



98TH GENERAL ASSEMBLY

State of Illinois

2013 and 2014

SB2400

Introduced 2/15/2013, by Sen. Daniel Biss

SYNOPSIS AS INTRODUCED:

New Act

30 ILCS 105/5.829 new

30 ILCS 105/5.830 new

Creates the Automatic Individual Retirement Account Program Act. Establishes a portable retirement savings program for employees of employers that have not offered a qualified retirement plan to their employees within the last 2 years. Provides for the deduction of moneys from the wages of persons enrolled in the program. Provides for the deposit of those moneys in the Automatic IRA Program Fund. Authorizes a 7-member board to invest those moneys, choose permitted retirement program investment options, and make other programmatic decisions. Sets forth requirements pertaining to the Board and its composition and duties. Grants the Department of Employment Security administrative and enforcement powers. Also contains provisions concerning: investment firms; permissible investments; default enrollee contributions; investment policies; payroll deduction retirement savings arrangements; duties and liabilities of the State and employers; enrollee information packets; required audits and reports; penalties; rules; and program implementation. Effective immediately.

LRB098 10228 JDS 40387 b

FISCAL NOTE ACT
MAY APPLY

A BILL FOR

1 AN ACT concerning State government.

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

4 Section 1. Short title. This Act may be cited as the
5 Automatic Individual Retirement Account Program Act.

6 Section 5. Definitions. As used in this Act, unless the
7 context requires a different meaning:

8 "Board" means the Automatic IRA Program Board.

9 "Department" means the Department of Employment Security.

10 "Eligible employee" means any individual who is employed by
11 an eligible employer.

12 "Eligible employer" means a person or entity engaged in a
13 business, industry, profession, trade, or other enterprise in
14 this State, whether for profit or not for profit, that (i) has
15 employed 10 or more employees at any one time in the State
16 during the previous calendar year, (ii) has been in business at
17 least 2 years, and (iii) has not offered a qualified retirement
18 plan, including, but not limited to, a plan qualified under
19 Section 401(a), Section 401(k), Section 403(a), Section
20 403(b), Section 408(k), Section 408(p), or Section 457(b) of
21 the Internal Revenue Code of 1986 in the preceding 2 years.

22 "Eligible employer" also includes a person or entity engaged in
23 a business, industry, profession, trade, or other enterprise in

1 this State, whether for profit or not for profit, that fails to
2 satisfy item (i) or (ii), or both items (i) and (ii), but
3 notifies the Department that it is interested in being an
4 eligible employer.

5 "Enrollee" means any eligible employee who is enrolled in
6 the Program.

7 "Fund" means the Automatic IRA Program Fund.

8 "IRA" means a trust created or organized in the United
9 States for the exclusive benefit of an individual or his
10 beneficiaries, but only if the written governing instrument
11 creating the trust meets all of the following requirements:

12 (1) The instrument creating the trust must specify
13 that, except in the case of a rollover contribution
14 described in Section 402(c), 403(a)(4), 403(b)(8), or
15 457(e)(16) of the Internal Revenue Code of 1986, no
16 contribution to the trust may be accepted unless that
17 contribution is in cash.

18 (2) The instrument creating the trust must specify that
19 no contributions to the trust may be accepted for a taxable
20 year on behalf of any individual if those contributions
21 exceed the limitation specified in Section 219(b)(1)(A) of
22 the Internal Revenue Code of 1986 for that taxable year.

23 (3) The instrument creating the trust must provide for
24 the appointment of the Board as trustee of the trust.

25 (4) The instrument creating the trust must prohibit the
26 investment of any of the trust's funds in life insurance

1 contracts.

2 (5) The instrument creating the trust must specify that
3 an individual's interest in the balance of his or her
4 account is non-forfeitable.

5 (6) The instrument creating the trust must prohibit the
6 assets of the trust from being commingled with other
7 property, except in a common trust fund or common
8 investment fund.

