

SECOND REGULAR SESSION

HOUSE BILL NO. 1311

100TH GENERAL ASSEMBLY

INTRODUCED BY REPRESENTATIVE SHULL (16).

3784H.011

DANA RADEMAN MILLER, Chief Clerk

AN ACT

To amend chapter 285, RSMo, by adding thereto twelve new sections relating to workplace retirement savings plans.

Be it enacted by the General Assembly of the state of Missouri, as follows:

Section A. Chapter 285, RSMo, is amended by adding thereto twelve new sections, to be known as sections 285.1000, 285.1005, 285.1010, 285.1015, 285.1020, 285.1025, 285.1030, 285.1035, 285.1040, 285.1045, 285.1050, and 285.1055, to read as follows:

285.1000. For purposes of sections 285.1000 to 285.1055, the following terms shall mean:

(1) "Administrative fund" or "Missouri workplace retirement savings administrative fund", the Missouri workplace retirement savings administrative fund described in section 285.1045;

(2) "Board", the Missouri workplace retirement savings board established under section 285.1005;

(3) "Eligible employee", an individual who is employed by a participating employer, who has wages or other compensation that is allocable to the state, and who is at least eighteen years of age. "Eligible employee" shall not include any of the following:

(a) Any employee covered under the federal Railway Labor Act, 45 U.S.C. Section 151;

(b) Any employee on whose behalf an employer makes contributions to a multiemployer pension trust fund under 29 U.S.C. Section 186; or

(c) Any individual who is an employee of:

a. The federal government;

EXPLANATION — Matter enclosed in bold-faced brackets [thus] in the above bill is not enacted and is intended to be omitted from the law. Matter in bold-face type in the above bill is proposed language.

- 17 **b. Any state government in the United States; or**
- 18 **c. Any county, municipal corporation, or political subdivision of any state in the**
19 **United States;**
- 20 **(4) "Eligible employer", a person or entity engaged in a business, industry,**
21 **profession, trade, or other enterprise in the state of Missouri, whether for-profit or not-for-**
22 **profit. "Eligible employer" shall not include:**
- 23 **(a) The federal government;**
- 24 **(b) The state of Missouri;**
- 25 **(c) Any county, municipal corporation, or political subdivision of the state of**
26 **Missouri; or**
- 27 **(d) An employer that maintains a specified tax-favored retirement plan for its**
28 **employees or has done so effective in form and operation at any time within the current or**
29 **two preceding calendar years. If an employer does not maintain a specified tax-favored**
30 **retirement plan for a portion of a calendar year ending on or after the effective date of**
31 **sections 285.1000 to 285.1055 and adopts such a plan effective for the remainder of that**
32 **calendar year, the employer shall not be treated as an "eligible employer" for that**
33 **remainder of the year;**
- 34 **(5) "ERISA", the Employee Retirement Income Security Act of 1974, as amended,**
35 **29 U.S.C. Section 1001, et seq.;**
- 36 **(6) "Internal Revenue Code", the Internal Revenue Code of 1986, as amended;**
- 37 **(7) "Participant", an eligible employee or other individual who has a balance**
38 **credited to his or her account under the plan;**
- 39 **(8) "Participating employer", an eligible employer that is participating in the plan**
40 **provided for by sections 285.1000 to 285.1055;**
- 41 **(9) "Plan" or "Missouri workplace retirement savings plan", the**
42 **multiple-employer retirement savings plan established by sections 285.1000 to 285.1055,**
43 **which shall be treated as a single plan under Title I of ERISA and is described in sections**
44 **401(a), 401(k), and 413(c) of the Internal Revenue Code, in which multiple employers may**
45 **voluntarily choose to participate regardless of whether any relationship exists between and**
46 **among the employers other than their participation in the plan. Based on the context, the**
47 **term "plan" may also refer to multiple plans if multiple plans are established under**
48 **sections 285.1000 to 285.1055;**
- 49 **(10) "Self-employed individual", an individual who is self-employed and who has**
50 **self-employment income or other compensation from self-employment that is allocable to**
51 **the state of Missouri and who is at least eighteen years of age;**

