

October 1, 2026

Submitted Electronically via www.regulations.gov

Ms. Helen Morrison
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Office of Tax Policy
U.S. Department of the Treasury
1500 Pennsylvania Avenue, NW
Washington, D.C. 20220

Mr. Philip Lindenmuth
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Employee Benefits, Exempt Organizations, and Employment Taxes
Internal Revenue Service
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Washington, D.C. 20224

Re: Comments on Notice 2026-48, *Notice of Intent to Issue Regulations with Respect to Saver's Match Contributions*

Dear Ms. Morrison and Mr. Lindenmuth:

The National Association of Government Defined Contribution Administrators (“NAGDCA”) writes to provide comments on Notice 2026-48, *Notice of Intent to Issue Regulations with Respect to Saver's Match Contributions* (the “Notice”), which provides initial guidance on the Saver's Match in section 6433 of the Internal Revenue Code of 1986 (the “Code”) as added by section 103 of the Division T of the Consolidated Appropriations Act, 2023, Pub. L. 117-328, 136 Stat. 4459 (2022) (“SECURE 2.0”). We appreciate the helpful guidance that the IRS and Treasury have historically provided in clarifying and enhancing the practicality of implementing retirement-related legislation, and we are grateful for the detailed and thoughtful guidance in Notice 2026-48. We hope our comments below are of value to you, and we would welcome the opportunity to meet with you at your convenience to discuss them.

EXECUTIVE SUMMARY

- NAGDCA members want to make the Saver's Match available in their plans and programs, but implementation presents very significant logistical challenges.
- We support the Registration Path discussed in the Notice and believe it can work if it is designed to be easy to administer at scale. However, we encourage Treasury and IRS to design the system with an eye toward future improvements and not just first-year functionality. Ideally, the processes will be improved incrementally over time to reduce

burdens and complexity by, for example, automating both the verification of accounts as well as the distribution of funds.

- NAGDCA supports the use of the conduit IRA, and we have provided several technical recommendations to make the system more efficient. However, we want to highlight the need to have clear rules and procedures for Roth conversions of the Saver's Match. We encourage Treasury and the IRS to not require withholding at the time of the conversion.
- NAGDCA members can help educate savers about the Saver's Match, but to make those efforts effective, we encourage Treasury and the IRS to, among other things, release model language and forms early, extend the model language in the Notice beyond annual notices, and provide materials specifically for plan sponsors, IRA providers, and other state programs, including those that facilitate automatic retirement savings (*e.g.*, state auto-IRA programs).
- It is important that final guidance be in place as soon as possible so that NAGDCA members have the time necessary to implement processes and systems in time to accommodate the Saver's Match in 2028. The first contributions eligible for the Saver's Match will begin in approximately three months, and governmental plans and programs often require state legislatures to approve certain types of plan amendments. Thus, we encourage Treasury and the IRS to issue final regulations, registration procedures, and model language as promptly as possible, and to provide transition relief and good-faith compliance protection for the initial years while these entirely new processes are implemented.

BACKGROUND

NAGDCA governmental members oversee plans for participants from 77 state and territorial government entities and 182 local government entities, including counties, cities, public safety agencies, school districts, and utilities. NAGDCA's members administer governmental deferred compensation and defined contribution plans, including Code section 457(b), 401(k), 401(a), and 403(b) plans. The association provides a forum for working together to improve defined contribution plan operations and outcomes by sharing information on investments, marketing, administration, and the federal laws and regulations governing these plans.

NAGDCA's membership also includes the state-facilitated automatic IRA retirement savings programs – commonly referred to as “auto-IRAs” – that a growing number of states have established to provide payroll-deduction retirement savings access to private-sector workers whose employers do not sponsor a retirement plan. These programs are administered by state agencies and boards, typically enroll workers automatically into a Roth individual retirement account (“IRA”) at a default contribution rate, and now serve well over one million savers with combined assets of over \$3 billion. Because these programs are intended to benefit moderate- and lower-income workers who lack access to an employer plan, they have a direct and substantial stake in how the Saver's Match is implemented, as does the population of workers they serve.

