



Resolution Amending the  
MissionSquare Retirement 401(a) and 457(b) plans  
for SECURE 1.0 and 2.0 Acts

# Objective:

- Authorize and ratify mandatory and optional amendments to the City's MissionSquare Retirement 401(a) and 457(b) plan documents as outlined in the Setting Every Community Up for a Retirement Enhancement Act of 2019 ("SECURE 1.0") and Securing a Strong Retirement Act of 2022 ("SECURE 2.0").

# Background:

- The Setting Every Community Up for a Retirement Enhancement Act of 2019 (SECURE 1.0) was enacted to expand access to tax-advantaged retirement accounts and encourage retirement savings. It contains 30 mandatory and optional provisions for retirement plans.
- The Securing a Strong Retirement Act of 2022 (SECURE 2.0) builds on previous legislation in SECURE 1.0 and includes reforms that seek to expand retirement coverage and savings. It contains 90 mandatory and optional provisions designed to strengthen the retirement system and encourage more Americans to save for retirement.

# Mandatory Amendments

- The SECURE Acts (1.0 & 2.0) include mandatory provisions for retirement plans including 401(a) and 457(b) retirement plans.
- Adoption is required.
- The mandatory provisions have tiered effective dates.
- Some provisions may not be effective until a future date.
- The Department of Treasury and the Internal Revenue Service has issued guidance on some provisions, and it's anticipated that further guidance or final regulations will be issued.

# Optional Amendments

- Three Optional amendments added to 457(b) deferred compensation plan
  - 457(b) plan is an optional retirement account
  - Eliminate the “first of the month” rule for 457(b) deferral changes
    - Requested deferral changes can be processed as soon as administratively feasible, rather than the first pay period of the following month.
  - **\$1,000 withdrawal for certain emergency expenses**
    - Upon written request, participants may be eligible to receive up to \$1,000 withdrawal to pay for unforeseen or immediate financial need relating to necessary family or personal emergency expense.
  - **Distribution for qualified Federally declared natural disaster**
    - Qualified participants may receive, upon written request, a distribution of up to \$22,000 for Federally declared natural disasters.