9 (7) The instrument creating the trust must require the
10 Board to adopt, in accordance with the Illinois
11 Administrative Procedure Act, rules governing the
12 distribution of the entire interest of an individual for
13 whose benefit the trust is maintained that are similar to
14 the requirements of Section 401(a)(9) of the Internal
15 Revenue Code of 1986 and the incidental death benefit
16 requirement of Section 401(a).

17 "Participating employer" means an eligible employer that
18 has eligible employees who are enrollees and that provides a
19 payroll deposit retirement savings arrangement as provided for
20 by this Act for its eligible employees who are enrollees.

21 "Payroll deposit retirement savings arrangement" means an
22 arrangement by which a participating employer allows eligible
23 employees who are enrollees to remit payroll deduction
24 contributions to the Program.

25 "Program" means the Automatic IRA Program.

26 "Wages" mean any compensation owed to an enrollee by a

1 participating employer pursuant to an employment contract or
2 agreement between the 2 parties, irrespective of whether the
3 amount is determined on a time, task, piece, or other basis.

4 Section 10. Establishment of Automatic IRA Program. A
5 retirement savings program known as the Automatic IRA Program
6 is hereby established and shall be administered by the Board
7 with the intent of promoting greater retirement savings for
8 private-sector employees in a convenient, low-cost, and
9 portable manner.

10 Section 15. Automatic IRA Program Fund. The Automatic IRA
11 Program Fund is hereby established as a special fund in the
12 State treasury and shall be administered by the Board for the
13 purpose of promoting greater retirement savings for Illinois
14 private-sector employees in a convenient, voluntary, low-cost,
15 and portable manner. The Fund shall be operated as follows:

16 (1) The assets of the Fund shall be used exclusively for
17 the purpose of paying benefits to the enrollees of the Program
18 and for administrative and investment costs of the Program.

19 (2) The Fund shall include the individual accounts of
20 enrollees, which shall be accounted for as individual accounts.

21 (3) Moneys in the Fund shall consist of moneys received
22 from enrollees and participating employers pursuant to
23 automatic payroll deductions and contributions to savings made
24 under this Act, grants from the United States Government and

1 its agencies and instrumentalities, and any other available
2 sources of funds, public or private.

3 (4) Interest and income earned from the investment of these
4 funds shall remain in the Fund and credited to it.

5 (5) Subject to appropriation, the State may pay
6 administrative costs associated with the creation and
7 management of the Program until sufficient assets are available
8 in the Fund for that purpose. Thereafter, all administrative
9 costs of the Fund, including repayment of any start-up funds
10 provided by the State, shall be paid only out of moneys on
11 deposit therein.

12 (6) Administrative fees shall be allocated to each
13 individual account in the Program on a pro rata basis.

14 (7) Annual administrative expenses shall not exceed 1% of
15 the total Fund balance.

16 Section 20. Composition of Board.

17 (a) The Automatic IRA Program Board is hereby created and
18 shall consist of the following 7 members:

19 (1) the State Treasurer, ex officio, or his or her
20 designee, who shall serve as chair;

21 (2) the State Comptroller, ex officio, or his or her
22 designee;

23 (3) the Director of the Governor's Office of Management
24 and Budget, ex officio, or his or her designee;

25 (4) two public representatives with retirement

1 savings, investment expertise, or both, appointed by the
2 Governor;

3 (5) a representative of participating employers,
4 appointed by the Governor; and

5 (6) an representative of enrollees, appointed by the
6 Governor.

7 (b) Members of the Board shall serve without compensation
8 but shall be reimbursed for necessary travel expenses incurred
9 in connection with their Board duties.

10 (c) Members of the Board, the Program Administrator, and
11 persons serving as staff shall not do any of the following:

12 (1) directly or indirectly have any interest in the
13 making of any investment made for the Program, or in the
14 gains or profits accruing from any investment made for the
15 Program;

16 (2) borrow any funds or deposits of the Program, or use
17 such funds or deposits in any manner, for themselves or as
18 agents or partners of others; or

19 (3) become an endorser, surety, or obligor on
20 investments by the Board.

