

Paula Calimafde Provides Commentary for Law360 Article on Multiple Employer Retirement Plans

Paula Calimafde provided commentary for an article titled: "Relief For Multiple Employer Plans May Not Spur Their Growth" which was published on Law360.com on July 25, 2019.

But the regulations and legislation may not alleviate the greatest hurdle to offering a retirement plan for businesses that still may be too unstable or unprofitable to set them up, according to Paula Calimafde, a principal at Paley Rothman.

Calimafde pointed to a 2015 Social Security Bulletin that showed a relationship between a company's number of employees and whether it sponsored a retirement plan. The study found that businesses with fewer than 10 workers had lower sponsorship of retirement plans but as the number of employees increased, plan sponsorship increased significantly.

"It seems clear that the smallest, newest, most unstable and unprofitable companies are not able to take on the burden of sponsoring a retirement plan, Calimafde said. Thus, it is not a foregone conclusion that a MEP will provide enough of an inducement to a micro business to sponsor a retirement plan."

The full article, "Relief For Multiple Employer Plans May Not Spur Their Growth," can be found on Law360.com (subscription required).

Paula is chair of the firm's Retirement Plans, Employee Benefits and Government Relations practice groups and is also a senior member of the Estate Planning, Tax and Nonprofit groups.