52 (11) "Specified tax-favored retirement plan", a retirement plan that is tax-qualified
53 under, or is described in and satisfies the requirements of, section 401(a), 401(k), 403(a),
54 403(b), 408(k)(Simplified Employee Pension), or 408(p)(SIMPLE-IRA) of the Internal
55 Revenue Code;

56 (12) "Total fees and expenses", all fees, costs, and expenses, including, but not
57 limited to, administrative expenses, investment expenses, investment advice expenses,
58 accounting costs, actuarial costs, legal costs, marketing expenses, education expenses,
59 trading costs, insurance annuitization costs, and other miscellaneous costs;

60 (13) "Trust", the trust in which the assets of the plan are held.

285.1005. 1. The "Missouri Workplace Retirement Savings Board" is hereby
2 established in the office of the state treasurer.

3 2. The board shall consist of the following members, with the state treasurer, or his
4 or her designee, serving as chair:

5 (1) The state treasurer, or his or her designee;

6 (2) An individual who has a favorable reputation for skill, knowledge, and
7 experience in the field of retirement savings and investments, to be appointed by the
8 governor with the advice and consent of the senate;

9 (3) An individual who has a favorable reputation for skill, knowledge, and
10 experience relating to small business, to be appointed by the governor with the advice and
11 consent of the senate;

12 (4) An individual who is a representative of an association representing employees
13 or who has a favorable reputation for skill, knowledge, and experience in the interests of
14 employees in retirement savings, to be appointed by the speaker of the house of
15 representatives;

16 (5) An individual who has a favorable reputation for skill, knowledge, and
17 experience in the interests of employers in retirement savings, to be appointed by the
18 president pro tempore of the senate;

19 (6) A retired individual to be a representative of the interests of retirees, to be
20 appointed by the speaker of the house of representatives;

21 (7) An individual who has a favorable reputation for skill, knowledge, and
22 experience in retirement investment products or retirement plan designs, to be appointed
23 by the president pro tempore of the senate;

24 (8) A member of the house of representatives appointed by the speaker of the house
25 of representatives to be a nonvoting advisory member of the board; and

26 (9) A member of the senate appointed by the president pro tempore of the senate
27 to be a nonvoting advisory member of the board.

28 **3. The governor, the president pro tempore of the senate, and the speaker of the**
29 **house of representatives shall make the respective initial appointments to the board for**
30 **terms of office beginning on January 1, 2021.**

31 **4. Members of the board appointed by the governor, the president pro tempore of**
32 **the senate, and the speaker of the house of representatives shall serve at the pleasure of the**
33 **appointing authority.**

34 **5. The term of office of each member of the board shall be four years. Any member**
35 **is eligible to be reappointed. If there is a vacancy for any reason, the appropriate**
36 **appointing authority shall make an appointment, to become immediately effective, for the**
37 **unexpired term.**

38 **6. All members of the board shall serve without compensation and shall be**
39 **reimbursed from the administrative fund for necessary travel expenses incurred in**
40 **carrying out the duties of the board.**

41 **7. A majority of the voting members of the board shall constitute a quorum for the**
42 **transaction of business.**

285.1010. 1. The board, subject to the authority granted under sections 285.1000
2 **to 285.1055, shall design, develop, and implement the plan, and, to that end, may conduct**
3 **market, legal, and feasibility analyses.**

4 **2. The members of the board shall be fiduciaries of the plan under ERISA, and the**
5 **board shall have the following powers, authority, and duties:**

6 **(1) To establish, implement, and maintain the plan, in each case acting on behalf**
7 **of the state of Missouri, including, in its discretion, more than one plan;**