21 (d) Members of the Board, the Program Administrator, and
22 persons serving as staff shall discharge their duties with
23 respect to the Program solely in the interest of the Program's
24 enrollees and beneficiaries as follows:

25 (1) for the exclusive purposes of providing benefits to
26 enrollees and beneficiaries and defraying reasonable

1 expenses of administering the Program; and

2 (2) by investing with the care, skill, prudence, and
3 diligence under the circumstances then prevailing that a
4 prudent person acting in a like capacity and familiar with
5 those matters would use in the conduct of an enterprise of
6 a like character and with like aims.

7 (e) On the effective date of this Act, the Governor's
8 appointees shall serve terms as follows:

9 (1) The term of office of one public representatives
10 shall be 4 years.

11 (2) The initial term of office for the second public
12 representative shall be for 2 years; thereafter, the terms
13 of the second public representative shall be for 4 years.

14 (3) The initial term of office for the representative
15 of participating employers shall be for 1 year; thereafter,
16 the terms of the representative of participating employers
17 shall be for 4 years.

18 (4) The initial term of office for the representative
19 of enrollees shall be for 3 year; thereafter, the terms of
20 the representative of enrollees shall be for 4 years.

21 (5) A vacancy in the term of an appointed Board member
22 shall be filled for the unexpired term by appointment of
23 the Governor.

24 Section 25. Powers and duties of the Board. The Board, in
25 the capacity of trustee of the Fund, shall have the power and

1 authority to:

2 (1) cause the Program to be designed, established and
3 operated in a manner:

4 (i) in accordance with best practices for retirement
5 savings vehicles;

6 (ii) to maximize participation, saving, sound
7 investment practices; and

8 (iii) to maximize simplicity, ease of administration
9 for participating employers and enrollees, and portability
10 of benefits;

11 (2) explore and establish investment options that offer
12 employees returns on contributions and the conversion of
13 individual retirement savings account balances to secure
14 retirement income without incurring debt or liabilities to the
15 State;

16 (3) make and enter into contracts necessary for the
17 administration of the Program and Fund;

18 (4) cause moneys in the Fund to be held and invested as
19 pooled investments with a view to achieving cost savings
20 through efficiencies and economies of scale;

21 (5) evaluate and establish the process by which an enrollee
22 is able to contribute a portion of his or her wages to the
23 Program for automatic deposit of those contributions and the
24 process by which the participating employer provides a payroll
25 deposit retirement savings arrangement to forward those
26 contributions and related information to the Program,

1 including, but not limited to, contracting with financial
2 service companies and third-party administrators with the
3 capability to receive and process employee information and
4 contributions for payroll deposit retirement savings
5 arrangements or similar arrangements;

6 (6) design and establish the process for enrollment;

7 (7) evaluate and establish the process by which an
8 individual or an employee of a non-participating employer may
9 voluntarily enroll in and make contributions to the Program;

10 (8) accept any grants, gifts, appropriations, and other
11 moneys from the State, any unit of federal, State, or local
12 government, or any other person, firm, partnership, or
13 corporation for deposit into the Fund, whether for investment
14 or administrative purposes;

15 (9) hire a Program Administrator and staff, the cost of
16 which shall be paid out of the Fund as an administrative cost,
17 and determine the compensation for and duties of the Program
18 Administrator and staff as necessary for the administration of
19 the Program;

20 (10) employ staff;

21 (11) make provisions for the payment of costs and expenses
22 for the administration and operation of the Program;

23 (12) retain and contract with investment managers, private
24 financial institutions, other financial and service providers,
25 consultants, actuaries, counsel, auditors, third-party
26 administrators, and other professionals as necessary;

1 (13) procure insurance against any and all loss in
2 connection with the property, assets, or activities of the
3 Program, and to indemnify each member of the Board from
4 personal loss or liability resulting from a member's action or
5 inaction as a member of the Board;

