

HOUSE BILL NO. 5461

February 21, 2024, Introduced by Reps. McFall, Arbit, Andrews, Hope, Haadsma, Price, Dievendorf, Tsernoglou, Brixie, Steckloff, Rogers, Tyrone Carter, Rheingans, Glanville, Weiss, Hoskins, Brenda Carter, Wilson, Hill, Coffia, MacDonell, Neeley, Brabec, Edwards, Mentzer, Breen, Scott, O'Neal, Grant, Morse, Wegela, Morgan, Conlin, Hood, Paiz, Young, Koleszar, Martus, Skaggs, Byrnes, McKinney, Farhat, Fitzgerald and Whitsett and referred to the Committee on Labor.

A bill to create the secure retirement savings program to provide retirement savings options for certain employees; to create the secure retirement savings board and prescribe its powers and duties; to provide for the powers and duties of certain governmental officers and entities; to require participation in the program by certain employers; to create the secure retirement savings program fund as a trust fund outside the state treasury consisting of employee retirement accounts; to establish the Michigan secure retirement administrative fund to pay program

administrative expenses; to provide for civil fines; and to require the promulgation of rules.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Sec. 1. This act may be cited as the "retirement savings
2 program act".

3 Sec. 2. As used in this act:

4 (a) "Board" means the secure retirement savings board created
5 in section 6.

6 (b) "Department" means the department of treasury.

7 (c) "Employee" means an individual who is 18 years of age or
8 older, is employed by an employer, and has wages allocable to this
9 state during the calendar year for purposes of the income tax act
10 of 1967, 1967 PA 281, MCL 206.1 to 206.847, or an individual
11 described in section 8(j) who is enrolled in the program.

12 (d) "Employer" means a person or entity engaged in a for-
13 profit or nonprofit business, industry, profession, trade, or other
14 enterprise in this state, that has continuously during the previous
15 calendar year employed not fewer than 1 employee in this state, has
16 been in business at least 730 days after the person's or entity's
17 first payroll, and has not offered a qualified retirement plan,
18 including, but not limited to, a plan qualified under section
19 401(a), section 401(k), section 403(a), section 403(b), section
20 408(k), section 408(p), or section 457(b) of the internal revenue
21 code, 26 USC 401, 403, 408, and 457, in the preceding 730 days.
22 Employer does not include the federal government, this state, or
23 any political subdivision of this state.

24 (e) "Enrollee" means an employee who is enrolled in the
25 program.

26 (f) "Fund" means the secure retirement savings program fund

1 established under section 4.

2 (g) "Internal revenue code" means the internal revenue code of
3 1986.

4 (h) "IRA" means an individual retirement account under section
5 408 of the internal revenue code, 26 USC 408, or a Roth IRA under
6 section 408A of the internal revenue code, 26 USC 408A.

7 (i) "Participating employer" means an employer that provides a
8 payroll deposit retirement savings arrangement as provided for by
9 this act for its employees who are enrollees in the program.

10 (j) "Payroll deposit retirement savings arrangement" means an
11 arrangement by which a participating employer allows enrollees to
12 remit payroll deduction contributions to the program.

13 (k) "Program" means the Michigan secure retirement savings
14 program established under section 3.

15 (l) "Wages" means any compensation within the meaning of
16 section 219(f)(1) of the internal revenue code, 26 USC 219, that is
17 received by an employee from an employer or, if authorized by the
18 board, self-employment, during the calendar year.

19 Sec. 3. A retirement savings program in the form of an
20 automatic enrollment payroll deduction IRA, known as the Michigan
21 secure retirement savings program, is established in the
22 department. The board shall administer the program for the purpose
23 of promoting greater retirement savings for private-sector
24 employees in a convenient, low-cost, and portable manner.