8 **(2) To cause the plan, trust, and arrangements and accounts established under the**
9 **plan to be designed, established, and operated:**

10 **(a) In accordance with best practices for retirement saving vehicles;**

11 **(b) To encourage participation, saving, sound investment practices, and**
12 **appropriate selection of default investments;**

13 **(c) To maximize simplicity and ease of administration for eligible employers;**

14 **(d) To minimize costs, including by collective investment and economies of scale;**
15 **and**

16 **(e) To promote portability of benefits;**

17 **(3) To arrange for collective, common, and pooled investment of assets of the plan**
18 **and trust, including investments in conjunction with other funds with which assets are**
19 **permitted to be collectively invested, with a view to saving costs through efficiencies and**
20 **economies of scale;**

21 (4) To develop and disseminate educational information designed to educate
22 participants and citizens about the benefits of planning and saving for retirement and
23 information to help decide the level of participation and savings strategies that may be
24 appropriate, including information in furtherance of financial capability and financial
25 literacy;

26 (5) To adopt rules and regulations necessary or advisable for the implementation
27 of sections 285.1000 to 285.1055 and the administration and operation of the plan
28 consistent with the Internal Revenue Code and regulations thereunder, including to ensure
29 that the plan satisfies all criteria for favorable federal tax-qualified treatment and
30 complies, to the extent necessary, with ERISA and any other applicable federal or Missouri
31 law. Any rule or portion of a rule, as that term is defined in section 536.010, that is created
32 under the authority delegated in this section shall become effective only if it complies with
33 and is subject to all of the provisions of chapter 536 and, if applicable, section 536.028.
34 This section and chapter 536 are nonseverable, and if any of the powers vested with the
35 general assembly pursuant to chapter 536 to review, to delay the effective date, or to
36 disapprove and annul a rule are subsequently held unconstitutional, then the grant of
37 rulemaking authority and any rule proposed or adopted after August 28, 2020, shall be
38 invalid and void;

39 (6) To arrange for and facilitate compliance by the plan or arrangements
40 established thereunder with all applicable requirements for the plan under the Internal
41 Revenue Code, ERISA, and any other applicable federal or Missouri law and accounting
42 requirements, and to provide or arrange for assistance to eligible employers, eligible
43 employees, and self-employed individuals in complying with applicable law and tax-related
44 requirements in a cost-effective manner. The board may establish any processes deemed
45 reasonably necessary or advisable to verify whether a person or entity is an eligible
46 employer, including reference to online data and possible use of questions in employer tax
47 filings;

48 (7) To employ or retain a plan administrator, executive director, staff, trustee,
49 record-keeper, investment managers, investment advisors, and other administrative,
50 professional, and expert advisors and service providers, none of whom shall be members
51 of the board and all of whom shall serve at the pleasure of the board, which shall
52 determine their duties and compensation. The board may authorize the executive director
53 and other officials to oversee requests for proposals or other public competitions and enter
54 into contracts on behalf of the board or conduct any business necessary for the efficient
55 operation of the plan or the board;

56 **(8) To establish procedures for the timely and fair resolution of participant and**
57 **other disputes related to accounts or program operation and, if necessary, determine the**
58 **eligibility of an employer, employee, or other individual to participate in the plan;**

59 **(9) To develop and implement an investment policy that defines the plan's**
60 **investment objectives, consistent with the objectives of the plan, and that provides for**
61 **policies and procedures consistent with those investment objectives;**

62 **(10) (a) To designate appropriate default investments that include a mix of asset**
63 **classes, such as target date and balanced funds;**

64 **(b) To seek to minimize participant fees and expenses of investment and**
65 **administration;**

