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STATE OF RHODE ISLAND

IN GENERAL ASSEMBLY

JANUARY SESSION, A.D. 2023

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A N A C T

RELATING TO PUBLIC FINANCE -- RHODE ISLAND SECURE CHOICE RETIREMENT
SAVINGS PROGRAM ACT

Introduced By: Senators Kallman, DiPalma, Murray, Ruggerio, Euer, Acosta, Miller,
Gallo, Gu, and Felag

Date Introduced: February 01, 2023

Referred To: Senate Finance

It is enacted by the General Assembly as follows:

1 SECTION 1. Title 35 of the General Laws entitled "PUBLIC FINANCE" is hereby
2 amended by adding thereto the following chapter:

3 CHAPTER 23

4 RHODE ISLAND SECURE CHOICE RETIREMENT SAVINGS PROGRAM ACT

5 **35-23-1. Short title.**

6 This chapter shall be known and may be cited as the "Rhode Island Secure Choice
7 Retirement Savings Program Act."

8 **35-23-2. Definitions.**

9 As used in this chapter:

10 (1) "Board" means the Rhode Island secure choice retirement savings board.

11 (2) "Eligible employee" means a person age eighteen (18) years or older who is employed
12 by an eligible employer. "Eligible employee" does not include:

13 (i) Any employee covered under the federal Railway Labor Act (45 U.S.C. ch. 8 §§ 151-
14 165 and 45 U.S.C §§ 181-188), or any employee engaged in interstate commerce not subject to the
15 legislative powers of the state, except insofar as application of this chapter is authorized under the
16 United States Constitution or laws of the United States; or

17 (ii) Any employee on whose behalf an employer makes contributions to a Taft-Hartley
18 pension trust fund.

1 (3) "Eligible employer" means a person or entity engaged in a business, industry,
2 profession, trade, or other enterprise in the state, whether for-profit or not-for-profit, excluding the
3 federal government, the state, any municipal corporation, or any of the state's units or
4 instrumentalities, that has five (5) or more employees and that satisfies the requirements to establish
5 or participate in a payroll deposit retirement savings arrangement. "Eligible employer" does not
6 include an employer that provides a tax-qualified retirement savings program as described in § 35-
7 23-10.

8 (4) "IRA" means an individual retirement account or individual retirement annuity under
9 26 U.S.C §§ 408 or 408A (the federal Internal Revenue Code).

10 (5) "Participating employer" means an eligible employer that provides a payroll deposit
11 retirement savings arrangement provided for by this chapter for eligible employees.

12 (6) "Payroll deposit retirement savings arrangement" means an arrangement by which an
13 employer allows employees to remit payroll deduction contributions to the RISavers retirement
14 savings program.

15 (7) "RISavers retirement savings program" or "program" means a retirement savings
16 program offered by the Rhode Island secure choice retirement savings program.

17 (8) "State investment commission" or "commission" means the state investment
18 commission as defined in § 35-10-1.

19 **35-23-3. Creation, membership, and terms of the Rhode Island secure choice**
20 **retirement savings board.**

21 (a) There is authorized, created, and established in the office of the general treasurer, a
22 public corporation of the state, with the politic and corporate powers set forth in this chapter, to be
23 known as the Rhode Island secure choice retirement savings board (the "board"), to carry out the
24 provisions of this chapter. The board is constituted as a public instrumentality and agency
25 exercising public and essential governmental functions, and the exercise by the board of the powers
26 conferred by this chapter shall be deemed and held to be the performance of an essential
27 governmental function of the state.

28 (b) It is the intent of the general assembly by the passage of this chapter to create and
29 establish a public corporation and instrumentality and agency of the state for the purpose of the
30 activities authorized by this chapter, and to vest the corporation with all powers, authority, rights,
31 privileges, and titles that may be necessary to enable it to accomplish those purposes. This chapter
32 shall be liberally construed in conformance with the purpose expressed in this subsection.