25 Sec. 4. (1) The secure retirement savings program fund is
26 established as a trust outside of the state treasury, with the
27 board as its trustee. The fund includes the individual retirement
28 accounts of enrollees, which must be maintained as individual
29 accounts. The fund consists of money received from enrollees and

1 participating employers through automatic payroll deductions and
2 contributions made under this act. The fund must be operated in a
3 manner determined by the board so that the accounts of enrollees
4 established under the program meet the requirements for IRAs under
5 the internal revenue code.

6 (2) Money deposited in the fund is not property of this state,
7 and the fund must not be construed to be a department, institution,
8 or agency of this state. Money in the fund must not be commingled
9 with state money, and this state has no claim to or against, or
10 interest in, the money in the fund.

11 Sec. 5. The secure retirement administrative fund is created
12 as a separate trust fund in the state treasury. The department is
13 the administrator of the fund for auditing purposes. The board
14 shall use money in the secure retirement administrative fund to pay
15 for administrative expenses it incurs in the performance of its
16 duties under this act. The board shall use money in the secure
17 retirement administrative fund to cover start-up administrative
18 expenses it incurs in the performance of its duties under this act.
19 The secure retirement administrative fund may receive grants or
20 other money designated for administrative purposes from this state;
21 a unit of federal or local government; or any other person, firm,
22 partnership, or corporation. Any interest or earnings attributable
23 to money in the secure retirement administrative fund must be
24 deposited into the secure retirement administrative fund. Money in
25 the fund at the close of the fiscal year must remain in the fund
26 and must not lapse to the general fund.

27 Sec. 6. (1) The secure retirement savings board is created in
28 the department. The board consists of the following 7 members:

29 (a) The state treasurer, or his or her designee, who shall

1 serve as chair.

2 (b) A designee of the state treasurer.

3 (c) The director of the department of technology, management,
4 and budget or his or her designee.

5 (d) Two public representatives with expertise in retirement
6 savings plan administration or investment, or both, appointed by
7 the governor.

8 (e) A representative of participating employers, appointed by
9 the governor.

10 (f) A representative of enrollees, appointed by the governor.

11 (2) Members of the board serve without compensation but may be
12 reimbursed for necessary travel expenses incurred in connection
13 with their board duties from money appropriated for the purpose.

14 (3) The initial appointments for the governor's appointees are
15 as follows: 1 public representative for 4 years; 1 public
16 representative for 2 years; the representative of participating
17 employers for 3 years; and the representative of enrollees for 2
18 years. Subsequent appointments are for terms of 4 years.

19 (4) A vacancy in the term of an appointed board member is
20 filled for the balance of the unexpired term in the same manner as
21 the original appointment.

22 (5) Each appointment by the governor is subject to the advice
23 and consent of the senate. For a vacancy during a recess of the
24 senate, the governor shall make a temporary appointment until the
25 next meeting of the senate, at which time the governor shall
26 appoint a person to fill the office. Any appointment that has not
27 been acted on by the senate within 60 session days after receipt of
28 notice of the appointment is considered to have received the advice
29 and consent of the senate.

1 Sec. 7. The board, the individual members of the board, the
2 trustee appointed under section 8(b), any other agents appointed or
3 engaged by the board, and all persons serving as program staff
4 shall discharge their duties with respect to the program, including
5 in the selection of investment options available to enrollees,
6 solely in the interest of the program's enrollees and beneficiaries
7 as follows:

8 (a) For the exclusive purposes of providing benefits to
9 enrollees and defraying reasonable expenses of administering the
10 program.

11 (b) By investing with the care, skill, prudence, and diligence
12 under the prevailing circumstances that a prudent person acting in
13 a like capacity and familiar with those matters would use in the
14 conduct of an enterprise of a like character and with like aims.

15 (c) By using any contributions paid by enrollees and
16 participating employers into the trust exclusively for the purpose
17 of paying benefits to the enrollees of the program, for the cost of
18 administration of the program, and for investments made for the
19 benefit of the program.