COMMENTS

I. NAGDCA Members Want to Make the Saver's Match Available in Their Plans and Programs

Our members support the Saver's Match and, as a general matter, want to make it available to the savers they serve. Beginning in 2027, Code section 6433 will provide a federal matching contribution of as much as \$1,000 – 50 percent of up to \$2,000 of qualified retirement savings contributions – paid directly into a saver's retirement plan or IRA. Unlike the Saver's Credit that it replaces, the Saver's Match is not limited by the individual's tax liability and does not simply reduce an individual's tax bill. Instead, it is contributed directly into the individual's retirement account, where it can be invested and generate compound earnings. For a worker of modest means who is deciding whether to contribute, a 50 percent federal matching contribution is among the most powerful savings incentives available. The Saver's Match therefore has the potential to help a large number of people build meaningful retirement savings, and NAGDCA has a strong interest in making sure that its implementation is successful.

The Saver's Match will help many public sector workers, including school support staff, food service and custodial employees, bus drivers, para-educators, clerical and administrative staff, seasonal and part-time employees, entry-level corrections and public safety personnel, and public hospital and university support staff, many of whose modified adjusted gross income ("MAGI") will fall squarely within the Saver's Match MAGI eligibility ranges. These are precisely the savers for whom an additional matching contribution could provide a strong incentive to make a retirement plan contribution.

The populations served by our state auto-IRA program members are also exactly the ones the Saver's Match was intended to help. These programs cover workers who have no employer-sponsored plan and are disproportionately in lower-wage industries such as food service, retail, personal care, construction, and home health. Typical account balances and annual contribution amounts in these programs are modest, which means that for most participants the \$2,000 cap on qualified retirement savings contributions will not be a constraint as the Saver's Match will apply to substantially all of what they save.

We note, however, that Q&A I-2 of the Notice correctly recognizes that neither retirement plans nor IRAs are required to accept Saver's Match contributions. Whether our public sector plan and state auto-IRA program members will be able to accept them will depend almost entirely on whether the administrative processes for claiming and paying the Saver's Match can be implemented at a reasonable and predictable cost.

II. Implementation Presents Very Significant Logistical Challenges to Plans, Programs and IRA Providers

Implementing the Saver's Match will require the retirement system to do something it has never done before. Today, essentially all money entering a governmental defined contribution plan or a state auto-IRA program arrives through a single, known source on a regular cycle: the employer, through payroll. Recordkeeping systems are built around a periodic remittance accompanied by

an employer-supplied file that identifies each participant and the amount and type of each contribution, which allows contributions to be posted automatically and reconciled against the remittance.

Saver's Match contributions will not work that way. Instead, the Saver's Match will be claimed by the individual on a new Form 8880-A (Notice Q&A A-1 and Q&A E-1), and Code section 6433(a)(2)(A) directs that it be paid by Treasury "as soon as practicable" after the claim is filed. As a result, Treasury – not the employer – will be making the payments that will be contributed to applicable retirement plan accounts, and each payment will have to be traced to a specific participant account in one specific plan or IRA.

This process will create significant logistical challenges, both for Treasury and to the receiving plans, programs and IRA providers that will need to move and process large amounts of data and trace payments to specific accounts. The payments will be spread across the tax filing season and, for late and amended returns, well beyond it. Many payments will be small amounts, sometimes as little as \$100 or less, and there is no existing mechanism to direct a payment from the federal government to an individual's sub-account within an omnibus trust or custodial account, which may, in some cases, be closed between the time when the individual claims the Saver's Match and when the amount is distributed.

