

Section 106.

(last updated 1/19/2023)

Title: Multiple employer 403(b) plans

Effective Date: Effective for plan years beginning after December 31, 2022.

Mandatory or Optional: Optional

Plans Affected: 403(b)

Previous Law: The SECURE Act provided for the creation of PEPs, which allowed unrelated employers to join the same plan while still being considered one plan for purposes ERISA. PEPs are not subject to the same Department of Labor (“DOL”) commonality requirements as closed MEPs. 403(b) plans were not included in these provisions in 2019.

SECURE 2.0 Law: Permits certain 403(b) plans to be operated as MEPs (including as PEPs) and clarifies the annual reporting requirements. It also directs Treasury to issued regulations providing relief from the “one bad apple” rule for 403(b)s and to issue model plan language.

Guidance and/or Correction Bills:

- None