20 Sec. 8. In addition to the other duties and responsibilities
21 stated in this act, the board shall do all of the following:

22 (a) Cause the program to be designed, established, and
23 operated in a manner that does all of the following:

24 (i) Accords with best practices for retirement savings
25 vehicles.

26 (ii) Maximizes participation, savings, and sound investment
27 practices.

28 (iii) Maximizes simplicity, including ease of administration for
29 participating employers and enrollees.

1 (iv) Provides an efficient product to enrollees by pooling
2 investment funds.

3 (v) Ensures the portability of benefits, including the ability
4 for enrollees to roll over funds into other retirement accounts and
5 roll over funds from other retirement accounts into program
6 accounts.

7 (b) Appoint a trustee to the fund in compliance with section
8 408 of the internal revenue code, 26 USC 408.

9 (c) Establish the process by which interest, investment
10 earnings, and investment losses are allocated to individual program
11 accounts on a pro rata basis and are computed at the interest rate
12 on the balance of an individual's account.

13 (d) Contract as necessary for the administration of the
14 program and fund, including, but not limited to, retaining and
15 contracting with investment managers, private financial
16 institutions, other financial and service providers, consultants,
17 actuaries, counsel, auditors, third-party administrators, and other
18 professionals as necessary.

19 (e) Conduct a review of the performance of any investment
20 vendor at least every 4 years, including, but not limited to, a
21 review of returns, fees, and customer service.

22 (f) Determine the number and duties of staff members needed to
23 administer the program and assemble the staff, including, as
24 needed, employing staff, appointing a program administrator, and
25 entering into contracts with the state treasurer to make employees
26 of the department available to administer the program.

27 (g) Cause money in the fund to be held and invested as pooled
28 investments with a view to achieving cost savings through
29 efficiencies and economies of scale.

1 (h) Evaluate and establish the process by which an enrollee is
2 able to contribute a portion of his or her wages to the program for
3 automatic deposit of those contributions and the process by which
4 the participating employer provides a payroll deposit retirement
5 savings arrangement to forward those contributions and related
6 information to the program, including, but not limited to,
7 contracting with financial service companies and third-party
8 administrators with the capability to receive and process employee
9 information and contributions for payroll deposit retirement
10 savings arrangements or similar arrangements.

11 (i) Design and establish the process for enrollment under
12 section 14, including the process by which an employee can opt not
13 to participate in the program, select a contribution level, select
14 an investment option, and terminate participation in the program.

15 (j) Evaluate and, if feasible, establish a process by which an
16 individual who is not considered an employee under the program,
17 including, but not limited to, self-employed individuals, or is an
18 employee of an employer that is not covered by the program may
19 voluntarily enroll in and make contributions to the program.

20 (k) Accept any grants, appropriations, or other money from
21 this state, any unit of federal, state, or local government, or any
22 other person, firm, partnership, or corporation solely for deposit
23 into the fund, whether for investment or administrative purposes.

24 (l) Evaluate the need for, and procure as needed, insurance
25 against any loss in connection with the property, assets, or
26 activities of the program, and indemnify as needed each member of
27 the board from personal loss or liability resulting from a member's
28 action or inaction as a member of the board.

29 (m) Make provisions for paying administrative costs and

1 expenses for the creation, management, and operation of the
2 program, including the costs associated with subdivisions (e), (g),
3 (h), and (l) and sections 6(2) and 19(5). Subject to appropriation,
4 this state may pay administrative costs associated with the
5 creation and management of the program until sufficient assets are
6 available in the fund for that purpose. The board shall keep annual
7 administrative expenses as low as possible.

8 (n) Allocate administrative fees pro rata to individual
9 retirement accounts in the program.

10 (o) Set minimum and maximum contribution levels in accordance
11 with limits established for IRAs in the internal revenue code.

12 (p) Facilitate education and outreach to employers and
13 employees.

