



Reminder: Secure Choice Savings Program Is Being Rolled Out in Illinois

Chad DeGroot

11.11.2018

As we previously reported, Illinois is implementing the Illinois Secure Choice Savings Program (Program), under which private sector workers in Illinois who do not have access to an employer-sponsored retirement plan will be automatically enrolled in Individual Retirement Accounts (IRAs) to which an automatic after-tax contribution of 5% of gross wages will be made.

Employees have the option to opt-out of the Program. The Program has begun notifying large employers of the requirement to participate. Compliance will be required in three waves beginning: November 1, 2018, for employers with 500+ employees; July 2019, for employers with 100-499 employees; and November 2019, for employers with 25-99 employees. Employees of employers with fewer than 25 employees will not be automatically enrolled in the Program.

Rather than participating in the Program, employers can choose to offer employees a qualified retirement plan (e.g., a 401(k) plan), but doing so could come at a greater cost to employers. Employers that already offer a qualified retirement plan are exempt from the Program.

Attorneys

Chad R. DeGroot

Practice Areas

Counseling and Transactional
Employee Benefits and Executive Compensation
Labor Management Relations