The downstream obligations the statute and Notice places on plans, programs and IRA providers receiving the payments will compound these difficulties. For example, a plan that receives Saver's Match contributions directly from Treasury must separately account for those amounts in order to apply the hardship and unforeseeable emergency distribution restrictions (Q&A I-5). Such a plan also must report the aggregate amount received directly from Treasury during the plan year on the Form 5500 series (Q&A F-1), and an IRA provider must file a Form 5498 showing the aggregate amount of Saver's Match contributions to the IRA received directly from Treasury during the calendar year (Q&A F-2). Further, a plan, program or IRA must be prepared to process distributions of erroneous contributions (Q&A H-2). Moreover, a retirement plan must be amended to reflect that it accepts the Saver's Match (Q&A I-7), and – if the plan is subject to Title I of ERISA – must also describe those contributions in a summary plan description or summary of material modifications.

To make all of this work will require substantial changes to recordkeeping systems as there is no existing mechanism that would allow the Saver's Match to be processed efficiently. Absent a well-designed, automated process, the only option will be to process the Saver's Match manually. The costs of manual processing will be substantial and create a material risk of error. The costs and risk may discourage many plans and providers from accepting the Saver's Match.

III. We Encourage Treasury and the IRS to Design for Automation and to Reduce or Eliminate Manual Involvement

We believe that one of the most important determinants of whether the Saver's Match succeeds is the quality of the automated "plumbing" that Treasury and the IRS develop in conjunction with plans, programs and IRA providers. It is critical that Treasury develop a set of processes

that are efficient and reduce manual involvement as much as possible. It is also critical that these processes be designed to evolve and accommodate increasing amounts of automation over time.

We understand Treasury and the IRS may have already decided to use the Registration Path discussed in the Notice. That approach can work if it is designed to be easy to administer at scale. However, we appreciate that the Notice requests comments on alternative approaches, and we strongly encourage the Saver's Match distribution system to be built with an eye toward future improvements and not just first-year functionality. Ideally, the system should be improved incrementally over time to reduce burdens and complexity by, for example, automating both the verification of accounts as well as the distribution of funds.

Our overarching recommendation is that Treasury and the IRS optimize each process so that, in the ordinary case, a Saver's Match payment can be received, identified, posted, and reconciled by a recordkeeper without human intervention. Moreover, the processes should be designed in such a way that Treasury and plans, programs and IRA service providers are able to verify account information *before* the money moves into individual accounts, and there are clear solutions for any bounce-backs/transfer failures that nonetheless occur.

In our view, multiple paths described in Q&As E-2 and E-3 of the Notice *could* be made to work, and we encourage Treasury and the IRS to more fully develop alternative paths so that plans, programs, and service providers with differing capabilities can participate. Each path, however, requires refinement before plan and IRA providers will be able to process payments effectively. Moreover, in deciding the paths on which to spend time and resources, Treasury and the IRS should prioritize the use of conduit IRAs and those paths in which any manual involvement is kept to an absolute minimum.

a. *The Registration Path*

Under the Registration Path, retirement plans (likely via their recordkeepers) would provide registration information directly to Treasury and IRS. Treasury would then automatically establish and contribute to a conduit traditional IRA for an individual, and the conduit traditional IRA would then immediately roll over the Saver's Match contribution to the retirement plan that has registered with Treasury and the IRS. Payments made through the Registration Path would be treated as rollover contributions and would not be treated as contributions made directly from Treasury.

We believe that the Registration Path is workable and has significant advantages, discussed in Part IV below, because it routes payments through a conduit IRA. The use of conduit IRAs has the potential to very meaningfully reduce plan and program costs and administrative burdens. For example, rolling over Saver's Matches from a conduit IRA allows receiving plans and programs to treat such amounts like any other rollovers and that negates the need to apply the special accounting and reporting requirements that apply when Saver's Match contributions are received directly from Treasury. Further, a receiving plan would not need to be amended to accept Saver's Match contributions, so long as the plan already accepts IRA rollovers.