14 (q) Facilitate program compliance with all applicable
15 requirements under the internal revenue code, including tax
16 qualification requirements or any other applicable law and
17 accounting requirements.

18 (r) Carry out the duties and obligations of the program in an
19 effective, efficient, and low-cost manner.

20 (s) Exercise any other powers reasonably necessary to
21 effectuate the program purposes and objectives.

22 (t) Deposit into the secure retirement administrative fund all
23 grants, gifts, donations, fees, and earnings from investments from
24 the fund that are used to recover administrative costs. All
25 expenses of the board must be paid from the Michigan secure
26 retirement administrative fund.

27 Sec. 9. The board shall prepare and adopt a written statement
28 of investment policy that includes a risk management and oversight
29 program. The investment policy must prohibit the board, program,

1 and fund from borrowing for investment purposes. The risk
2 management and oversight program must be designed to ensure that an
3 effective risk management system is in place to monitor the risk
4 levels of the program and fund portfolio, to ensure that the risks
5 taken are prudent and properly managed, to provide an integrated
6 process for overall risk management, and to assess investment
7 returns and risk to determine if the risks taken are adequately
8 compensated compared to applicable performance benchmarks and
9 standards. The board shall consider the statement of investment
10 policy and any changes in the investment policy at a public
11 hearing. The investment policy and changes to the investment policy
12 must be posted on the board's or department's website at least 30
13 days before implementation of the policy.

14 Sec. 10. (1) The board may engage, after an open bid process,
15 an investment manager or managers to invest the fund and any other
16 assets of the program. Money in the fund may be invested or
17 reinvested by the state treasurer or may be invested in whole or in
18 part under contract with private investment managers selected by
19 the board. In selecting the investment manager or managers, the
20 board shall take into consideration the investment manager's fees
21 and charges to reduce the program's administrative expenses.

22 (2) The investment manager or managers shall provide the
23 reports the board considers necessary for the board to oversee each
24 investment manager's performance and the performance of the fund.

25 Sec. 11. (1) The board may enter into intergovernmental
26 agreements with departments of this state to further the successful
27 implementation and operation of the program, and the departments
28 shall cooperate with the board.

29 (2) Each department of this state shall cooperate as requested

1 by the board in the performance of its duties under this act,
2 including, unless otherwise prohibited, the sharing of relevant
3 data as the parties mutually agree.

4 Sec. 12. Interest, investment earnings, and investment losses
5 must be allocated to individual program accounts as established by
6 the board under section 8(c). An enrollee's retirement savings
7 benefit under the program must be an amount equal to the balance in
8 the individual's program account. This state is not liable for any
9 payment of benefits to any enrollee in the program.

10 Sec. 13. (1) Before opening the program for enrollment, the
11 board shall design an employer information packet and an employee
12 information packet. The employer information packet and employee
13 information packet must include background information on the
14 program, appropriate disclosures for employees, and information
15 regarding the vendor website described in section 14(7), if the
16 vendor website is established.

17 (2) The board shall provide for the contents of both the
18 employee information packet and the employer information packet.

19 (3) The employee information packet must include a disclosure
20 form. The disclosure form must explain, but not be limited to, all
21 of the following:

22 (a) The benefits and risks associated with making
23 contributions to the program.

24 (b) The mechanics of how to make contributions to the program.

25 (c) How to opt out of the program.

26 (d) How to participate in the program with a level of employee
27 contributions other than the contributions described in section
28 14(3).

29 (e) The process for withdrawing retirement savings.

1 (f) How to obtain additional information about the program.

2 (g) That employees seeking financial advice should contact
3 financial advisors, that participating employers are not in a
4 position to provide financial advice, and that participating
5 employers are not liable for decisions employees make under this
6 act.

7 (h) That the program is not an employer-sponsored retirement
8 plan.

9 (i) That the program fund is not guaranteed by this state.