66 **(c) To strive to design and implement investment options available to holders of**
67 **accounts established as part of the plan and other plan features that are intended to**
68 **achieve maximum possible income replacement balanced with an appropriate level of risk**
69 **consistent with the investment objectives under the investment policy. The investment**
70 **options may encompass a range of risk and return opportunities and allow for a rate of**
71 **return commensurate with an appropriate level of risk in view of the investment objectives**
72 **under the policy. The menu of investment options shall be determined taking into account**
73 **the nature and objectives of the plan, the desirability of limiting investment choices under**
74 **the plan to a reasonable number, based on behavioral research findings, and the extensive**
75 **investment choices available to participants in the event that funds roll over to an**
76 **individual retirement account (IRA) outside the program;**

77 **(d) In accordance with subdivision (7) of this subsection, the board, to the extent**
78 **it deems it necessary or advisable, in carrying out its responsibilities and exercising its**
79 **powers under sections 285.1000 to 285.1055, shall employ or retain appropriate entities or**
80 **personnel to assist or advise it or to whom to delegate the carrying out of such**
81 **responsibilities and exercise of such powers;**

82 **(11) To discharge its duties and see to it that the members of the board discharge**
83 **their duties with respect to the plan solely in the interest of the participants as follows:**

84 **(a) For the exclusive purpose of providing benefits to participants and defraying**
85 **reasonable expenses of administering the plan; and**

86 **(b) With the care, skill, prudence, and diligence under the circumstances then**
87 **prevailing that a prudent person acting in a like capacity and familiar with those matters**
88 **would use in the conduct of an enterprise of a like character and with like aims;**

89 **(12) To cause expenses incurred to initiate, implement, maintain, and administer**
90 **the plan to be paid from contributions to, or investment returns or assets of, the plan or**

91 other moneys collected by or for the plan or pursuant to arrangements established under
92 the plan to the extent permitted under federal and Missouri law;

93 (13) To collect application, account, or administrative fees and to accept any grants,
94 gifts, legislative appropriation, loans, and other moneys from the state of Missouri, any
95 unit of federal, state, or local government, or any other person, firm, or entity to defray the
96 costs of administering and operating the plan;

97 (14) To make and enter into competitively procured contracts, agreements, or
98 arrangements with, to collaborate and cooperate with, and to retain, employ, and contract
99 with or for any of the following to the extent necessary or desirable for the effective and
100 efficient design, implementation, and administration of the plan consistent with the
101 purposes set forth in sections 285.1000 to 285.1055 and to maximize outreach to eligible
102 employers and eligible employees:

103 (a) Services of private and public financial institutions, depositories, consultants,
104 actuaries, counsel, auditors, investment advisors, investment administrators, investment
105 management firms, other investment firms, third-party administrators, other professionals
106 and service providers, and state public retirement systems;

107 (b) Research, technical, financial, administrative, and other services; and

108 (c) Services of other state agencies to assist the board in the exercise of its powers
109 and duties;

110 (15) To develop and implement an outreach plan to gain input and disseminate
111 information regarding the plan and retirement savings in general;

112 (16) To cause moneys to be held and invested and reinvested under the plan;

113 (17) To ensure that all contributions under the plan may be used only to:

114 (a) Pay benefits to participants under the plan;

115 (b) Pay the cost of administering the plan; and

116 (c) Make investments for the benefit of the plan, and that no assets of the plan or
117 trust are transferred to the general revenue fund or to any other fund of the state or are
118 otherwise encumbered or used for any purpose other than those specified in this
119 paragraph;

120 (18) To make provisions for the payment of costs of administration and operation
121 of the program and trust;

122 (19) To evaluate the need for, and procure as needed, insurance against any and
123 all loss in connection with the property, assets, or activities of the program, including
124 fiduciary liability coverage;

125 (20) To evaluate the need for, and procure as needed, pooled private insurance;

126 (21) To indemnify, including procurement of insurance as needed for this purpose,
127 each member of the board from personal loss or liability resulting from a member's action
128 or inaction as a member of the board and as a fiduciary;

129 (22) To collaborate with, and evaluate the role of, financial advisors or other
130 financial professionals, including in assisting and providing guidance for covered
131 employees; and

132 (23) To carry out its powers and duties of the program under sections 285.1000 to
133 285.1055 and exercise any and all other powers as are appropriate for the effectuation of
134 the purposes, objectives, and provisions of such sections pertaining to the program.