33 (c) The powers of the corporation shall be vested in seven (7) members, appointed by the
34 governor subject to advice and consent of the senate. One member shall be a current or former

1 member of the office of the general treasurer appointed with the advice and consent of the senate,
2 who shall act as chairperson and shall serve for an initial term of three (3) years; one member shall
3 be a current or former member of the department of business regulation, appointed with the advice
4 and consent of the senate and shall serve for an initial term of three (3) years; two (2) members of
5 the public shall be appointed by the governor with the advice and consent of the senate, one of
6 whom shall serve for an initial term of two (2) years, and one of whom shall serve for an initial
7 term of one year; one member shall be an individual with small business administration experience
8 appointed by the governor after consultation with the general treasurer with the advice and consent
9 of the senate, for an initial term of two (2) years; one member shall be an individual with expertise
10 in retirement planning to be appointed by the governor after consultation with the general treasurer
11 with the advice and consent of the senate, who shall serve for an initial term of one year; and one
12 member of the public shall be appointed by the governor after consultation with the general
13 treasurer with the advice and consent of the senate, who shall serve for an initial term of two (2)
14 years.

15 (d) After the initial term, all appointed members shall serve staggered three (3) year terms
16 or until their respective successors are appointed and qualified after expiration of the appointed
17 term.

18 (e) Any vacancy occurring in the office of a member by death, resignation, or otherwise
19 shall be filled in the same manner as the original appointment.

20 (f) Members shall receive no compensation for the performance of their duties; however,
21 they may be reimbursed necessary expenses.

22 (g) The members of the board shall at regular intervals at least four (4) times a year conduct
23 business meetings for the purpose of carrying out its general business. The board shall be
24 considered a "public body" for purposes of, and shall be subject to, the provisions of chapter 46 of
25 title 42 ("open meetings") and to the provisions of title 38 concerning public records.

26 (h) The board shall continue until its existence is terminated by law.

27 (i) The state shall indemnify and hold harmless every past, present, or future member,
28 officer, or employee of the board who is made a party to or is required to testify in any action,
29 investigation, or other proceeding in connection with or arising out of the performance or alleged
30 lack of performance of that person's duties on behalf of the corporation. These persons shall be
31 indemnified and held harmless, whether they are sued individually or in their capacities as
32 members, officers, or employees of the board, for all expenses, legal fees and/or costs incurred by
33 them during or resulting from the proceedings, and for any award or judgment arising out of their
34 service to the corporation that is not paid by the board and is sought to be enforced against a person

1 individually, as expenses, legal fees, costs, awards or judgments occur. Provided, however, that
2 neither the state nor the corporation shall indemnify any member, officer, or employee:

3 (1) For acts or omissions not in good faith or which involve intentional misconduct or a
4 knowing violation of law;

5 (2) For any transaction from which the member derived an improper personal benefit; or

6 (3) For any malicious act.

7 (j) No person shall be eligible for appointment to the board unless they are a resident of the
8 state.

9 **35-23-4. Rhode Island secure choice retirement savings program.**

10 (a) There is hereby established a retirement savings program known as the Rhode Island
11 secure choice retirement savings program to be administered by the board for the purpose of
12 promoting greater retirement savings for Rhode Island private sector employees in a convenient,
13 voluntary, low-cost, and portable manner.

14 (b) The secure choice retirement savings program is a program in which retirement savings
15 are accumulated in individual accounts for the exclusive benefit of the participants or their
16 beneficiaries. The program is established effective upon receipt of funds pursuant to the provisions
17 of this chapter.