In developing the Registration Path, we recommend that registration be permitted at the recordkeeper level and cover all plans or IRAs for which that recordkeeper maintains records, rather than requiring a separate registration for each plan. We also ask that a single registration be capable of amendment as plans may change recordkeepers, and that the identifying information transmitted with each payment be sufficient, on its face, to post the payment without inquiry. Further, given that conduit IRAs will serve as a “plumbing” vehicle, we ask that most, if not all, regulatory reporting burdens, including disclosures, statements, and Federal reporting, be waived for these conduit IRAs.

b. *The Automatic Match Path*

Under the Automatic Match Path, retirement plans (likely via their recordkeepers) would provide plan and participant level information to Treasury and IRS, and Saver’s Match contributions would be automatically paid directly to the plan’s recordkeeper providing the information. The information that would be provided could be similar to the information provided by retirement plans to implement existing auto-portability of an inactive participant’s retirement account from a former employer’s retirement plan to the participant’s active account in a new employer’s retirement plan.

The Automatic Match Path is promising because it contemplates participant-level information flowing directly to Treasury and the IRS in advance of payment. As the Notice observes, the information involved is similar to what plans and recordkeepers already exchange to implement auto-portability under section 120 of SECURE 2.0, and that existing infrastructure and experience could be leveraged under this path. A significant downside to this path, however, is that it does not use a conduit IRA to remit contributions and thus does not have the advantages discussed in Part IV.

We ask that Treasury and the IRS, if they continue to develop this path: (i) permit a recordkeeper, third-party administrator, or state program to submit plan-level and participant-level information on behalf of multiple plans in a single standardized file, which is essential for statewide systems and for multiple-employer and multiemployer arrangements under sections 413(b) and 413(c); (ii) adopt data formats and identifiers consistent with those already used for auto-portability and payroll interfaces; (iii) confirm that a plan or recordkeeper that submits information in good faith is not responsible for the accuracy of eligibility determinations, a responsibility that rests with the IRS; and (iv) strongly consider guidance treating these amounts as equivalent to rollover contributions (much like the prior precedent of repayments of qualified birth or adoption distributions).

c. *The Rollover Path*

The Rollover Path would be similar to the Registration Path in that it would use a conduit IRA, but Treasury would provide a “Saver’s Match Confirmation Number” to the individual saver for the individual to provide to the retirement plan, which would then provide identifying information about the plan and individual to Treasury. Then, Treasury would pay the Saver’s Match to a conduit IRA established by Treasury, and the conduit IRA would immediately roll over the Saver’s Match to the individual’s chosen retirement plan.

If necessary, this path could be retained and further developed as a backstop option, but we believe that it is inefficient and see it as the least favorable of the three options. It requires that an individual receive a Saver's Match Confirmation Number from the IRS, deliver that number to the individual's chosen retirement plan, and for the plan then to transmit identifying information to Treasury before any payment is made. Every one of those steps is a potential point of failure, and each depends on manual actions being taken in the months after the individual files a Form 8880-A. We expect the use of this method to result in a relatively large number of errors for the reasons set forth in Part V, below.

d. *Saver's Match Contributions to IRAs*

The Notice also describes two methods for individuals to direct Saver's Match contributions to their IRAs. The applicable method would depend on whether the individual's Saver's Match contribution would be directed to a traditional IRA or Roth IRA.

An individual who wants to direct payment of a Saver's Match contribution to a traditional IRA would need to provide an "IRA tracking number" on the individual's Form 8880-A that identifies the individual's chosen traditional IRA provider. The traditional IRA provider would register with Treasury to obtain the IRA tracking number, and the individual would obtain the tracking number either directly from the IRA provider or through a government website (*e.g.*, TrumpIRA.gov). The IRS would then use this information to pay the Saver's Match directly to the individual's chosen traditional IRA.

