



Fast Facts from EBRI

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Retirement Plan Participation Rates by States

WASHINGTON—How does the rate of worker participation in a retirement plan in your state compare with other states?

A study by the nonpartisan Employee Benefit Research Institute (EBRI) provides the answer. Among wage and salary workers ages 21–64, the study found Minnesota residents had the highest probability (58.0 percent) of participating in a retirement plan, while Florida residents had the lowest probability (38.7 percent)

Among wage and salary workers ages 21–64, the states with the lowest levels of participation generally were in the South, West, or Southwest. The states with the highest levels of participation generally were in the upper Midwest, along with some in the Northeast and Mid-Atlantic regions. Here are the 10 states with the highest and lowest retirement participation levels:

Highest Retirement Participation Levels:

Minnesota – 58.0 percent.	Kansas – 54.3 percent.
Connecticut – 57.8 percent.	Ohio – 54.2 percent.
Iowa – 55.9 percent.	District of Columbia – 54.2 percent.
Delaware – 55.8 percent.	Pennsylvania – 54.1 percent.
Maryland – 55.7 percent.	North Dakota – 53.6 percent.

Lowest Retirement Participation Levels:

Florida – 38.7 percent.	Arizona – 42.9 percent.
Arkansas – 42.4 percent.	Montana – 42.9 percent.
Utah – 42.4 percent.	Nevada – 43.0 percent.
Georgia – 42.7 percent.	Texas – 43.6 percent.
California – 42.8 percent.	Idaho – 44.0 percent.

In general, participation levels are highest in a crescent-shaped swath of states stretching from New England through the upper Midwest. These are states where benefits are often more comprehensive, due to tradition, unionization, or other factors. Participation levels are lower in a band of states from the South to the Southwest and including the Mountain West states and California. Many of these states traditionally have had less comprehensive benefits due to a predominance of service-sector workers, and some have high concentrations of immigrants.

The full report on retirement plan participation levels is in the October 2005 *EBRI Issue Brief*, “Employment-Based Retirement Plan Participation: Geographic Differences and Trends,” available on the Internet at www.ebri.org/pdf/EBRI_IB_10-2005.pdf

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