

STATE OF NEW YORK

5978

2019-2020 Regular Sessions

IN ASSEMBLY

February 22, 2019

Introduced by M. of A. RODRIGUEZ -- read once and referred to the
Committee on Governmental Employees

AN ACT to amend the general business law, in relation to the secure
choice savings program

The People of the State of New York, represented in Senate and Assem-
bly, do enact as follows:

1 Section 1. Section 1301 of the general business law, as added by
2 section 2 of part X of chapter 55 of the laws of 2018, is amended to
3 read as follows:

4 § 1301. Program established. There is hereby established a retirement
5 savings program in the form of ~~[a]~~ an automatic enrollment payroll
6 deduction IRA, known as the New York state secure choice savings
7 program. The general administration and responsibility for the proper
8 operation of the program shall be administered by the board for the
9 purpose of promoting greater retirement savings for private-sector
10 employees in a convenient, low-cost, and portable manner. The board may
11 delegate such authority and responsibility for the development and
12 implementation of the program to the department of taxation and finance
13 as the board deems proper.

14 § 2. Subdivision 9 of section 1304 of the general business law, as
15 added by section 2 of part X of chapter 55 of the laws of 2018, is
16 amended to read as follows:

17 9. Evaluate and establish or authorize the process for enrollment
18 including the process by which an employee may opt not to participate in
19 the program, select a contribution level, select an investment option,
20 and terminate participation in the program.

21 § 3. Subdivisions 3, 4 and 5 of section 1309 of the general business
22 law, as added by section 2 of part X of chapter 55 of the laws of 2018,
23 are amended to read as follows:

EXPLANATION--Matter in italics (underscored) is new; matter in brackets
[~~-~~] is old law to be omitted.

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1 3. The employee informational materials shall include a disclosure
2 form. The disclosure form shall explain, but not be limited to, all of
3 the following:

4 (a) the benefits and risks associated with making contributions to the
5 program;

6 (b) the process for making contributions to the program;

7 (c) how to [~~cease participation in~~] opt out of the program;

8 (d) the process by which an employee can participate in the program
9 with a level of employee contributions other than three percent;

10 (e) that they are not required to participate or contribute more than
11 three percent;

12 (f) the process for withdrawal of retirement savings;

13 (g) the process for selecting beneficiaries of their retirement
14 savings;

15 (h) how to obtain additional information about the program;

16 (i) that employees seeking financial advice should contact financial
17 advisors, that participating employers are not in a position to provide
18 financial advice, and that participating employers are not liable for
19 decisions employees make pursuant to this article;

20 (j) information on how to access any available financial literacy
21 programs; [~~and~~]

22 (k) that the program fund is not guaranteed by the state;

23 (l) that they can opt out after they have been enrolled.

24 4. The employee informational materials shall also include a form for
25 an employee to note his or her decision [~~regarding~~] to opt out of
26 participation in the program or [~~election~~] elect to participate with a
27 level of employee contributions other than three percent.

28 5. Participating employers shall supply the employee informational
29 materials to existing employees at least one month prior to the partic-
30 ipating employers' facilitation of access to the program. Participating
31 employers shall supply the employee informational materials to new
32 employees at the time of hiring and new employees may opt out of partic-
33 ipation in the program.

34 § 4. Subdivision 1 of section 1313 of the general business law, as
35 added by section 2 of part X of chapter 55 of the laws of 2018, is
36 amended to read as follows:

37 1. Participating employers shall not have any liability for an employ-
38 ee's decision regarding whether to participate in, or opt out of, the
39 program or for the investment decisions of the board or of any enrollee.

40 § 5. This act shall take effect immediately.