187.03 DEFINITIONS.

Subdivision 1. **Applicability.** For purposes of this chapter, the terms defined in this section have the meanings given them.

Subd. 1a. **Annual report.** "Annual report" means a report on the following:

(1) financial performance of the program and the agency;

(2) program expenses, including costs attributable to the use of outside consultants, independent contractors, and other persons who are not state employees;

(3) program outcomes;

(4) progress toward savings goals established by the board;

(5) statistics on the number of participating employees, participating employers, and covered employees who have opted out of participation;

(6) estimated impact of the program on social safety net programs; and

(7) penalties, violations, and disciplinary actions for enforcement.

Subd. 2. **Board.** "Board" or "board of directors" means the board of directors of the Minnesota Secure Choice retirement program.

Subd. 3. **Compensation.** "Compensation" means compensation within the meaning of Section 219(f)(1) of the Internal Revenue Code that is received by a covered employee from, or with respect to service performed for, a covered employer.

Subd. 4. **Contribution rate.** "Contribution rate" means the percentage of compensation withheld from a covered employee's compensation and deposited in an account established for the covered employee under the program.

Subd. 5. **Covered employee.** (a) "Covered employee" means a person who is employed by a covered employer or described in section 187.05, subdivision 7, and who satisfies any other criteria established by the board.

(b) Covered employee does not include:

(1) a person who, on December 31 of the preceding calendar year, was younger than 18 years of age;

(2) a person covered under the federal Railway Labor Act, as amended, United States Code, title 45, sections 151 et seq.;

(3) a person on whose behalf an employer makes contributions to a Taft-Hartley multiemployer pension trust fund;

(4) a person employed by the government of the United States, another country, the state of Minnesota, another state, or any subdivision thereof; or

(5) a person employed on a temporary or seasonal basis for a limited duration, which the employer determines at the time the person is hired will not extend beyond 180 days.

(c) A person described in paragraph (b), clause (5), may elect to have contributions deducted from the person's paycheck for remittance to the program, but only if the employer would otherwise be considered a covered employer.

Subd. 6. **Covered employer.** (a) "Covered employer" means a person or entity:

(1) engaged in a business, industry, profession, trade, or other enterprise in Minnesota, whether for profit or not for profit;

(2) that employs five or more covered employees; and

(3) that does not sponsor or contribute to and did not in the immediately preceding 12 months sponsor or contribute to a retirement savings plan for its employees.

(b) Covered employer does not include:

(1) an employer that has not engaged in a business, industry, profession, trade, or other enterprise in Minnesota, whether for profit or not for profit, at any time during the immediately preceding 12 months; and

(2) a state or federal government or any political subdivision thereof.

Subd. 6a. **Enrollment window.** "Enrollment window" means:

(1) the period established by the board, according to a phase-in schedule approved under Laws 2023, chapter 46, section 10, subdivision 1, paragraph (b), that is applicable to each covered employer and during which the covered employer is first required to enroll covered employees;

(2) the 21-day period beginning with a covered employee's first day of employment with a covered employer during which the covered employer is required to enroll the covered employee; or

(3) the 21-day period beginning on January 1 after the calendar year during which an employer first becomes a covered employer.

Subd. 7. **Executive director.** "Executive director" means the chief executive and administrative head of the program or, if an executive director has not been appointed, executive director means the interim executive director, if one has been appointed.

Subd. 7a. **Home and community-based services employee.** "Home and community-based services employee" means an individual who is not an employee of a provider agency and who is selected by and working under the direction of a participant in a covered program to provide to the participant:

(1) consumer-directed community supports services under sections 256B.092 and 256B.49 and chapter 256S or under the alternative care program authorized under section 256B.0913; or

(2) services under the community first services and supports program authorized under section 256B.85 and Minnesota's federally approved waiver programs.

This definition applies only to this chapter and does not create any other legal rights or obligations under state or federal law.

Subd. 8. **Internal Revenue Code.** "Internal Revenue Code" means the Internal Revenue Code of 1986, as amended, United States Code, title 26.

Subd. 9. **Program.** "Program" means the Minnesota Secure Choice retirement program.

Subd. 10. **Retirement savings plan.** "Retirement savings plan" means a plan or program offered by an employer that permits contributions to be set aside for retirement on a pretax or after-tax basis and permits all employees of the employer to participate except those employees who have not satisfied participation eligibility requirements that are no more restrictive than the eligibility requirements permitted under section 410(b) of the Internal Revenue Code. Retirement savings plan includes but is not limited to a plan described in section 401(a) of the Internal Revenue Code, an annuity plan or annuity contract described in section 403(a) or 403(b) of the Internal Revenue Code, a plan within the meaning of section 457(b) of the Internal Revenue Code, a simplified employee pension (SEP) plan, a savings incentive match plan for employees (SIMPLE) plan, an automatic enrollment payroll deduction individual retirement account, and a multiemployer pension plan described in section 414(f) of the Internal Revenue Code.

Subd. 11. **Secure Choice administrative fund.** "Secure Choice administrative fund" or "administrative fund" means the fund established under section 187.06, subdivision 2.

Subd. 12. **Secure Choice trust.** "Secure Choice trust" or "trust" means a trust established under section 187.06, subdivision 1, to hold contributions and investment earnings thereon under the program.

Subd. 13. **Roth IRA.** "Roth IRA" means an individual retirement account established under section 408A of the Internal Revenue Code to hold and invest after-tax assets.

Subd. 14. **Traditional IRA.** "Traditional IRA" means an individual retirement account established under section 408 of the Internal Revenue Code to hold and invest pretax assets.

Subd. 15. **Waiting period.** "Waiting period" means the 30-day period that begins on the day on which a covered employee is enrolled in the program.

History: *2023 c 46 s 2; 2024 c 102 art 6 s 1; 2025 c 37 art 9 s 1-4; 2026 c 106 art 9 s 1-4*