An individual who wants to direct the Saver's Match to a Roth IRA would need to establish a Roth IRA with a provider that is registered with Treasury and the IRS and then submit the Form 8880-A with a tracking number the individual gets from the provider (or a government website). But instead of making the contribution directly to the individual's Roth IRA, Treasury would establish and contribute to a conduit traditional IRA for the individual and then those amounts would be immediately transferred to the Roth IRA in a trustee-to-trustee transfer. Those payments would not be treated as contributions made directly to the Roth IRA from Treasury and instead would be treated as a Roth IRA conversion subject to income tax withholding and reporting.

We generally support these methods for making Saver's Match contributions to traditional and Roth IRAs with the regulatory compliance relief suggested above being strongly considered as part of final additional guidance. In particular, we support the use of conduit IRAs to make Saver's Match contributions to Roth IRAs, as discussed in more detail in Part IV.

IV. We Support the Use of Conduit IRAs

As noted above, we strongly support the conduit IRA approaches described in the Notice, and we encourage Treasury and the IRS to use the approach regardless of the path selected.

Put simply, the conduit IRA helps reduce the cost and administrative burdens needed to administer the Saver's Match. As Q&A I-4 of the Notice explains, a rollover or trustee-to-trustee

transfer received from a conduit IRA is treated like any other rollover or transfer, and the special tax rules applicable to Saver's Match contributions do not carry over to the receiving plan or IRA. That single design choice relieves the receiving plan or program of the separate accounting required by Q&A I-5 for the hardship and unforeseeable emergency distribution restrictions, of the aggregate Saver's Match reporting required by Q&A F-1 and F-2, and of the special erroneous-contribution and recovery tax mechanics. Further, Q&A I-7 of the Notice confirms that a plan that already accepts rollover contributions generally need not be amended to receive a conduit IRA rollover. The practical consequence is a smaller systems build and lighter ongoing administrative load, which means that many more plans and programs will be able to participate – and participate sooner – in the Saver's Match program than would otherwise be the case. We view this as the most important burden-reducing feature of the framework described in the Notice and, as noted, have suggested further steps to reduce the burdens and costs of this process.

The conduit IRA is particularly important for savers who use Roth accounts. Code section 6433(e)(1) excludes both a Roth IRA and the designated Roth portion of a plan from the definition of an applicable retirement savings vehicle, so a Saver's Match contribution cannot be paid directly into the Roth account in which many savers do all of their saving. Without the conduit IRA approach, those individuals would have no choice but to establish a new, separate traditional account solely to receive the Saver's Match.

That result would be expensive and counterproductive. Establishing and maintaining an additional small-balance account carries real costs – account setup, recordkeeping and custodial fees, statements and required notices, investment minimums, beneficiary designations, and the risk of escheatment or forced-transfer processing for accounts that are abandoned. It also creates confusion for the individual saver, who would have to have two accounts with one of them containing only the Saver's Match. Those costs could consume a meaningful share of a benefit that in many cases will be between \$100 and \$500, which would directly reduce the effectiveness of the Saver's Match as an incentive. Multiplied across the eligible population, the cost of unnecessary account proliferation would be substantial.

These concerns are especially acute for our state auto-IRA program members. Those programs use Roth IRAs as the default account type, and the overwhelming majority of their participants have been automatically enrolled and hold only a Roth IRA. If the Saver's Match could reach those savers only through a separately established traditional IRA, either the programs would have to build and maintain a parallel traditional IRA structure for large numbers of small accounts, or their participants would likely go without the match. Neither outcome is consistent with the purpose of the Saver's Match, and the conduit IRA approach avoids both of these bad outcomes.

To make the conduit IRA work as intended, we ask that the final regulations or other accompanying guidance address the following:

- *A single registration covering traditional and Roth IRAs.* Footnote 25 of the Notice contemplates that a provider willing to accept Saver's Match contributions with respect to both traditional and Roth IRAs must register separately in each capacity, with distinct

tracking numbers. We ask that a single registration and a single application generate whatever identifiers are needed, and that the individual's designation of a traditional or Roth destination be captured on Form 8880-A rather than through separate provider registrations. The two-registration approach adds administrative steps for providers and one more opportunity for an individual to select the wrong number.