10 (4) The employee information packet must also include a form,
11 including an electronic form, for an employee to note the
12 employee's decision to opt out of participation in the program or
13 elect to participate with a level of employee contributions other
14 than the contributions described in section 14(3).

15 (5) The board shall determine who will supply the employee
16 information packet to employees after the participating employer
17 registers for the program.

18 Sec. 14. (1) Except as otherwise provided in section 21, the
19 program must be implemented not later than 24 months after the
20 effective date of this act. Subsections (2) to (6) apply after the
21 board opens the program for enrollment.

22 (2) An employee who has not opted out of participation in the
23 program under the process under section 13(4) must be automatically
24 enrolled in the program.

25 (3) An enrollee may select a contribution level into the fund.
26 The level may be expressed as a percentage of wages or as a dollar
27 amount up to the deductible amount for the enrollee's taxable year
28 under section 408A(c) of the internal revenue code, 26 USC 408A. An
29 enrollee may change the enrollee's contribution level at any time,

1 subject to rules promulgated by the board. The board shall
2 establish default, minimum, and maximum employee contribution rates
3 and an escalation schedule to automatically increase each
4 enrollee's contribution rate annually until the contribution rate
5 is equal to the maximum contribution rate. The maximum default
6 contribution rate established by the board must not exceed 15% of
7 the enrollee's wages.

8 (4) An enrollee may change the enrollee's investment selection
9 among available options at any time, subject to rules promulgated
10 by the department in consultation with the board.

11 (5) An employer retains the option to set up an employer-
12 sponsored retirement plan, such as a defined benefit plan or a
13 401(k), Simplified Employee Pension Plan (SEP), or Savings
14 Incentive Match Plan for Employees (SIMPLE) plan, instead of
15 participating in the program.

16 (6) An enrollee may terminate his or her participation in the
17 program at any time in a manner prescribed by the board.

18 (7) The board shall establish and maintain a website designed
19 to assist employers in identifying private sector providers of
20 retirement arrangements that can be set up by the employer rather
21 than participating in the program under this act. However, the
22 board shall establish and maintain a website under this subsection
23 only if private sector providers show sufficient interest in the
24 website and furnish the funding necessary to establish and maintain
25 it. The board shall provide public notice of the availability of
26 and the process for inclusion on the website before it becomes
27 publicly available. If established, the website must be available
28 to the public before the board opens the program for enrollment,
29 and the website address must be included on any website posting or

1 other materials regarding the program offered to the public by the
2 board.

3 (8) The board shall establish an implementation timeline under
4 which employers will enroll their employees in the program. The
5 timeline must include the date by which an employer must begin
6 enrollment of its employees in the program and the date by which
7 enrollment must be complete. The board shall adopt the
8 implementation timeline at a public meeting of the board and shall
9 publicize the implementation timeline. The board shall provide
10 advance notice to employers of their enrollment date and the amount
11 of time to complete enrollment.

12 Sec. 15. (1) Employee contributions deducted by the
13 participating employer through payroll deduction must be paid by
14 the participating employer to the program fund using 1 or more
15 payroll deposit retirement savings arrangements established by the
16 board under section 8(j), by 1 of the following times:

17 (a) On or before the last day of the month following the month
18 in which the compensation otherwise would have been payable to the
19 employee in cash.

20 (b) Before a later deadline prescribed by the board for making
21 the payments, but not later than the due date for the deposit of
22 tax required to be deducted and withheld relating to collection of
23 income tax at source on wages or for the deposit of tax required to
24 be paid under the employment security insurance system for the
25 payroll period to which the payments relate.

26 (2) If a participating employer or its agent willfully fails
27 to remit any portion of an employee contribution in the time period
28 specified in this subsection, the employer and all agents
29 responsible for the nonremission are guilty of a misdemeanor

1 punishable by a fine of not more than \$5,000.00.

