

Urgent News on The New Jersey Secure Choice Savings Program

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More than three years after the enactment date of the [New Jersey Secure Choice Savings Program](#) (“Program”), new deadlines to comply have been announced. The Program requires certain New Jersey employers to provide their employees with a payroll-funded Roth IRA if the employer has not already established a qualified retirement plan. This month, July 2024, the apparatus to implement the Program, RetireReady NJ (“RR”) was launched.

Fall Deadlines for Employers

When the law was signed on March 28, 2019, the deadline for employer compliance was set for two years after enactment but was later extended without a new deadline until now. The five members that manage the Program have set new deadlines:

- September 15, 2024 is the deadline for employers with 40 or more employees
- November 15, 2024 is the deadline for employers with 25 to 39 employees

Employers, unless they are exempt, must automatically enroll their eligible employees. Employees may opt-out within 30 days. Employees who are hired more than six months after RR is open for enrollment must be enrolled within three months of their hire date.

An employer is penalized if the employer does not register for RR or provide a qualified retirement plan within one year. The fines escalate depending on how long an employer has failed to comply and how many times the employer has violated the Program.

A Refresher: Program Basics

Employers must participate in the Secure Choice Savings Program if they do not already offer their employees a qualified retirement plan. Employers must participate in the Program whether they are for profit or non-profit employers, as long as they have employed 25 or more workers during the past calendar year and have been in business for at least two years. Employees who are 18 or older, who live or are employed in New Jersey, and whose wages are subject to New Jersey income tax withholding count toward the 25 employee threshold. Employers must offer the Program to both part-time and full-time workers. They do not have to offer the Program to independent contractors.

Employees will contribute to RR through automatic payroll deductions into a Roth IRA. Employees may opt out of the program. Employers are not required to contribute or match their employees’ RR accounts, but they must set up the infrastructure so that their employees can participate, establish payroll deductions, and ensure compliance with the Program.

For more information about the Program, including penalties for non-compliance, please see this author’s blogs entitled Understanding the New Jersey Secure Choice Savings Program and Update on the New Jersey Secure Choice Savings Program and the RR website, at <https://www.nj.gov/treasury/securechoiceprogram/>.

TAKEAWAY: The deadlines for compliance with The New Jersey Secure Choice Savings Program are here! Employers should prepare to enroll employees in RetireReady NJ or offer qualified retirement programs for their employees if they have not already done so.

If you are an employer and need help navigating the New Jersey Small Business Retirement Marketplace Act/New Jersey Secure Choice Savings Program or any other employment laws, contact [Stephanie Gironda](#) or any member of the [Wilentz Employment Law Team](#).

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