135 3. A board member, program administrator, and other staff of the board shall not:

136 (1) Directly or indirectly, have any interest in the making of any investment under
137 the program or in gains or profits accruing from any such investment;

138 (2) Borrow any program-related funds or deposits, or use any such funds or
139 deposits in any manner, for himself or herself or as an agent or partner of others; or

140 (3) Become an endorser, surety, or obligor on investments made under the
141 program.

142 4. Each board member shall be subject to the provisions of sections 105.452 and
143 105.454.

 285.1015. 1. The board shall, consistent with federal law and regulation, adopt and
2 implement the plan, which shall remain in compliance with federal law and regulations
3 once implemented, and shall be called the "Missouri Workplace Retirement Savings Plan".

4 2. In accordance with terms and conditions specified and regulations promulgated
5 by the board, the plan shall:

6 (1) Be set forth in documents prescribing the terms and conditions of the plan;

7 (2) Be available on a voluntary basis to eligible employers and self-employed
8 individuals;

9 (3) After appropriate written notice, automatically enroll all eligible employees who
10 choose to participate in the plan by not opting out;

11 (4) Enroll self-employed individuals who wish to participate;

12 (5) Provide participants the option to terminate their participation at any time;

13 (6) Allow voluntary pre-tax or designated Roth 401(k) contributions;

14 (7) Allow voluntary employer contributions;

15 (8) Be overseen by the board and its designees;

16 (9) Be administered and managed by one or more trustees, other fiduciaries,
17 custodians, third-party administrators, investment managers, record-keepers, and other
18 service providers;

19 **(10) Provide that, unless he or she otherwise specifies, an eligible employee shall**
20 **automatically contribute five percent of his or her salary or wages to the plan or may elect**
21 **to opt out of the plan or may contribute at a higher or lower rate, expressed as a**
22 **percentage of salary or wages; except that, the board, in its discretion, may change the five**
23 **percent initial automatic default contribution rate;**

24 **(11) Provide on a uniform basis, if and when the board so determines, in its**
25 **discretion, for an increase of each participant's contribution rate, by no more than one**
26 **percent of salary or wages per year, for each additional year the participant is employed**
27 **or is participating in the plan up to a maximum of twelve percent of the employee's salary**
28 **or wages. Any such increases shall apply to participants, as determined by the board, by**
29 **default or only if initiated by affirmative participant election;**

30 **(12) Provide for direct deposit of contributions into investments under the plan.**
31 **To the extent consistent with ERISA, the investment alternatives under the plan shall be**
32 **limited to an automatic investment for participants who do not actively and affirmatively**
33 **elect a particular investment option, which, unless the board provides otherwise, shall be**
34 **a diversified target date fund, including a series of such diversified funds to apply to**
35 **different participants depending on their choice or their target retirement dates, a**
36 **principal-protected option, and up to four additional investment alternatives as may be**
37 **selected by the board in its discretion. To the extent consistent with ERISA, the investment**
38 **options may, at the discretion of the board, include a principal-protection fund as a**
39 **temporary "security corridor" option that applies as the sole initial investment before**
40 **participants may choose other investments or as the initial default investment for a**
41 **specified period of time or up to a specified dollar amount of contributions or account**
42 **balance;**

43 **(13) Be professionally managed;**

44 **(14) Provide for reports on the status of each participant's account to be provided**
45 **to each participant at least annually and make best efforts to provide participants frequent**
46 **or continual online access to information on the status of their accounts;**

47 **(15) When possible and practicable, use existing employer and public**
48 **infrastructure to facilitate contributions, record keeping, and outreach and use pooled or**
49 **collective investment arrangements;**