18 **35-23-5. Investments.**

19 (a) The board may select an appropriate third-party administrator for the program and shall
20 adopt such plan, trust and/or custodial documents, with such features and attributes as the board
21 determines necessary or advisable in its discretion to effectuate the provisions of this chapter in
22 accordance with the following:

23 (1) The board may select one or more firm(s) or company(ies) to provide retirement
24 program investments, program administration, and communication services to employees who
25 participate in the retirement savings program. The program shall provide for appropriate long-term
26 retirement-oriented investments and shall include investment options as determined by the state
27 investment commission. In determining the firm or the company to provide these services, the
28 board shall consider the following:

29 (i) The financial stability of the company or firm;

30 (ii) The cost of the investments, program administration, and services to the members;

31 (iii) The experience of the company or firm in administering retirement savings plans;

32 (iv) The experience of the company or firm in providing education, counseling, and advice
33 to participants of retirement savings plans; and

34 (v) Any criminal convictions, securities or antitrust law violations, material civil or

1 regulatory fines or judgments against the company or firm which the company or firm shall be
2 required to disclose to the board and the commission as part of the selection process.

3 (2) The program shall provide education, counseling, and objective employee-specific plan
4 advice to participants.

5 (3) The program shall include a limited number of investment options which shall include
6 either:

7 (i) Investment portfolio options that are constructed to reflect different risk profiles such
8 as conservative, moderate and aggressive; and/or

9 (ii) Options constructed to reflect different risk profiles that automatically reallocate and
10 rebalance contributions as an employee ages. There may be investment options that prioritize the
11 securities of companies that demonstrate good governance, efficient use of environmental resources
12 and thoughtful management of social impact. All investment offerings shall be approved by the
13 state investment commission.

14 (b) The Rhode Island secure choice retirement savings program is an instrumentality of the
15 state. Any security issued, managed, or invested by the state investment commission within the
16 Rhode Island secure choice retirement savings program on behalf of an individual participating
17 within the RISavers retirement savings program shall be state income tax deferred for investment
18 earnings to include interest, dividends and capital gains until such time as withdrawal pursuant to
19 the terms of this chapter.

20 (c) The state investment commission shall adopt a written statement of investment policy
21 that includes a risk management and oversight program. The commission shall consider the
22 statement of investment policy and any changes in the investment policy at a public meeting.

23 **35-23-6. Payroll deduction.**

24 The RISavers retirement savings program shall include, as determined by the board, one
25 or more payroll deduction IRA arrangements.

26 **35-23-7. Powers of the board.**

27 (a) The board shall have the power and authority to do all of the following:

28 (1) Adopt a seal and change and amend it from time to time;

29 (2) The general treasurer shall, on behalf of the board, appoint an executive director, who
30 shall not be a member of the board and who shall serve at the pleasure of the board. The general
31 treasurer shall determine the duties of the executive director and other staff as appropriate and set
32 their compensation. The board may authorize the executive director to enter into contracts on behalf
33 of the board or conduct any business necessary for the efficient operation of the board;

34 (3) Make provisions for the payment of costs of administration and operation of the

1 program;

2 (4) Employ staff;

3 (5) Retain and contract with a Rhode Island public retirement system, consultants,
4 actuaries, counsel, auditors, and other professionals as necessary;

5 (6) Procure insurance against any loss in connection with the property, assets, or activities
6 of the program;

7 (7) Procure insurance indemnifying each member of the board from personal loss or
8 liability resulting from a member's action or inaction as a member of the board;

9 (8) Set minimum and maximum contribution levels in accordance with contribution limits
10 set for IRAs by the Internal Revenue Code;

11 (9) Collaborate and cooperate with a public retirement system, private financial
12 institutions, service providers, and business, financial, trade, membership, and other organizations
13 to the extent necessary or desirable for the effective and efficient design, implementation, and
14 administration of the program and to maximize outreach to eligible employers and eligible
15 employees;

16 (10) Collaborate with, and evaluate the role of, licensed insurance agents and financial
17 advisors in assisting and providing guidance for eligible employees;

18 (11) Cause expenses incurred to initiate, implement, maintain, and administer the program
19 to be paid from contributions to, or investment returns or assets of, the program or arrangements
20 established under the program, to the extent permitted under state and federal law;

21 (12) Facilitate compliance by the retirement savings program or arrangements established
22 under the program with all applicable requirements for the program under the Internal Revenue
23 Code of 1986, including tax qualification requirements or any other applicable law and accounting
24 requirements, including providing or arranging for assistance to program sponsors and individuals
25 in complying with applicable law and tax qualification requirements in a cost-effective manner;

26 (13) Carry out the duties and obligations of the Rhode Island secure choice retirement
27 savings program pursuant to this title and exercise any and all other powers as appropriate for the
28 effectuation of the purposes, objectives, and provisions of this title pertaining to the program;

29 (14)(i) Enter into intergovernmental agreements with any state agency to further the
30 successful implementation and operation of the program and all such agencies and instrumentalities
31 shall cooperate with the board.

