

1 AN ACT concerning employment.

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

4 Section 5. The Illinois Secure Choice Savings Program Act
5 is amended by changing Section 5 as follows:

6 (820 ILCS 80/5)

7 Sec. 5. Definitions. Unless the context requires a
8 different meaning or as expressly provided in this Section,
9 all terms shall have the same meaning as when used in a
10 comparable context in the Internal Revenue Code. As used in
11 this Act:

12 "Board" means the Illinois Secure Choice Savings Board
13 established under this Act.

14 "Department" means the Department of Revenue.

15 "Director" means the Director of Revenue.

16 "Employee" means any individual who is employed by an
17 employer, and who has wages that are allocable to Illinois
18 during a calendar year under the provisions of Section
19 304(a)(2)(B) of the Illinois Income Tax Act.

20 "Employer" means a person or entity engaged in a business,
21 industry, profession, trade, or other enterprise in Illinois,
22 whether for profit or not for profit, that (i) has employed at
23 least 5 employees in the State during every quarter of the

1 previous calendar year, (ii) has been in business at least 2
2 years, and (iii) has not offered a qualified retirement plan,
3 including, but not limited to, a plan qualified under Section
4 401(a), Section 401(k), Section 403(a), Section 403(b),
5 Section 408(k), Section 408(p), or Section 457(b) of the
6 Internal Revenue Code of 1986 in the preceding 2 years.
7 "Employer" does not include a volunteer fire department.

8 "Enrollee" means any employee who is enrolled in the
9 Program.

10 "Fund" means the Illinois Secure Choice Savings Program
11 Fund.

12 "Internal Revenue Code" means Internal Revenue Code of
13 1986, or any successor law, in effect for the calendar year.

14 "IRA" means a Roth or Traditional IRA (individual
15 retirement account) under Section 408 or 408A of the Internal
16 Revenue Code.

17 "Participating employer" means an employer or small
18 employer that facilitates a payroll deposit retirement savings
19 arrangement as provided for by this Act for its employees.

20 "Payroll deposit retirement savings arrangement" means an
21 arrangement by which a participating employer facilitates
22 payroll deduction contributions from enrollees to the Program.

23 "Program" means the Illinois Secure Choice Savings
24 Program.

25 "Small employer" means a person or entity engaged in a
26 business, industry, profession, trade, or other enterprise in

1 Illinois, whether for profit or not for profit, that (i)
2 employed less than 5 employees during any quarter of the
3 previous calendar year, or (ii) has been in business less than
4 2 years, or both items (i) and (ii), but that notifies the
5 Board that it is interested in being a participating employer.

6 "Wages" means any compensation within the meaning of
7 Section 219(f)(1) of the Internal Revenue Code that is
8 received by an enrollee from a participating employer during
9 the calendar year.

10 (Source: P.A. 101-353, eff. 8-9-19; 102-179, eff. 1-1-22.)

11 Section 99. Effective date. This Act takes effect upon
12 becoming law.