2 Sec. 16. (1) This state has no duty and is not liable to a
3 party for the payment of any retirement savings benefits accrued by
4 an enrollee under the program. Any financial liability for the
5 payment of retirement savings benefits in excess of money available
6 under the program must be borne solely by the entities with whom
7 the board contracts to provide insurance to protect the value of
8 the program.

9 (2) A state board, commission, or agency, or any officer,
10 employee, or member of a state board, commission, or agency is not
11 liable for any loss or deficiency resulting from particular
12 investments selected under this act, except for any liability that
13 arises out of a breach of fiduciary duty under section 7.

14 Sec. 17. (1) A participating employer is not liable for an
15 employee's decision to participate in, or opt out of, the program
16 or for the investment decisions of the board or of any enrollee.

17 (2) A participating employer is not a fiduciary, and is not
18 considered to be a fiduciary, with regard to the program. A
19 participating employer has no responsibility for the
20 administration, investment, or investment performance of the
21 program. A participating employer is not liable as to investment
22 returns, program design, or benefits paid to enrollees.

23 Sec. 18. (1) By July 1 of each year after the program begins
24 operating, the board shall submit to the governor and the standing
25 committees of the senate and house of representatives concerned
26 with retirement issues a report prepared by the board, including,
27 at a minimum, a summary of the benefits provided by the program,
28 including the number of enrollees in the program; the percentage
29 and amounts of investment options and rates of return; and any

1 other information that is relevant to make a full, fair, and
2 effective disclosure of the operations of the program and the fund.

3 (2) The board shall provide, at least annually, a report to
4 each enrollee of the contributions and investment income allocated
5 to, withdrawals from, and balances in the enrollee's program
6 account for the reporting period. The board may also include any
7 other information regarding the program as the board may determine.

8 Sec. 19. (1) An employer that fails without reasonable cause
9 to enroll an employee in the program within the time prescribed
10 under section 14 is subject to a penalty equal to the following:

11 (a) Two hundred fifty dollars for each employee for each
12 calendar year or portion of a calendar year during which the
13 employee neither was enrolled in the program nor had opted out of
14 participation in the program.

15 (b) For each calendar year beginning after the date a penalty
16 has been assessed with respect to an employee, \$500.00 for any
17 portion of that calendar year during which an employee who has not
18 opted out of participation in the program under the process
19 described in section 13(4) is not enrolled in the program.

20 (2) After determining that an employer is subject to penalty
21 under this section for a calendar year, the board shall issue a
22 notice of proposed assessment to the employer, stating the number
23 of employees for which the penalty is proposed under subsection
24 (1)(a) and the number of employees for which the penalty is
25 proposed under subsection (1)(b) for the calendar year, and the
26 total amount of fines proposed.

27 (3) Not later than 30 days after receiving an order from the
28 board to pay a fine under this section, an employer may request a
29 hearing to review the order by filing a written request with the

1 board. The board shall conduct the review as a contested case under
2 the administrative procedures act of 1969, 1969 PA 306, MCL 24.201
3 to 24.328. The decision of the board becomes final as follows:

4 (a) If no further action for review of the decision is taken
5 under the administrative procedures act of 1969, 1969 PA 306, MCL
6 24.201 to 24.328, on the date on which the time for requesting the
7 review has expired.

8 (b) If a timely action for review of the decision is taken
9 under the administrative procedures act of 1969, 1969 PA 306, MCL
10 24.201 to 24.328, on the date all proceedings in court for the
11 review of the assessment have terminated or the time for further
12 appeal has expired.

13 (4) As soon as practicable after the penalties specified in a
14 notice of proposed assessment are no longer subject to
15 administrative or judicial review as set forth in subsection
16 (3)(b), the board shall notify the employer liable for any unpaid
17 portion of the assessment, stating the amount due and requiring
18 payment. If an employer neglects or refuses to pay the entire
19 liability shown on the notice and demand not later than 10 days
20 after the notice and demand are issued, the unpaid amount is a lien
21 in favor of this state on all property and rights to property,
22 whether real or personal, belonging to the employer, and the income
23 tax act of 1967, 1967 PA 281, MCL 206.1 to 206.847, regarding
24 liens, levies, and collection actions for unpaid liabilities under
25 that act, including the periods for taking any action, apply to the
26 unpaid amount.

