dakota's Supplemental Retirement Plan," Retirement Made Simpler, accessed February 15, 2018, http://slge.org/wp-content/uploads/2012/01/RMS_South_Dakota_Study_090810_FINAL.pdf

10 As of the date of this report, no changes to the automatic enrollment provisions have been made except the introduction of automatic escalation of the default contribution which is discussed in Section III of this paper. The SDRS is proposing that the legislature grant SDRS authorization to automatically enroll all current employees who are not contributing to the 457 plan.

11 See Paula Sanford "Using Automatic Enrollment in Local Government Retirement Plans to Increase Savings," Center for State and Local Government Excellence, 2014, accessed January 30, 2018, https://slge.org/wp-content/uploads/2017/09/Using_Auto_Enrollment_in_Local_Govt_Retirement_Plans_to_Increase_Savings.pdf and National Association of Government Defined Contribution Administrators (NAGDCA) Surveys of Defined Contribution Plans, accessed January 30, 2018, https://www.nagdca.org/Best-Practices/Surveys.

12 Internal Revenue Service, "IRC 457(b) Deferred Compensation Plans," accessed January 30, 2018, https://www.irs.gov/retirement-plans/irc-457b-deferred-compensation-plans.

13 Nationwide Retirement Solutions and Nationwide Life Insurance Company, "IRS Contribution Limits," accessed January 30, 2018, https://www.srp457.com/iApp/tcm/srp457/learning/library/irs_rules.jsp.

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15 Nationwide Retirement Solutions and Nationwide Life Insurance Company, "The Automatic Enrollment Feature," accessed January 30, 2018, https://www.srp457.com/iApp/tcm/srp457/support/howdoi/understanding_automatic_enrollment.jsp.

16 See Clark and Franzel (2011).

17 South Dakota Retirement System, "SDRS Overview," accessed January 30, 2018, http://www.sdrs.sd.gov/about/overview.aspx.

18 South Dakota Retirement System, "SDRS Mission Statement," accessed January 30, 2018, http://www.sdrs.sd.gov/about/missionstatement.aspx.

19 South Dakota Retirement System, "Defined Benefit Design for the Next Generation," accessed January 30, 2018, http://www.nasra.org/files/Topical%20Reports/Pension%20Reform/SD16.pdf.

20 See Madrian and Shea (2001) "The Power of Suggestion: Inertia in 401(k) Participation and Savings Behavior" and John Beshears et al (2009).

21 Rollovers from other tax qualified saving plans into the SRP were not distinguished from annual contributions to the SRP. To avoid having large rollovers influencing the analysis, total contributions to the SRP were capped at the legal limit for each year.

22 Nationwide Retirement Solutions and Nationwide Life Insurance Company, "Tools & Calculators," accessed January 30, 2018, https://www.srp457.com/iApp/tcm/srp457/learning/tools/index.jsp.

23 South Dakota Legislative Research Council, "House Bill 1011," accessed January 30, 2018, http://sdlegislature.gov/Legislative_Session/Bills/Bill.aspx?Bill=1011&Session=2015.

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