



Minnesota Creates Secure Choice Retirement Savings Program

The [Minnesota Secure Choice Retirement Program Act](#) establishes a new retirement savings program in the state, intended to benefit employees who do not have the opportunity to save for retirement through an employer-sponsored retirement plan. Covered employers will transmit a percentage of each employee's pay to a state-sponsored individual retirement account (IRA). The program's board of directors (the Board) is required to begin operation of the program no earlier than **Jan. 1, 2025**.

Covered Employers

Participation in the program is mandatory for covered employers, defined generally as those with **five or more covered employees** that do not sponsor or contribute to a retirement savings plan for their employees.

Employer Responsibilities

Covered employers will:

- Enroll covered employees in the program;
- Withhold payroll deduction contributions from each employee's paycheck and transmit contributions on a timely basis; and
- Provide information (prepared by the Board) to covered employees at least 30 days prior to the first paycheck from which contributions will be deducted.

Aside from the responsibilities described above, covered employers will have no obligation, liability or fiduciary duty to covered employees relating to the program. Covered employers will not be responsible for the administration, investment performance, plan design or benefits paid to covered employees.

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Program Features

- The Board will establish and administer each Roth IRA and traditional IRA opened under the program.
- The Board will set the initial contribution rate and an auto-escalation schedule.
- Employees can elect whether their contributions will be pre-tax or after-tax, opt out of participation, or change the contribution rate.

Employers with five or more covered employees that do not sponsor their own retirement savings plans must participate in the program.