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News

Ashner Discusses SECURE 2.0 for 403(b) Plans With PLANSPONSOR

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The passage of SECURE 2.0 brings with it a slew of changes, both large and small, for various retirement plans. In conversation with *PLANSPONSOR* for their article, "403(b) Plans Will Continue to Act More Like 401(k)s with SECURE 2.0 Changes," Groom's David Ashner explored some key SECURE 2.0 provisions specific to 403(b) plans that align with current 401(k) plan operations.

Ashner noted, when discussing the potential for 403(b) plans to function more similarly to 401(k) plans, that the "broad trend is to make the plans operate the same way and have the same rules."

When discussing tax-exempt organizations' 403(b) plans, *PLANSPONSOR* reported Ashner's remarks, explaining, "Those sponsored by public institutions, such as public schools and fire departments, are not, but may elect to be ERISA-governed."

On the allowance of 403(b) plans to participate in PEPs and MEPs, the article recounted Ashner's explanation that "this is designed to help smaller employers start plans by joining existing ones and pooling administrative costs."

When covering SECURE 2.0 permitting 'de minimus' incentives from employers, *PLANSPONSOR* reported Ashner stating, "This applies to all qualified retirement plans and 'is on theme' in increasing participation."

The article concluded with coverage of the standardization of hardship withdrawal rules that will now apply to 403(b) plans, and recounted Ashner as explaining that "SECURE, passed in 2019, expanded hardship withdrawals, but 403(b) plans were left out."

To read the article, click here.