50 **(16) Provide that each account holder owns the contributions to or earnings on**
51 **amounts contributed to his or her account under the plan and that the state and employers**
52 **have no proprietary interest in those contributions or earnings;**

53 **(17) Be designed and implemented in a manner consistent with federal law to the**
54 **extent that it applies;**

55 (18) Make provisions for the participation in the plan of individuals who are not
56 employees, if allowed under federal law;

57 (19) Keep total fees and expenses as low as practicable and, in any event, not in
58 excess of three-quarters of one percent of the total assets of the plan in each fiscal year;
59 except that, this limit shall not apply during a start-up period of three years beginning with
60 the initial implementation of the plan;

61 (20) Establish rules and procedures governing the distribution of funds from the
62 plan, including such distributions as may be permitted or required by the plan and any
63 applicable provisions of ERISA, the tax-qualification rules, and the other tax laws, with
64 the objectives of maximizing financial security in retirement, protecting spousal rights, and
65 assisting participants to effectively manage the decumulation of their savings and to receive
66 payment of their benefits under the plan. The board shall have the authority, in its
67 discretion, to provide for one or more reasonably priced distribution options to provide a
68 source of fixed regular retirement income, including income for life or for the participant's
69 life expectancy, or for joint lives and life expectancies, as applicable;

70 (21) Establish rules and procedures promoting portability of benefits, including the
71 ability to make tax-free rollovers or transfers to and from the plan, provided that any
72 roll-over is initiated by participants; and

73 (22) Encourage choices by employers in the state to adopt a specified tax-favored
74 retirement plan, including the plan.

285.1020. The board shall adopt rules to implement the plan that:

2 (1) Establish the processes for enrollment and contributions under the plan,
3 including withholding by participating employers of employee payroll deduction
4 contributions from wages and remittance for deposit to the plan, automatic enrollment and
5 opt-outs by eligible employees, voluntary contributions by others, including self-employed
6 individuals and independent contractors, through payroll deduction or otherwise, the
7 making of default contributions using default investments, and participant selection of
8 alternative contribution rates or amounts and alternative investments from among the
9 options offered under the plan; and

10 (2) Conduct outreach to individuals, employers, other stakeholders, and the public
11 regarding the plan. The rules shall specify the contents, frequency, timing, and means of
12 required disclosures from the plan to eligible employees, participants, and self-employed
13 individuals, eligible employers, participating employers, and other interested parties.
14 These disclosures shall include, but need not be limited to:

15 (a) The benefits associated with tax-favored retirement saving;

16 **(b) The potential advantages and disadvantages associated with participating in the**
17 **plan;**

18 **(c) Instructions for enrolling, making contributions, and opting out of**
19 **participation;**

20 **(d) The potential availability of a saver's tax credit, including the eligibility**
21 **conditions for the credit and instructions on how to claim it;**

22 **(e) That employees seeking tax, investment, or other financial advice should contact**
23 **appropriate professional advisors, and that participating employers are not in a position**
24 **to provide such advice and are not liable for decisions individuals make in relation to the**
25 **plan;**

26 **(f) The potential implications of account balances under the plan for the application**
27 **of asset limits under certain public assistance programs;**

28 **(g) That the account owner is solely responsible for investment performance,**
29 **including market gains and losses, and that plan accounts and rates of return are not**
30 **guaranteed by any employer, the state, the board, any board member or state official, or**
31 **the plan;**

32 **(h) Any additional information about retirement and saving and other information**
33 **designed to promote financial literacy and capability, which may take the form of links to,**
34 **or explanations of how to obtain, such information; and**

35 **(i) How to obtain additional information about the plan.**

285.1025. An eligible employer, a participating employer, or other employer is not
2 **and shall not be liable for or bear responsibility for:**