32 (ii) All state agencies shall cooperate as requested by the program in the performance of its
33 duties under this chapter, including, unless otherwise prohibited, the sharing of relevant data as the
34 parties shall mutually agree;

1 (15) Make and enter into contracts, agreements, memoranda of understanding,
2 arrangements, partnerships, or other arrangements to collaborate, cooperate, coordinate, contract,
3 or combine resources, investments, or administrative functions with other governmental entities,
4 including any states or their agencies or instrumentalities that maintain or are establishing
5 retirement savings programs compatible with the program, including collective, common, or pooled
6 investments with other funds of other states' programs with which the assets of the program and
7 trust are permitted by law to be collectively invested, to the extent necessary or desirable for the
8 effective and efficient design, administration, and implementation of the program consistent with
9 the purposes set forth in this title, including the purpose of achieving economies of scale and other
10 efficiencies designed to minimize costs for the program and its participants; and

11 (16) Develop and implement an investment policy that defines the program's investment
12 objectives, consistent with the objectives of the program, and that provides for policies and
13 procedures consistent with those investment objectives. The board shall designate appropriate
14 default investments that include a mix of asset classes, such as target date and balanced funds. The
15 board shall seek to minimize participant fees and expenses of investment and administration. The
16 board shall strive to design and implement investment options available to holders of accounts
17 established as part of the program and other program features that are intended to achieve maximum
18 possible income replacement balanced with an appropriate level of risk in an IRA-based
19 environment consistent with the investment objectives under the policy. The investment options
20 may encompass a range of risk and return opportunities and allow for a rate of return commensurate
21 with an appropriate level of risk in view of the investment objectives under the policy. The menu
22 of investment options shall be determined taking into account the nature and objectives of the
23 program, the desirability (based on behavioral research findings) of limiting investment choices
24 under the program to a reasonable number, and the extensive investment choices available to
25 participants in the event that they roll over to an IRA outside the program.

26 (b) The board shall adopt rules and regulations it deems necessary to implement this
27 chapter consistent with the Internal Revenue Code and regulations issued pursuant to that Code to
28 ensure that the program meets all criteria for federal tax-deferral or tax-exempt benefits, or both.

29 **35-23-8. Additional authority of the board.**

30 In addition to the powers and authority granted to the board pursuant to § 35-23-7, the
31 board shall have the power and authority to do the following:

32 (1) Cause the retirement savings program or arrangements established under the program
33 to be designed, established, and operated, in a manner consistent with all of the following:

34 (i) In accordance with best practices for retirement savings vehicles;

1 (ii) To encourage participation, saving, and sound investment practices; and
2 (iii) With simplicity, ease of administration for participating employers, and portability of
3 benefits.

4 (2) Disseminate educational information designed to educate participants about the benefits
5 of planning and saving for retirement and information to help them decide the level of RISavers
6 retirement savings program participation and savings strategies that may be appropriate for them;

7 (3) Disseminate information concerning state and federal tax credits available to small
8 business owners for allowing their employees to participate in the program, and any relevant state
9 or federal tax credits available for participating employees;

10 (4) Submit progress and status reports to participating employers and eligible employees;

11 (5) If necessary, determine the eligibility of an employer, employee, or other individual to
12 participate in the program;

