

# EMPLOYEE BENEFITS AND LABOR AND EMPLOYMENT

## New York's Mandatory Retirement Savings Requirement Now in Effect

New requirements are now in effect in New York State for employers who do not offer a tax-qualified retirement plan for their employees. Effective earlier this year, the [New York Secure Choice Savings Program](#) (the Program) requires certain employers to enroll employees in the State-sponsored retirement savings program. Importantly, employers that already sponsor or participate in a tax-qualified retirement plan, such as a 401(k) plan, are exempt from participation in the Program but must certify their exemption through the State's online portal. The Program was established to expand access to retirement savings opportunities for private-sector employees who do not have access to an employer-sponsored retirement plan. Following several years of implementation efforts, the Program is now fully operational.

Codified in Article 43 of the New York General Business Law, the Program applies to private-sector employers, including nonprofits, that meet the following criteria:

- Employ 10 or more employees in New York State;
- Have been in operation for at least two years; and
- Do not currently offer a qualified retirement plan, such as a 401(k), 403(b), SEP IRA, or SIMPLE IRA.

The registration and certification deadlines vary based on employer size. Employers with 30 or more employees were required to register or certify for an exemption by March 18, 2026. Employers with 15 to 29 employees were required to register or certify for an exemption by May 15, 2026. Employers with 10 to 14 employees have until July 15, 2026, to register or certify for an exemption. Eligible employers receive instructions, an access code and their employer identification number by email or mail to facilitate registration or exemption certification.

The Program operates as a State-administered Roth IRA with automatic enrollment and a default contribution rate of 3% of each employee's gross wages. Employees may change their contribution rate or select a different investment option 30 days after enrollment. Accounts established under the Program belong to the employee and remain with the employee if employment terminates or the employee changes jobs. Employers must provide required informational materials to current employees at least one month before implementation and to newly hired employees on or before their first day of employment. Importantly, an employers' key role is limited to facilitating employee participation in the Program. Employers are not fiduciaries and bear no responsibility for the administration, investment performance or operation of the Program.

Subject employers should ensure they:

- Register for participation in, or certify an exemption from, the Program by the applicable deadline;
- Provide required Program information to current and newly hired employees;
- Submit employee information and remit contributions **as soon as administratively practicable** (ideally, each pay cycle or as soon as possible thereafter);
- If using a third-party payroll organization, ensure that the vendor is properly remitting contributions to the Program.

Employers with questions or seeking additional information should contact [Devin Karas](#), [Sam Dobre](#), [Timothy Bouffard](#) or any attorney in Bond's [employee benefits](#) or [labor and employment](#) practice, or the attorney at the firm with whom they are regularly in contact.

