



SECURE AND SECURE 2.0

Hot Topics for Governmental Plans

NAGDCA 2025 ANNUAL CONFERENCE SAN DIEGO • SEPTEMBER 28 - OCTOBER 1

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Introduction – Format

- We intend for this panel to be informative, interactive, and a great opportunity to network with your fellow attendees
- Our panel will first discuss a topic, then will provide you with table questions to discuss, then will encourage you to briefly share highlights from your discussion with the group
- There are prizes for participating! Including an opportunity to win our grand prize – a free registration to next years NAGDCA Annual Conference

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Introduction – Panelists



Yongo Ding
Morgan Lewis



Marybeth
Daubenspeck,
Empower



Michael Gorman
Morgan Lewis



Marla Kreindler
Morgan Lewis



Melanie Walker
Segal

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Catchup Contributions – Panel Discussion

- What types of plans are subject to SECURE 2.0's provisions?
- What are so-called “super-catch-up contributions” and which employees are permitted to make them?
- What is the Roth catch-up requirement, and how can plans be designed to comply with it?
- What do plan sponsors need to consider as they plan for the implementation of SECURE 2.0's catch-up contribution provisions?
- The IRS just published regulations on this issue a couple of weeks ago. What do governmental plan sponsors need to know?

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Catch-up Contributions – Table Discussion

- Has any plan sponsor decided not to offer catch-up contributions or super-catch-up contributions at this point? If so, why not?
- What catch-up contribution implementation difficulties have you heard about or encountered?



Optional Distribution Features Under SECURE 2.0 – Panel Discussion

- What optional distribution features are permitted under SECURE 2.0?
- Which optional provisions are governmental plans adopting most frequently?
- Of the many changes to distribution options under SECURE and SECURE 2.0, which ones are mandatory and which ones are optional for governmental 457(b) plans?



Adoption of optional provisions

Provision	Implementation date	Adoption rate
Elimination of notices for eligible-not-enrolled employees (Section 320)	November 2023	100%*
Remove first-day rule (Section 306) for governmental 457(b) plans	December 2023	31%
Student loan match (Section 110)	January 2024	<1%
Increase in cash-out threshold (Section 304)	April 2024	Negative consent = 96% ** (4% opt out) Overall = 46%
Domestic abuse distributions (Section 314)	May 2024	28%
Terminal illness penalty tax exception (Section 326)	September 2024	18%
403(b) hardship distribution expansion (Section 602)	September 2024	8%
Qualified federal disaster recovery distributions (Section 331)	October 2024	27%
Auto portability - Portability Service Network (Section 120)	January 2025	65%***
Increased catch-up limit for ages 60-63 (Section 109)	January 2025	99%

*Utilized negative consent, no plans opted out.
**Negative consent approach during initial rollout in 2024
***As of initial rollout on August 25, 2025.
Source: Empower book of business August 1, 2025.
Some features may not be available and are subject to change without notice.

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Optional Distribution Features Under SECURE 2.0 – Table Discussion

- Have you adopted, or considered adopting, any of the optional SECURE 2.0 distribution features? If so, which ones?
- Are you utilizing self-certification where available (e.g., hardship distributions, domestic violence distributions, emergency personal expense withdrawals)?

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Corrections and Amendments Under SECURE 2.0 – Panel Discussion

- How has SECURE 2.0 expanded the ability of plan sponsors to self-correct plan failures?
- How do the changes to the rules for plan corrections (e.g., recouping overpayments, inadvertent failures, automatic enrollment) apply to governmental 457(b) plans?
- What are the deadlines for governmental 457(b) plans to amend their governing documents to comply with SECURE 2.0 changes to their plan rules?

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Questions?

1. In the conference app, select this session from the schedule.
2. Select “External QA/Survey.”
3. Type your question and tap send.

CONTINUING EDUCATION CODE:

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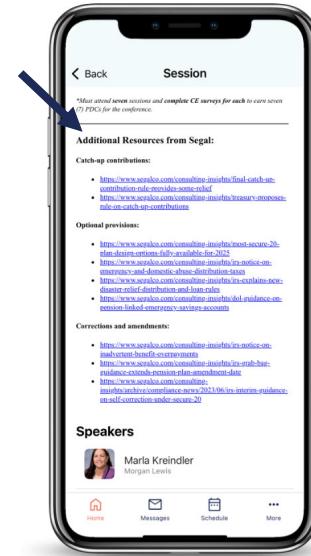
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Closing Remarks

- Don't hesitate to reach out. Our email addresses are:
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- Additional materials discussing these issues are available through the *NAGDCA Events* app in the session description.



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RO4836701-0925

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