6 (14) set minimum and maximum investment levels in
7 accordance with contribution limits set for IRAs by the
8 Internal Revenue Code of 1986;

9 (15) maximize education and outreach to eligible employers
10 and eligible employees, including, but not limited to,
11 dissemination of (i) employee information packets, (ii)
12 information concerning saving and planning for retirement, and
13 (iii) information concerning any tax credits that may be
14 available to small business owners for the establishment of new
15 retirement plans and the federal Retirement Savings
16 Contribution Credit (Saver's Credit) available to lower and
17 moderate income households for certain qualified savings
18 contributions;

19 (16) facilitate compliance by the Program with all
20 applicable requirements for the Program under the Internal
21 Revenue Code of 1986, including tax qualification requirements
22 or any other applicable law and accounting requirements;

23 (17) submit progress and status reports to participating
24 employers and enrollees;

25 (18) carry out the duties and obligations of the Program in
26 an effective, efficient, and low-cost manner; and

1 (19) exercise any and all other powers reasonably necessary
2 for the effectuation of the purposes, objectives, and
3 provisions of this Act pertaining to the Program.

4 Section 30. Investment firms.

5 (a) The Board shall engage, after an open bid process, an
6 investment manager or managers to invest the Fund and any other
7 assets of the Program. Moneys in the Fund may be invested or
8 reinvested by the Illinois State Treasurer's Office or may be
9 invested in whole or in part under contract with the State
10 Board of Investment, private investment managers, or both, as
11 selected by the Board. In selecting the investment manager, the
12 Board shall take into consideration and give weight to the
13 investment manager's fees and charges in order to reduce the
14 Program's administrative expenses.

15 (b) The investment manager shall comply with any and all
16 applicable federal and state laws, rules, and regulations, as
17 well as any and all rules, policies, and guidelines promulgated
18 by the Board with respect to the Program and the investment of
19 the Fund, including, but not limited to, the investment policy.

20 (c) The investment manager shall provide such reports as
21 the Board deems necessary for the Board to oversee the
22 investment manager's performance and the performance of the
23 Fund

24 Section 35. Investment types, contributions, and defaults.

1 (a) Enrollees may elect an investment option from the
2 permitted investment options listed in subsection (b) of this
3 Section. Enrollees may change their investment option at any
4 time, subject to rules promulgated by the Board. In the event
5 that an enrollee fails to elect an investment option, the
6 Program Administrator shall select, as the default investment
7 option, a target-date or life-cycle fund investment option on
8 behalf of the enrollee, unless and until the Board designates a
9 new investment option as the default investment option as
10 described in subsection (d) of this Section.

11 (b) The following list represents the entire range of
12 permitted investment options which shall be initially provided
13 under the Program:

14 (1) a conservative principal protection fund;

15 (2) a target date or life-cycle fund with a target date
16 based on the age of the enrollee, which shall be the
17 default investment option for enrollees who fail to elect
18 an investment option, unless and until the Board designates
19 a new investment option as the default as described in
20 subsection (d) of this Section; and

21 (3) an equity or growth fund.

22 (c) Enrollees shall have the ability to elect a
23 contribution level into the Fund; this level may be expressed
24 as a percentage of wages or as a dollar amount up to the
25 maximum in effect for such taxable year under Section
26 219(b) (1) (A) of the Internal Revenue Code of 1986. Enrollees

1 may change their contribution level at any time, subject to
2 rules promulgated by the Board. If an enrollee fails to elect a
3 contribution level, then he or she shall contribute 3% percent
4 of his or her wages to the Program.

5 (d) In addition to the investment options listed above, the
6 Board may establish and offer one additional investment option
7 under the Program.

