

Navigating Minnesota's Secure Choice Retirement Program: What Employers Need to Know

by Josh Timmerman, Impact Retirement Advisors

Minnesota's Secure Choice Retirement Program is rolling out beginning in 2026, creating new compliance requirements for employers that do not currently offer a retirement plan. While this mandate adds another regulatory consideration, it also presents an opportunity for employers to strengthen their benefits, support employee financial wellness, and remain competitive in today's labor market.

Here's what Minnesota employers need to know—and how to approach Secure Choice strategically rather than reactively.

What Is Minnesota Secure Choice?

Minnesota Secure Choice is a state-facilitated retirement savings program designed for employees whose employers do not offer a workplace retirement plan. If an employer does not maintain a qualified plan—such as a 401(k), SIMPLE IRA, or pension—employees must be given access to the state's program.

The goal is to expand access to retirement savings and address Minnesota's retirement savings gap by using automatic payroll deductions into individual retirement accounts (IRAs).

Who Must Comply—and When?

Employers with **five or more covered employees** that do **not** offer a qualified retirement plan must either:

- **Register for Minnesota Secure Choice, or**
- **Offer a qualified private retirement plan**

The program is being implemented in phases based on employer size, beginning in 2026. Employers that already offer a qualified retirement plan are exempt but must still certify that exemption through the Secure Choice system.

Minnesota Secure Choice – Employer Registration Deadlines

Number of Employees at Covered Employer	Compliance Deadline
100 or more	June 30, 2026
50 to 99	December 31, 2026
25 to 49	June 30, 2027
10 to 24	December 31, 2027
5 to 9	June 30, 2028

Employers that fail to comply by their applicable deadline may face monetary penalties assessed per eligible employee, with increasing costs if the issue remains unresolved.

Why This Matters for Employers

Between managing operations, workforce challenges, and regulatory obligations, retirement plan compliance may not be top of mind. However, Secure Choice is now a legal requirement for many employers—and addressing it proactively can:

- Help avoid compliance penalties and last-minute scrambling
 - Demonstrate commitment to employees' long-term financial security
 - Improve retention and recruiting in a competitive labor environment
 - Create structure and consistency around retirement savings
-

Your Options: State Program vs. Private Retirement Plans

Minnesota Secure Choice (State-Run IRA Program)

The state program provides a straightforward compliance solution, but it comes with limitations:

- Lower contribution limits compared to 401(k) plans
- No employer contributions permitted

- Limited investment flexibility
- Less customization for workforce needs

Private Retirement Plans (401(k), SIMPLE IRA, etc.)

Many employers choose to satisfy the requirement by adopting a private plan, which may offer additional advantages:

- Higher contribution limits
- Optional employer matching or profit-sharing contributions
- Broader investment options
- Greater plan design flexibility (eligibility, vesting, contribution formulas)
- Potential tax credits and deductions for employers

For many businesses, Secure Choice becomes a catalyst to evaluate whether a private plan may better support their workforce and long-term goals.

A Practical Approach for Employers

- **Plan Early:** Understanding your deadline and options well ahead of time allows for thoughtful decision-making rather than last-minute compliance.
 - **Evaluate Fit:** Consider workforce demographics, cash flow, and recruiting goals when comparing the state program to private alternatives.
 - **Use Expertise:** Retirement plan rules, administrative responsibilities, and fiduciary considerations add complexity—working with experienced advisors can simplify the process and reduce risk.
-

How Impact Retirement Advisors Can Help

At Impact Retirement Advisors, we help employers of all sizes navigate Minnesota Secure Choice requirements. Whether you plan to use the state program or want to explore private retirement plan options, we can help you:

- Understand your specific compliance obligations and deadlines
- Compare the state program with private plan alternatives
- Implement a solution aligned with your workforce, budget, and business goals

- Outsource administrative and fiduciary responsibilities so you can stay focused on running your business
-

Final Thought: Turn Compliance Into Opportunity

Minnesota Secure Choice doesn't have to be viewed as just another regulatory hurdle. With the right approach, it can become a chance to enhance employee benefits, strengthen retention, and position your organization for long-term success.

By acting early and making informed decisions, employers can stay in control—not scrambling at the deadline.

Want to learn more or discuss your options?

Set up a meeting with Impact Retirement Advisors to get personalized guidance and a clear path forward—no matter your company's size or current plan status.

Josh Timmerman

Investment Adviser Representative

C: (952) 266-9376

josh@impactretirementadv.com

www.impactretirementadvisors.com

Disclosure

The views, opinions and content presented are for informational purposes only. Advisory services offered through Impact Retirement Advisors, LLC., an Investment Adviser registered with the U.S. Securities & Exchange Commission. The information is not intended to be, and should not be considered as, impartial investment advice or an offering of investment advisory services. The information contained herein may be subject to change at any time without notice. Past performance is not indicative of future results.