Engage PEO Client Alert:

Illinois: Secure Choice Retirement Savings Program

New Rules Clarify Clients are "Employers" - Not the PEO

The Illinois Secure Choice Retirement Savings Program ("Secure Choice") is a state facilitated retirement program for employers that do not already have a retirement plan in place for their employees. It requires employers with **25 or more employees in Illinois and in operation for at least two years** to participate unless they offer a retirement plan of their own to employees.

Impact on Engage Clients in Illinois

The Illinois state Treasurer adopted new administrative rules for Secure Choice that went into effective retroactively on March 12, 2020 that clarify how employers that partner with PEOs should be viewed under the program.

The rules for Secure Choice are based on the number of employees at the *employer level* and not the PEO level. As a result:

- No action is required of Engage clients in Illinois who **participate in the Engage sponsored 401(k)** plan. They are **not required to sign up for Secure Choice.**
- Engage clients that **do not participate in the Engage sponsored 401(k) plan and who do not have a retirement plan of their own, *are* required to enroll in Secure Choice** and offer benefits through the government retirement plan**.**

Engage clients operating in Illinois who meet the Secure Choice sign-up requirements (as noted above) should contact their Engage Account Manager for information on how to enroll in the Engage sponsored employee retirement plan. **Read more about the Engage 401K) plan.**

Clients who prefer to use the state program should visit the following link to register for the program and read more information: https://www.ilsecurechoice.com/

Please contact your Account Manager if you have any questions.