27 (5) Civil fines collected under this act and fees collected
28 under subsection (6) must be deposited into the secure retirement
29 administrative fund. The board may, subject to appropriation, use

1 money in the fund to cover expenses it incurs in performing its
2 duties under this act.

3 (6) The board may enter into an agreement with the department
4 or another state agency to fulfill the enforcement duties under
5 this section. The department may charge the board a reasonable fee
6 for its costs in performing under an agreement under this
7 subsection to be paid out of the fund.

8 (7) Solely for purposes of any provision of state law allowing
9 the department or any other agency of this state to offset an
10 amount owed to a taxpayer against a tax liability of that taxpayer
11 or allowing the department to offset an overpayment of tax against
12 any liability owed to this state, a penalty assessed under this
13 section is considered to be a tax liability of the employer and any
14 refund due to an employer is considered to be an overpayment of tax
15 of the employer.

16 (8) Except as provided in this subsection, all information
17 received by the board or department from returns filed by an
18 employer or from any investigation conducted under this act must be
19 accorded the same confidentiality as facts or information obtained
20 in connection with the administration of a tax. This information is
21 exempt from disclosure under section 28(1)(f) of 1941 PA 122, MCL
22 205.28, and is exempt from disclosure under the freedom of
23 information act, 1976 PA 442, MCL 15.231 to 15.246. The information
24 may be used for official purposes within the board or department or
25 in accordance with official procedures for collecting penalties
26 assessed under this act. This subsection does not prohibit the
27 board or treasurer or any authorized delegate from publishing or
28 making available to the public reasonable statistics concerning the
29 operation of this act in which the contents of returns are grouped

1 into aggregates in a way that the specific information of any
2 employer is not disclosed. This subsection does not prohibit the
3 board or treasurer or any authorized delegate from divulging
4 information to an authorized representative of the employer or to
5 any person in accordance with a request or authorization made by
6 the employer or by an authorized representative of the employer.

7 (9) This section applies 9 months after the board notifies the
8 state treasurer that the program has been implemented. On receipt
9 of notification from the board, the department shall immediately
10 post on its website a notice stating the date that this section
11 becomes operative. The notice must include a statement that as an
12 alternative to enrolling employees in the program, employers may
13 sponsor an arrangement, including, but not limited to, a defined
14 benefit plan, 401(k) plan, Simplified Employee Pension Plan (SEP),
15 or Savings Incentive Match Plan for Employees (SIMPLE) plan. The
16 board shall provide a link to the vendor website described in
17 section 14(7) if established.

18 Sec. 21. If the board does not obtain adequate money to
19 implement the program within the time frame set forth under section
20 14, the board may delay the implementation of the program and the
21 dates that sections dependent on an operating program begin to
22 apply must be correspondingly extended.

23 Sec. 22. The department may enter into agreements with other
24 states that offer auto-IRA retirement programs to achieve greater
25 mutual bargaining power and reduce the cost of administering
26 employer reporting systems. The department may enter into
27 agreements with other states that offer an auto-IRA retirement
28 program at the request of the board to achieve greater mutual
29 bargaining power and reduce the costs of plan administration and

1 plan operations. The department, on behalf of the board, may, for
2 any purpose consistent with the board's fiduciary duty to
3 participants, enter into agreements with other states that offer
4 auto-IRA retirement programs. As used in this section, "auto-IRA
5 retirement program" means a state-facilitated retirement savings
6 plan involving automatic enrollment payroll deduction IRAs for
7 workers whose employers do not offer a qualified retirement plan.