3 **(1) An employee's decision to participate in or opt out of the plan;**

4 **(2) An employee's decision as to which investments to choose;**

5 **(3) Participants' or the board's investment decisions;**

6 **(4) The administration, investment, investment returns, or investment performance**
7 **of the plan, including without limitation any interest rate or other rate of return on any**
8 **contribution or account balance, provided that the eligible employer, participating**
9 **employer, or other employer is not involved in the administration or investment of the**
10 **plan;**

11 **(5) The plan design or the benefits paid to participants; or**

12 **(6) Any loss, failure to realize any gain, or any other adverse consequences,**
13 **including without limitation any adverse tax consequences or loss of favorable tax**
14 **treatment, public assistance, or other benefits, incurred by any person as a result of**
15 **participating in the plan.**

285.1030. 1. The state of Missouri, the board, each member of the board, and any other state official, other state boards, commissions, or agencies, any member, officer, or employee thereof, and the plan:

(1) Shall not guarantee any interest rate or other rate of return on or investment performance of any contribution or account balance; and

(2) Shall not be liable or responsible for any loss, deficiency, failure to realize any gain, or any other adverse consequences, including without limitation any adverse tax consequences or loss of favorable tax treatment, public assistance or other benefits, incurred by any person as a result of participating in the plan.

2. The debts, contracts, and obligations of the plan or the board are not the debts, contracts, and obligations of the state, and neither the faith and credit nor the taxing power of the state is pledged directly or indirectly to the payment of the debts, contracts, and obligations of the plan or the board.

3. Nothing in sections 285.1000 to 285.1055 shall be construed to guarantee any interest rate or other rate of return on or investment performance of any contribution or account balance.

285.1035. 1. Individual account information relating to accounts under the plan and relating to individual participants including, but not limited to, names, addresses, telephone numbers, email addresses, personal identification information, investments, contributions, and earnings shall be confidential and shall be maintained as confidential, provided that such information may be disclosed:

(1) To the extent necessary to administer the plan in a manner consistent with sections 285.1000 to 285.1055, ERISA, the Internal Revenue Code, or any other federal or Missouri law; or

(2) If the individual who provides the information or is the subject of the information expressly agrees in writing to the disclosure of the information.

2. Information required to be confidential under subsection 1 of this section shall be considered a "closed record" as that term is defined in section 610.010.

285.1040. The board may enter into an intergovernmental agreement or memorandum of understanding with the state of Missouri and any agency thereof to receive outreach, technical assistance, enforcement and compliance services, collection or dissemination of information pertinent to the plan, subject to such obligations of confidentiality as may be agreed or required by law, or other services or assistance. The state of Missouri and any agency thereof that enters into such agreements or memoranda of understanding shall collaborate to provide the outreach, assistance, information, and compliance or other services or assistance to the board. The memoranda of understanding

9 may cover the sharing of costs incurred in gathering and disseminating information and
10 the reimbursement of costs for any enforcement activities or assistance.

285.1045. 1. The "Missouri Workplace Retirement Savings Administrative Fund"
2 is hereby established in the state treasury, to be held in trust separate and distinct from the
3 general revenue fund. Interest earned by the administrative fund shall be credited to the
4 administrative fund. Moneys in the administrative fund shall be continuously
5 appropriated to the board.

6 2. The Missouri workplace retirement savings administrative fund shall consist of:

7 (1) Moneys appropriated to the administrative fund by the general assembly;

8 (2) Moneys transferred to the administrative fund from the federal government,
9 other state agencies, or local governments;

10 (3) Moneys from the payment of application, account, administrative, or other fees
11 and the payment of other moneys due the board;

12 (4) Any gifts, donations, or grants made to the state of Missouri for deposit in the
13 administrative fund;

14 (5) Moneys collected for the administrative fund from contributions to, or
15 investment returns or assets of, the plan or other moneys collected by or for the plan or
16 pursuant to arrangements established under the plan to the extent permitted under federal
17 and Missouri law; and

18 (6) Earnings on moneys in the administrative fund.