13 (6) Evaluate and establish the process by which an eligible employee of an eligible
14 employer is able to contribute a portion of their salary or wages to the program for automatic deposit
15 of those contributions and the participating employer provides a payroll deposit retirement savings
16 arrangement to forward the employee contribution and related information to the program or its
17 agents. This evaluation and process may include, but is not limited to, financial services companies
18 and third-party administrators with the capability to receive and process employee information and
19 contributions for payroll deposit retirement savings arrangements or other arrangements authorized
20 by this chapter;

21 (7) Design and establish the process for the enrollment of program participants;

22 (8) Allow participating employers to use the program to remit employees' contributions to
23 their IRAs on their employees' behalf; and

24 (9) Evaluate and establish the process by which an individual or an employee of a
25 nonparticipating employer may enroll in and make contributions to the program.

26 **35-23-9. Disclosure of information.**

27 (a) Prior to opening the RISavers retirement savings program for enrollment, the board
28 shall design and disseminate to employers an employee information packet that shall be made
29 available in an electronic format. The packet shall include background information on the program
30 and appropriate disclosures for employees.

31 (b) The disclosure form shall include, but not be limited to, all of the following:

32 (1) The benefits and risks associated with making contributions to the program;

33 (2) The mechanics of how to make contributions to the program;

34 (3) How to opt out of the program;

- 1 (4) The process for withdrawal of retirement savings; and
2 (5) How to obtain additional information on the program.
3 (c) In addition, the disclosure form shall clearly articulate the following:
4 (1) Employees seeking financial advice should contact financial advisors in that employers
5 do not provide financial advice, that employees are not to contact their employers for financial
6 advice, and that employers are not liable for employee investment decisions;
7 (2) This retirement program is not sponsored by the employer, and therefore, the employer
8 is not responsible for the program or liable as a program sponsor; and
9 (3) The program fund is not guaranteed by the state.
10 (d) The employee information packet shall also include an opt-out form for an eligible
11 employee to note their decision to opt out of participation in the program. The opt-out form shall
12 be simple and concise and drafted in a manner that the board deems necessary to appropriately
13 evidence the employee's understanding that they are choosing not to automatically deduct earnings
14 to save for retirement.
15 (e) The employee information packet with the disclosure and opt-out forms shall be
16 supplied to existing employees when the program is initially launched for a participating employer.
17 **35-23-10. Employer participation.**
18 (a) After the board opens the RISavers retirement savings program for enrollment, eligible
19 employers shall have a payroll deposit retirement savings arrangement to allow employee
20 participation in the program under the terms and conditions prescribed by the board.
21 (b) Within twenty-four (24) months after the board opens the program for enrollment,
22 eligible employers with more than fifty (50) eligible employees and that do not offer a retirement
23 savings program pursuant to subsection (f) of this section shall have a payroll deposit retirement
24 savings arrangement to allow employee participation in the program.
25 (c) Within thirty-six (36) months after the board opens the program for enrollment, all other
26 eligible employers that do not offer a retirement savings program pursuant to subsection (f) of this
27 section shall have a payroll deposit retirement savings arrangement to allow employee participation
28 in the program.
29 (d) The board, in its discretion, may extend the time limits defined in subsections (b) and
30 (c) of this section.
31 (e)(1) Each eligible employee shall be enrolled in the program unless the employee elects
32 not to participate in the program. An eligible employee may elect to opt out of the program at any
33 time by making a notation on the opt-out form.
34 (2) Following initial implementation of the program pursuant to this section, at least once

1 every year, the board shall designate an open enrollment period during which eligible employees
2 that previously opted out of the program may enroll in the program.

3 (3) An employee who elects to opt out of the program who subsequently wishes to
4 participate through the employer's payroll deposit retirement savings arrangement may enroll at
5 any time.

6 (f)(1) An employer that provides an employer-sponsored retirement plan, such as a defined
7 benefit plan or a 401(k), 403(b), 457(b), simplified employee pension (SEP) plan, or savings
8 incentive match plan for employees (SIMPLE) plan, or that offers an automatic enrollment payroll
9 deduction IRA, shall be exempt from the requirements of the RISavers retirement savings program,
10 if the plan or IRA qualifies for favorable federal income tax treatment under the federal Internal
11 Revenue Code.