- *Withholding on the conduit-to-Roth transfer.* Q&A E-2(b) states that the transfer from a conduit IRA to the individual's Roth IRA is a Roth conversion subject to withholding under section 3405. Withholding would reduce the amount that actually reaches the saver's account and would defeat much of the purpose of the payment. We ask that Treasury and the IRS provide a simple, prospective mechanism – ideally an election made on Form 8880-A itself, or a default no-withholding rule for these transfers – so that the entire match reaches the Roth IRA.
- *Clear treatment and communication of the conversion.* Because the Roth conversion is a taxable event, an individual who receives the Saver's Match transfer from a conduit IRA to a Roth IRA could have additional taxable income in the year of the transfer. We ask that Treasury and the IRS consider whether the regulatory authority in section 6433(f)(2)(A) – which applies the general characterization rules “except as provided by the Secretary under regulations” – can be used to mitigate or simplify this result. At a minimum, we ask for clear Form 1099-R and Form 5498 reporting instructions and for a plain-language explanation in the Form 8880-A instructions and in participant-facing materials, so that savers are not surprised by a tax bill arising from a benefit intended to help them.
- *Allocation of conduit IRA responsibilities.* We ask for confirmation that Treasury is responsible for establishing, reporting on, and closing the conduit IRA, and that the receiving plan, IRA provider, or state program has no obligation with respect to the conduit IRA beyond ordinary rollover or transfer processing.
- *Availability across paths.* We ask that the conduit IRA be available regardless of which path is used, including for those seeking to receive the Saver's Match through the Automatic Match Path.
- *Exemption from Form 5498 reporting.* As suggested more broadly above, state auto-IRA programs that receive rollovers of Saver's Match contributions from conduit IRAs should not be required to perform Form 5498 reporting with respect to amounts held in the conduit IRA. Requiring Form 5498 reporting for conduit IRAs would add cost and complexity with no added benefit for the federal government or retirement savers.

We are particularly supportive of allowing conduit IRAs for Roth conversions because, in many cases, that approach will serve retirement savers better than establishing multiple IRAs. However, we request that Treasury not foreclose other approaches. For example, some providers may be in a position to co-administer two IRAs – one Roth IRA for contributions and one traditional IRA for the Saver's Match – without adding cost or complexity for the account owner. Additionally, we request that Treasury consider allowing a single IRA to maintain sub-accounts with different tax treatment.

V. We Recommend Minimizing the Need for Individual-Supplied Identifiers

We want to be direct on this point: any design that depends on individuals accurately providing plan, account or provider identifiers on a tax form will generate errors at scale.

Under the Notice, an individual directing a match to an IRA must enter an IRA tracking number on Form 8880-A. That number identifies the provider, not the account, so even a correctly entered number will require the provider to match the payment to a specific account; and an incorrectly entered number will produce a payment directed to the wrong provider or no payment at all. Experience with direct-deposit routing and account numbers on Form 1040 and with rollover paperwork generally indicates that transcription errors, stale numbers, and blank fields will be common. Notably, the population most likely to be affected is the population the Saver's Match is meant to serve, which is also the population least likely to have professional tax assistance.

