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AN ACT concerning employment.

Be it enacted by the People of the State of Illinois, represented in the General Assembly:

4 Section 5. The Illinois Secure Choice Savings Program Act 5 is amended by changing Sections 45, 65, and 80 as follows:

6 (820 ILCS 80/45)

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Sec. 45. Investment options.

8 (a) The Board shall establish as an investment option a 9 life-cycle fund with a target date based upon the age of the 10 enrollee. This shall be the default investment option for 11 enrollees who fail to elect an investment option unless and 12 until the Board designates by rule a new investment option as 13 the default as described in subsection (c) of this Section.

14 (b) The Board may also establish any or all of the 15 following additional investment options:

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a conservative principal protection fund;

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(2) a growth fund;

(3) a secure return fund whose primary objective is the preservation of the safety of principal and the provision of a stable and low-risk rate of return; if the Board elects to establish a secure return fund, the Board may procure any insurance, annuity, or other product to insure the value of individuals' accounts and guarantee a rate of HB4923 Enrolled - 2 - LRB100 17357 JLS 32521 b

return; the cost of such funding mechanism shall be paid out of the Fund; under no circumstances shall the Board, Program, Fund, the State, or any participating employer assume any liability for investment or actuarial risk; the Board shall determine whether to establish such investment options based upon an analysis of their cost, risk profile, benefit level, feasibility, and ease of implementation;

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(4) an annuity fund.

9 <u>The Board shall determine whether to establish any of the</u> 10 <u>additional investment options based upon an analysis of its</u> 11 <u>cost, risk profile, benefit level, feasibility, and ease of</u> 12 <u>implementation.</u>

13 (c) If the Board elects to establish a secure return fund, 14 the Board shall then determine whether such option shall 15 replace the target date or life-cycle fund as the default 16 investment option for enrollees who do not elect an investment 17 option. In making such determination, the Board shall consider the cost, risk profile, benefit level, and ease of enrollment 18 19 in the secure return fund. The Board may at any time thereafter 20 revisit this question and, based upon an analysis of these criteria, establish either the secure return fund or the 21 22 life-cycle fund as the default for enrollees who do not elect 23 an investment option.

24 (Source: P.A. 98-1150, eff. 6-1-15.)

25 (820 ILCS 80/65)

HB4923 Enrolled - 3 - LRB100 17357 JLS 32521 b

Sec. 65. Payments. Employee contributions deducted by the participating employer through payroll deduction shall be paid by the participating employer to the Fund using one or more payroll deposit retirement savings arrangements established by the Board under subsection (h) of Section 30 of this Act, either:

7 (1) on or before the last day of the month following
8 the month in which the compensation otherwise would have
9 been payable to the employee in cash; or

10 (2) by a before such later deadline prescribed by the 11 Board for making such payments, but not later than the due 12 date for the deposit of tax required to be deducted and 13 withheld relating to collection of income tax at source on 14 wages or for the deposit of tax required to be paid under 15 the unemployment insurance system for the payroll period to 16 which such payments relate.

17 (Source: P.A. 98-1150, eff. 6-1-15.)

18 (820 ILCS 80/80)

19 Sec. 80. Audit and reports.

(a) The Board shall annually submit an audited financial
report, prepared in accordance with generally accepted
accounting principles, on the operations of the Program during
each <u>fiscal</u> calendar year by <u>January</u> July 1 of the following
year to the Governor, the Comptroller, the State Treasurer, and
the General Assembly. <u>The report shall be filed electronically</u>

HB4923 Enrolled - 4 - LRB100 17357 JLS 32521 b

with the General Assembly as provided under Section 3.1 of the 1 2 General Assembly Organization Act and shall be provided 3 electronically to any member of the General Assembly upon request. The annual audit shall be made by an independent 4 5 certified public accountant and shall include, but is not limited to, direct and indirect costs attributable to the use 6 7 of outside consultants, independent contractors, and any other 8 persons who are not State employees for the administration of 9 the Program.

10 (b) In addition to any other statements or reports required 11 by law, the Board shall provide periodic reports at least 12 annually to participating employers, reporting the names of each enrollee employed by the participating employer and the 13 amounts of contributions made by the participating employer on 14 15 behalf of each employee during the reporting period, as well as 16 to enrollees, reporting contributions and investment income 17 allocated to, withdrawals from, and balances in their Program accounts for the reporting period. Such reports may include any 18 other information regarding the Program as the Board may 19 20 determine.

(c) The State Treasurer shall <u>annually</u> prepare a report in consultation with the Board that includes a summary of the benefits provided by the Program <u>each fiscal year</u>, including the number of enrollees in the Program, the percentage and amounts of investment options and rates of return, and such other information that is relevant to make a full, fair, and HB4923 Enrolled - 5 - LRB100 17357 JLS 32521 b
effective disclosure of the operations of the Program and the
Fund. The report shall be made available on the Program website
by January of the following year.
(Source: P.A. 98-1150, eff. 6-1-15; 99-464, eff. 8-26-15.)
Section 99. Effective date. This Act takes effect upon

6 becoming law.