8 (1) This investment option shall have as its primary
9 objective the preservation of the safety of principal and
10 the provision of a stable and low-risk rate of return. It
11 shall mitigate risk by maintaining a balanced investment
12 portfolio that provides assurance that no single
13 investment or class of investments will have a
14 disproportionate impact on the total portfolio. The Board
15 may procure any insurance, annuity or other funding
16 mechanism to insure the value of individuals' accounts and
17 guarantee a rate of return. The cost of such funding
18 mechanism shall be paid out of the Fund. Under no
19 circumstances shall the Board, Program, Fund, or State
20 assume any liability for investment or actuarial risk.

21 (2) Prior to establishing such additional investment
22 option, the Board shall evaluate and study the cost,
23 feasibility, and risk profile of all options under
24 consideration. The evaluation shall consider:

25 (A) all investment costs and fees;

26 (B) the risk profile of the proposed investments;

1 (C) the cost and feasibility of procuring an
2 insurance, annuity, or other funding mechanism to
3 guarantee a rate of return, as well as the actual rate
4 of return, both current and future, that can be
5 guaranteed;

6 (D) the ease of implementing the investment
7 product, including enrollment, making contributions,
8 rolling over balances from other investment funds or
9 products, and the ability to convert accrued balances
10 into retirement income upon maturity; and

11 (E) any other factors that may be necessary to
12 determine the benefits and drawbacks of the investment
13 option.

14 (3) After evaluating and studying the various
15 products, the Board shall, in consultation with private
16 financial institutions, other financial and service
17 providers, consultants, actuaries, counsel, auditors,
18 third-party administrators, employers, workers, private
19 sector retirement plan administrators and providers, and
20 any other persons that the Board determines relevant,
21 determine whether there exists an option whose cost,
22 feasibility, and risk profile are sufficiently favorable
23 to merit establishment; if so, the Board shall select the
24 investment option that best achieves stable investment
25 return in in furtherance of the goals of this Act.

26 (4) After selecting the additional investment option

1 the Board shall determine whether such option shall replace
2 the target date or life-cycle fund as the default
3 investment option for enrollees who do not elect an
4 investment option. In making such determination the Board
5 shall consider:

6 (A) the cost associated with the new investment
7 option;

8 (B) the risk profile of the investment option;

9 (C) the ease of enrollment in the new investment
10 option, including making contributions, rolling over
11 balances from other investment funds or products, and
12 the ability to convert accrued balances into
13 retirement income upon maturity; and

14 (D) any other factors as may be necessary to
15 determine the benefits and drawbacks of the new
16 investment option compared to the target date or
17 life-cycle option.

18 (e) Once the additional investment option has been
19 selected, the Board shall add that option to the permissible
20 investment options under the Program and provide a mechanism
21 for new enrollees to select that option and for existing
22 enrollees to roll-over their existing accounts under the
23 Program into the new investment option.

24 (f) In the event that the additional investment option is
25 selected as the default investment option, once such investment
26 option is available, if an enrollee fails to make an investment

1 election, the Program Administrator shall select such
2 additional investment option as the default investment option
3 on behalf of the enrollee.

4 Section 40. Investment policies. The Board shall annually
5 prepare and adopt a written statement of investment policy for
6 the additional option offered pursuant to subsection (d) of
7 Section 35 that includes a risk management and oversight
8 program. This investment policy shall prohibit the Board,
9 Program, and Fund from borrowing for investment purposes. The
10 risk management and oversight program shall be designed to
11 ensure that an effective risk management system is in place to
12 monitor the risk levels of the Program and Fund portfolio, to
13 ensure that the risks taken are prudent and properly managed,
14 to provide an integrated process for overall risk management,
15 and to assess investment returns as well as risk to determine
16 if the risks taken are adequately compensated compared to
17 applicable performance benchmarks and standards. The Board
18 shall consider the statement of investment policy and any
19 changes in the investment policy at a public hearing.

20 Section 45. Payroll deduction retirement savings
21 arrangements, interest, benefit amount.

22 (a) The Program shall include one or more payroll deposit
23 retirement savings arrangements through which participating
24 employers may make deposits into the Fund on behalf of their

1 enrollees.

