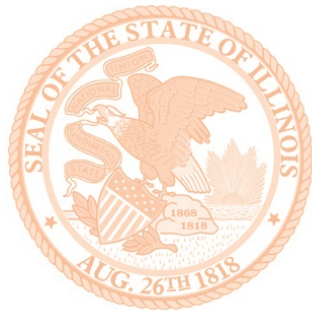


Secure Choice Program Design



Illinois Secure Choice Savings Board

Secure Choice Board Meeting
May 23, 2016

Research

- Estimate of initial participant pool size and initial fund size (**completed**)
- Market Analysis and Feasibility Study (determine start-up costs, break even point, assess impact of phased-in enrollment, etc.)
- Consumption Study (specific demographics of program participants, estimate future savings and impact of program)

Definitions

- Will need to provide more clarity than definitions in the statute
- Definitions will be part of the administrative rules
- Key examples include:
 - Employer
 - Employee
 - Qualified savings plan

Identification & Enrollment: Employers

- Data sharing with IDES and IDOR (timeline, data security, understanding limitations)
- Determining which Illinois employers offer a qualified savings plan
- Employer engagement and early education/outreach

Identification & Enrollment: Employees

- Data sharing with IDES, IDOR, and SoS (timeline, data security, understanding limitations)
- Role of employer, payroll provider, employee, and recordkeeper in the enrollment process
- Phased-in vs. all-in (inclusion of a pilot group?)
- Process for cleaning/verifying enrollment data (state agencies data and employer/employee reported data)
- Initial employee deduction (calculation, remittance, verification)

Employer Experience

- Initial reporting on qualified savings plan
- Educational materials – program information, responsibilities
- Enrollment responsibilities – data verification, etc.
- Engagement with recordkeeper, investment manager, state?
- Reporting responsibilities

Employee Experience

- Educational materials – program information, directions for accessing accounts, etc.
- How will they engage and/or opt-out (online, paper forms, call center, mobile apps?)
- Ability to make changes – frequency, options
- Contributions (lump sums, just payroll, engagement after leaving employer)
- Relationship with recordkeeper and/or investment manager

Recordkeeping

- Determine specific responsibilities (for initial set-up and ongoing process)
- Gather information/feedback on enrollment ideas, data verification process (initial enrollment and ongoing with each deduction)
- Assessment of various costs and processing (online engagement vs. paper forms, call centers, other needs)
- Determine necessary and/or desired infrastructure (housing data, proprietary site for Secure Choice, etc.)
- Forward-facing website and user portal

“Money In” and “Money Out”

- Identify who is responsible for each part of the process
- What different models exist – balance safe and high quality structure while minimizing costs
- Determine specific limitations and structures for drawing down funds

Administrative Rules

- Rules will include many of the programmatic pieces listed previously
- Draft (in-process)
- Pre-filing process with JCAR
- Filing/Approval of final rules

Legislation

- Technical clean-up as needed based on program design process and decisions
- Extend roll out date beyond June 1, 2017
- Potentially include language to allow for a phased-in enrollment (and/or pilot)
- Other substantive changes?

Next Steps

- Create Program Design Subcommittee and schedule at least three meetings over the next three months
- Create work plan for addressing different aspects of program design
- Determine need for outside experts/stakeholder input
- Move forward with securing outside assistance for market analysis (Consumption Study being done pro-bono by University of Chicago Harris Lab)
- Outreach Subcommittee will address initial employer outreach and educational materials