12 (2) An employer shall retain the option at all times to set up and offer a tax-qualified
13 retirement plan, instead of facilitating employee participation in the RISavers retirement savings
14 program.

15 (g) By regulation, the board may set a default contribution rate which, unless otherwise
16 specified by the employee, shall be the amount of the employee's annual salary or wages
17 contributed to the program. Employees shall have the ability to elect to change their contribution
18 rate at any time with thirty (30) days' notice provided to the program administrator.

19 (h) The board may implement annual automatic escalation of employee contributions.

20 (i) Employee contributions subject to automatic escalation shall not exceed eight percent
21 (8%) of salary.

22 (1) Automatic escalation shall result in no more than a one-percent-of-salary (1%) increase
23 in employee contributions per calendar year.

24 (2) A participating employee may elect to opt out of automatic escalation and may set their
25 contribution percentage rate at a level determined by the participating employee.

26 **35-23-11. Employer liability protection.**

27 (a) Employers shall not have any liability for an employee's decision to participate in, or
28 opt out of, the RISavers retirement savings program, or for the investment decisions of employees
29 whose assets are deposited in the program.

30 (b) Employers shall not be a fiduciary, or considered to be a fiduciary, over the Rhode
31 Island secure choice retirement savings program. The program is a state-administered program, not
32 an employer-sponsored program. If the program is subsequently found to be preempted by any
33 federal law or regulation, employers shall not be liable as program sponsors. An employer shall not
34 bear responsibility for the administration, investment, or investment performance of the program.

1 An employer shall not be liable with regard to investment returns, program design, and benefits
2 paid to program participants.

3 (c) An employer shall not have civil liability, and no cause of action shall arise against an
4 employer, for acting pursuant to the regulations prescribed by the board defining the roles and
5 responsibilities of employers that have a payroll deposit retirement savings arrangement to allow
6 employee participation in the program.

7 **35-23-12. State immunity.**

8 The state shall not have any liability for the payment of the retirement savings benefit
9 earned by program participants pursuant to this chapter. The state, and any of the funds of the state,
10 shall have no obligation for payment of the benefits arising from this chapter.

11 **35-23-13. Annual audited financial report.**

12 (a) The board shall submit, no later than December 31, an annual audited financial report,
13 prepared in accordance with generally accepted accounting principles, on the operations of the
14 Rhode Island secure choice retirement savings program to the governor, and the finance committees
15 of the house and senate. The annual audit shall be made by an independent certified public
16 accountant and shall include, but not be limited to, direct and indirect costs attributable to the use
17 of outside consultants, independent contractors, and any other persons who are not state employees.

18 (b) The annual audit shall be supplemented by the following information prepared by the
19 board:

20 (1) Any studies or evaluations prepared in the preceding year;

21 (2) A summary of the benefits provided by the program including the number of
22 participants in the program; and

23 (3) Any other information that is relevant in order to make a full, fair, and effective
24 disclosure of the operations of the Rhode Island secure choice retirement savings program.

25 **35-23-14. Required favorable federal tax treatment.**

26 (a) The board shall not implement the program if the IRA arrangements offered fail to
27 qualify for the favorable federal income tax treatment ordinarily accorded to IRAs under the
28 Internal Revenue Code, or if it is determined that the program is an employee benefit plan under
29 the federal Employee Retirement Income Security Act.

30 (b) Prior to opening the program for enrollment, the board shall report to the governor and
31 the finance committees of the house and senate the specific date on which the program will start to
32 enroll program participants and that the following prerequisites and requirements for the program
33 have been met:

34 (1) The program is structured in a manner to keep the program from being classified as an

1 employee benefit plan subject to the federal Employee Retirement Income Security Act;

2 (2) The payroll deduction IRA arrangements offered by the program qualify for the
3 favorable federal income tax treatment ordinarily accorded to IRA arrangements under the Internal
4 Revenue Code;

5 (3) The board has defined in regulation the roles and responsibilities of employers in a
6 manner to keep the program from being classified as an employee benefit plan subject to the federal
7 Employee Retirement Income Security Act; and

8 (4) The board has adopted a third-party administrator operational model that limits
9 employer interaction and transactions with the employee to the extent feasible.