2 (b) Interest shall be allocated, pro rata, to individual
3 Program accounts and shall be computed at the interest rate on
4 the balance of an individual's account and shall be compounded
5 daily.

6 (c) An individual's retirement savings benefit under the
7 Program shall be the amount equal to the balance in the
8 individual's Program account on the date that the individual's
9 retirement savings benefit becomes payable.

10 Section 50. Employer contributions and retirement plan
11 sponsorship.

12 (a) In the event that employer contributions would be
13 permitted under the Internal Revenue Code of 1986 and would not
14 cause the Program to be treated as an employee benefit plan
15 under the Employee Retirement Income Security Act of 1974,
16 participating employers may elect to make their own
17 contributions, to the extent permitted by law, to IRA accounts
18 of their employees who are enrollees.

19 (b) Employers shall retain the option at all times to set
20 up any type of employer-sponsored retirement plan, such as a
21 defined benefit plan or 401(k), Simplified Employee Pension
22 (SEP) plan, or Savings Incentive Match Plan for Employees
23 (SIMPLE) plan, or to offer an automatic enrollment payroll
24 deduction IRA, instead of having a payroll deduction retirement
25 savings arrangement pursuant to the Program.

1 Section 55. Duties and liability of State. The State shall
2 have no duty or liability to any party for the payment of any
3 retirement savings benefits accrued by any individual under the
4 Program. Any financial liability for the payment of retirement
5 savings benefits in excess of funds available under the Program
6 shall be borne solely by the entities with whom the Board
7 contracts to provide insurance to protect the value of the
8 Program.

9 Section 60. Duties and liability of employers.

10 (a) Eligible employers shall automatically enroll their
11 employees in the Program and provide payroll deduction
12 retirement saving arrangements for such employees and deposit,
13 on behalf of such employees, these funds into the Program.

14 (b) Eligible employers and participating employers shall
15 not have any liability for an employee's decision to
16 participate in, or opt-out of, the Program or for the
17 investment decisions of enrollees.

18 Section 65. Enrollee information packet.

19 (a) Prior to the opening of the Program for enrollment, the
20 Board shall design and disseminate to eligible employers
21 through the Department an employee information packet, which
22 shall include background information on the Program and
23 appropriate disclosures.

1 (b) The disclosures required pursuant to this Section shall
2 include, but are not limited to:

3 (1) the benefits and risks associated with making
4 contributions to the Program;

5 (2) the mechanisms for making contributions to the
6 Program and Fund;

7 (3) the mechanism for opting out of the Program; and

8 (4) the mechanism for withdrawal and distribution of
9 retirement savings, including any a description of
10 applicable penalties for early withdrawal as promulgated
11 by the Internal Revenue Service applicable to IRAs.

12 (c) The disclosure form shall clearly articulate the
13 following:

14 (1) that employees seeking financial advice should
15 contact financial advisors and that employers are not
16 required to provide financial advice and are not liable for
17 any investment or other decisions employees make with
18 respect to their participation in the Program;

19 (2) that the Program is not an employer sponsored
20 retirement plan as defined under the Employee Retirement
21 Security Investment Act; and

22 (3) the Fund is not guaranteed by the State of
23 Illinois.

24 (d) The disclosure form shall include a signature line for
25 employees to sign and date acknowledging that the employee has
26 read and understands all of the disclosures.

1 (e) The employee information packet shall also include an
2 opt-out form for an eligible employee to note his or her
3 decision to opt out of the Program. The opt-out form shall
4 include a statement that the employee acknowledges and
5 understands that he or she is electing not to participate in
6 automatic payroll deductions for retirement savings as part of
7 the Program.

8 (f) Employers shall supply the employee information packet
9 to eligible employees upon launch of the Program and employees
10 shall review the packet and sign and date the disclosure form
11 and, if appropriate, the opt-out form at that time. Employers
12 shall supply the employee information packet to new eligible
13 employees at the time of hiring, and new employees shall review
14 the packet and sign and date the disclosure form and, if
15 appropriate, the opt-out form at that time.