19 3. To the extent consistent with ERISA, the tax qualification rules, and other
20 federal law, the board shall accept any grants, gifts, appropriations, or other moneys from
21 the state, any unit of federal, state, or local government, or any other person, firm,
22 partnership, corporation, or other entity solely for deposit into the administrative fund,
23 whether for investment or administrative expenses.

24 4. To enable or facilitate the start-up and continuing operation, maintenance,
25 administration, and management of the program until the plan accumulates sufficient
26 balances and can generate sufficient funding through fees assessed on program accounts
27 for the plan to become financially self-sustaining:

28 (1) The board may borrow from the state of Missouri, any unit of federal, state, or
29 local government, or any other person, firm, partnership, corporation, or other entity
30 working capital funds and other funds as may be necessary for this purpose, provided that
31 such funds are borrowed in the name of the plan and board only and that any such
32 borrowings shall be payable solely from the revenues of the plan; and

33 (2) The board may enter into long-term procurement contracts with one or more
34 financial providers that provide a fee structure that would assist the plan in avoiding or
35 minimizing the need to borrow or to rely upon general assets of the state.

36 5. Subject to appropriation, the state of Missouri may pay administrative costs
37 associated with the creation, maintenance, operation, and management of the plan and
38 trust until sufficient assets are available in the administrative fund for that purpose.
39 Thereafter, all administrative costs of the administrative fund, including any repayment
40 of start-up funds provided by the state of Missouri, shall be repaid only out of moneys on
41 deposit therein. However, private funds or federal funding received in order to implement
42 the program until the administrative fund is self-sustaining shall not be repaid unless those
43 funds were offered contingent upon the promise of such repayment.

44 6. The board may use the moneys in the administrative fund solely to pay the
45 administrative costs and expenses of the plan and the administrative costs and expenses the
46 board incurs in the performance of its duties under sections 285.1000 to 285.1055.

285.1050. 1. The board shall cause an accurate account of all the activities,
2 operations, receipts, and expenditures of the plan, the trust, and the board. Each year, a
3 full audit of the books and accounts of the board pertaining to those activities, operations,
4 receipts and expenditures, personnel, services, or facilities shall be conducted by a certified
5 public accountant and shall include, but not be limited to, direct and indirect costs
6 attributable to the use of outside consultants, independent contractors, and any other
7 persons who are not state employees for the administration of the plan. For the purposes
8 of the audit, the auditors shall have access to the properties and records of the plan and
9 board and may prescribe methods of accounting and the rendering of periodic reports in
10 relation to projects undertaken by the plan.

11 2. By August first of each year, the board shall submit to the governor, the state
12 treasurer, the president pro tempore of the senate, and the speaker of the house of
13 representatives a public report on the operation of the plan and trust and activities of the
14 board, including an audited financial report, prepared in accordance with generally
15 accepted accounting principles, detailing the activities, operations, receipts, and
16 expenditures of the plan and board during the preceding calendar year. The report shall
17 also include a summary of the benefits provided by the plan, the number of participants,
18 the names of the participating employers, the contribution formulas and amounts of
19 contributions made by participants and by each participating employer, the withdrawals,
20 the account balances, investments, investment returns, and fees and expenses associated
21 with the investments and with the administration of the plan, projected activities of the

22 **plan for the current calendar year, and any other information regarding the plan and its**
23 **operations that the board might determine to provide.**

285.1055. 1. The board shall establish the plan so that individuals are able to begin
2 **contributing under the plan no later than September 1, 2022.**

3 **2. The board may, in its discretion, phase in the plan so that the ability to**
4 **contribute first applies on different dates for different classes of individuals, including**
5 **employees of employers of different sizes or types and individuals who are not employees,**
6 **provided that any such staged or phased-in implementation schedule shall be substantially**
7 **completed no later than September 1, 2022.**

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