



# SecureChoice

## Employer Fact Sheet

The **Illinois Secure Choice Savings Program** is a retirement savings vehicle for private sector workers in Illinois that do not have access to an employer-sponsored plan. Secure Choice enables workers to save their own money easily and safely through a regular payroll deduction, and doesn't burden employers with administrative or managerial costs and responsibilities.

### How it Works

Employers in Illinois that have 25 or more employees, have been in operation for at least two years, and that don't offer a qualified savings plan will automatically enroll their employees into Secure Choice. Employees can opt-out at any time.

Secure Choice participants will have a default 5% payroll deduction contributed to a target date index fund into a Roth IRA, but will be able to change their contribution amount or select a different fund option. Accounts are owned by the individual employee and will be portable from job to job.

Secure Choice is run by a seven-person Board but the investment services and program administration will be contracted out to a third party vendor.

### Limited Role of the Employer

Employers will be responsible for dispersing information packets (provided by Secure Choice) to each of their employees. They will facilitate enrollment of employees into Secure Choice, set up the payroll deduction process, and remit employee contributions to the plan provider. Employers who do not comply with the Illinois Secure Choice Savings Program Act may be subject to fines and penalties as described in 820 ILCS 80/85.

### Secure Choice Launch

Secure Choice implementation is underway and will continue through 2017. Secure Choice enrollment will be phased-in over time, beginning with a phase one pilot program in 2018. While all participating businesses will be made aware of Secure Choice's rollout in advance, many may not actually begin enrolling their workers until later phases in 2018 or 2019.

### What Employers will NOT do:

- Employers will not make contributions
- Employers will not be charged any sort of annual/administrative fee
- Employers will not be considered plan managers or fiduciaries
- Employers will not be subject to ERISA and will not have the same administrative requirements as with employer-sponsored plans



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