16 Section 70. Audit and report.

17 (a) The Board shall submit an annual (i) audited financial
18 report, prepared in accordance with generally accepted
19 accounting principles, on the operations of the Program by
20 January 1st of each year to the Governor, the Comptroller, the
21 State Treasurer, and the General Assembly, and (ii) a report
22 prepared by the Board, which shall include, but is not limited
23 to, a summary of the benefits provided by the Program,
24 including the number of enrollees in the Program, the
25 percentage and amounts of investment options and rates of

1 return, and such other information that is relevant to make a
2 full, fair, and effective disclosure of the operations of the
3 Program and the Fund.

4 (b) The annual audit shall be made by an independent
5 certified public accountant and shall include, but is not
6 limited to, direct and indirect costs attributable to the use
7 of outside consultants, independent contractors, and any other
8 persons who are not State employees for the administration of
9 the Program.

10 Section 75. Penalties.

11 (a) The Department is hereby authorized to exercise such
12 powers as are necessary to perform its duties hereunder and
13 enforce employer compliance with the Program, including, but
14 not limited to, investigative, administrative, and rulemaking
15 powers and the ability to impose and collect fines as set forth
16 below.

17 (b) If the Department determines that an eligible employer,
18 without good cause, has failed to automatically enroll any of
19 its eligible employees in the Program who have not explicitly
20 opted out pursuant to subsection (e) of Section 65, it shall so
21 notify the employer and order the employer to comply with the
22 Act.

23 (c) If after affording the employer due process and an
24 opportunity for a hearing, the Department determines that an
25 eligible employer, without good cause, has failed to come into

1 compliance with this Act within 90 days after receiving notice
2 of non-compliance, it may impose a civil penalty of \$250 per
3 eligible employee on the employer. If such non-compliance with
4 this Act extends 180 days after receiving notice of
5 non-compliance, the Department may increase the civil penalty
6 to \$500 per eligible employee of the employer.

7 (d) Administrative actions and civil penalties under this
8 Section are subject to review pursuant to the Administrative
9 Review Law.

10 (e) Civil penalties collected under this Act and fees
11 collected pursuant to subsection (f) shall be deposited into
12 the Department of Employment Security Administrative
13 Enforcement Fund, a special fund hereby created in the State
14 treasury. The Department may, subject to appropriation, use
15 moneys in the fund to cover expenses it incurs in the
16 performance of its duties under this Act. Interest attributable
17 to moneys in the Department of Employment Security
18 Administrative Enforcement Fund shall be credited to the
19 Department of Employment Security Administrative Enforcement
20 Fund.

21 (f) The Department may charge the Board a reasonable fee
22 for its costs in performing its duties under this Section to
23 the extent that such costs have not been recovered under
24 subsection (e) of this Section.

25 (g) This Section shall become operative 6 months after the
26 Board notifies the Director of the Department that the Program

1 has been implemented. Upon receipt of such notification from
2 the Board, the Department shall immediately post on its
3 Internet website a notice stating that this Section is
4 operative and the date that it is first operative.

5 Section 80. Rules. The Board and the Department shall
6 adopt, in accordance with the Illinois Administrative
7 Procedure Act, any rules that may be necessary to implement
8 this Act.

9 Section 85. Program implementation. The Program shall be
10 implemented, and open for enrollment of eligible employees
11 shall begin, within 12 months after the effective date of this
12 Act.

13 Section 90. The State Finance Act is amended by adding
14 Sections 5.829 and 5.830 as follows:

15 (30 ILCS 105/5.829 new)

16 Sec. 5.829. The Automatic IRA Program Fund.

17 (30 ILCS 105/5.830 new)

18 Sec. 5.830. The Department of Employment Security
19 Administrative Enforcement Fund.

20 Section 99. Effective date. This Act takes effect upon
21 becoming law.