10 **35-23-15. Prohibited conduct.**

11 A board member, program administrator, and other staff of the board shall not do any of
12 the following:

13 (1) Directly or indirectly have any interest in the making of any investment made for the
14 program, or in the gains or profits accruing from any investment made for the program;

15 (2) Borrow any funds or deposits of the program, or use those funds or deposits in any
16 manner, for themselves or as an agent or partner of others; or

17 (3) Become an endorser, surety, or obligor on investments by the board.

18 **35-23-16. Duties of board and staff.**

19 The board, commission, and the program administrator and staff, including contracted
20 administrators and consultants, shall discharge their duties as fiduciaries with respect to the
21 program for the exclusive purposes of providing benefits to program participants and defraying
22 reasonable expenses of administering the program.

23 **35-23-17. Penalties.**

24 (a) The board shall have the power and duties necessary to administer the enforcement of
25 employer compliance with this chapter, including the ability to impose penalties.

26 (b)(1) The board shall issue a notice of noncompliance to each employer that fails to allow
27 its eligible employees to participate in the Rhode Island secure choice savings retirement program
28 pursuant to this title.

29 (2) Each eligible employer that, without good cause, fails to allow its eligible employees
30 to participate in the program within thirty (30) days from the date the notice of penalty was issued,
31 shall be subject to a penalty of two hundred fifty dollars (\$250) per eligible employee. Proceeds of
32 such penalties, after deducting enforcement expenses, shall be deposited for the benefit of the
33 program.

34 (c) The director of the department of labor and training shall assist the board in its

1 [enforcement of this chapter.](#)

2 **35-23-18. Rules and regulations.**

3 [\(a\) The board shall adopt rules and regulations to implement this chapter.](#)

4 [\(b\) The tax administrator in consultation with the board shall adopt rules and regulations](#)
5 [regarding the reporting and the deferral of taxes in accordance with the provisions of this chapter.](#)

6 **35-23-19. Effect on benefit means test.**

7 [A payroll deposit IRA arrangement offered pursuant to the RISavers retirement savings](#)
8 [program shall have the same status as, and be treated consistently with, any other IRA for the](#)
9 [purpose of determining eligibility or benefit level for a program that uses a means test.](#)

10 **35-23-20. Liberal construction.**

11 [This chapter shall be construed liberally in order to effectuate its purpose. The purposes of](#)
12 [this chapter and all of its provisions with respect to the powers granted shall be broadly interpreted](#)
13 [to effectuate that intent and purposes and not as to any limitation of powers.](#)

14 SECTION 2. This act shall take effect upon passage.

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EXPLANATION
BY THE LEGISLATIVE COUNCIL
OF
A N A C T
RELATING TO PUBLIC FINANCE -- RHODE ISLAND SECURE CHOICE RETIREMENT
SAVINGS PROGRAM ACT

1 This act would establish the Rhode Island secure choice retirement savings program
2 administered by a newly established public corporation charged with promoting greater retirement
3 savings for Rhode Island private sector employees in a convenient, voluntary, low-cost, and
4 portable manner. The board of this corporation would be charged with collecting contributions
5 through payroll deductions and investing these funds in accordance best practice for retirement
6 savings vehicles. The board would also be responsible for encouraging employee participation and
7 ensuring ease of administration for participating employers and portability of retirement benefits
8 for participating employees. Eligible employers who do not participate and do not otherwise offer
9 a retirement savings program as defined herein shall be subject to fines but only after the expiration
10 of thirty (30) days following written notice of noncompliance. The act would take effect upon
11 passage and become effective for all eligible employers within thirty-six (36) months of the board
12 opening the program enrollment.

13 This act would take effect upon passage.

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