We accordingly recommend the following, which we believe would substantially reduce error rates and manual handling:

- *Standardized remittance data with every payment.* Each payment should be accompanied by a standardized electronic data record containing, at a minimum, the individual's name and taxpayer identification number, the taxable year to which the match relates, the amount, the tracking number or plan identifier used, and a unique payment identifier that can be used in any subsequent correction or return.
- *Validation before payment.* The tracking number should be validated at the point of filing – in tax preparation software and in IRS processing – so that an invalid or inactive number is corrected before a payment is issued rather than after.
- *Selection rather than transcription.* Wherever possible, individuals should select a provider, plan, or program from a list rather than transcribe a number. If TrumpIRA.gov is developed as contemplated by Executive Order No. 14403, it should support a lookup that populates the tracking number directly, and comparable functionality should be built into tax preparation software.
- *Use of existing information returns.* The IRS already receives information showing where an individual saves, including elective deferral amounts and codes reported on Form W-2 and IRA contributions reported on Form 5498. We encourage Treasury and the IRS to use these existing data flows to identify a default destination for the match, and to prepopulate that destination for the individual's confirmation, rather than requiring the individual to supply it from scratch.
- *A defined return process.* Inevitably, there will be payments that cannot be matched to an account, that relate to individuals with no relationship to the receiving plan or program, or that arrive after an account has been closed. Treasury and the IRS should publish a standardized process, with reason codes, for returning such a payment; should specify a reasonable period within which the return may be made; and should confirm that a return made in accordance with that process does not create a taxable event for the individual, does not cause a qualification or documentary failure for the plan or IRA, and does not make the receiving plan or IRA responsible for the recovery of an erroneous payment.

- *Predictable timing.* Recordkeepers need to know when to expect payment files. We ask that Treasury issue payments on a defined and published cycle – for example, in scheduled batches – rather than continuously, and that it publish an annual calendar of cutoffs.
- *A good-faith reliance standard.* A plan, IRA provider, or state program that posts, returns, reports, or restricts a Saver’s Match contribution in good-faith reliance on the data Treasury transmits with the payment, or on a written IRS notification of an erroneous payment, should be protected from adverse consequences if that data proves to be incorrect.
- *Evolving system.* It is important that any systems established to implement the Saver’s Match are able to evolve and accommodate increasing amounts of automation over time.

VI. The Saver’s Match Will Be Most Effective If Savers Know About It, and Our Members Can Help

The Saver’s Match was designed in its current form precisely because a match changes behavior: a saver who understands that the federal government will add fifty cents for every dollar saved, up to \$1,000, has a reason to begin saving or to save more. But a match can only change behavior if the saver understands it before deciding whether to contribute. An incentive that is discovered at tax time, after the contribution decision has already been made, functions as a windfall rather than an inducement. We therefore regard education and awareness of the Saver’s Match as inseparable from implementation, and we note that Congress addressed public awareness directly in section 104 of SECURE 2.0. Importantly, Executive Order No. 14403 states a policy of increasing public awareness of the Saver’s Match.

NAGDCA and its members can help educate savers about the Saver’s Match, and we would welcome the opportunity to do so. Public retirement systems already conduct a great deal of participant education in the form of new hire orientations and enrollment meetings, annual and periodic plan notices, payroll inserts, quarterly statement messaging, benefit fairs, one-on-one counseling and retirement readiness reviews, targeted digital campaigns, and coordination with union and employer human resources staff. These are established, trusted channels that reach the relevant workers repeatedly throughout the year. Adding the Saver’s Match to existing education and enrollment processes is a comparatively low-cost, high-reach way to build awareness, and it does not require new infrastructure. Our state auto-IRA program members are similarly well positioned to increase awareness of the Saver’s Match as they communicate directly with every covered employer and every automatically enrolled worker in their states. Further, these programs have a strong programmatic incentive to promote the Saver’s Match, because a match increases participation, raises contribution rates, reduces opt-outs, and improves persistence.

We appreciate the model safe harbor annual notice language provided in Q&A I-3 of the Notice, which is a genuinely useful starting point. To make the education effort as effective as possible, we ask that Treasury and the IRS:

- *Release model language and forms early.* Communications for the 2027 plan year will be drafted, reviewed, translated, and printed well in advance. We ask that final model notice language, the model plan amendment language anticipated in Q&A I-7 of the Notice, and

drafts of Form 8880-A and its instructions be released as early as possible, and in any event early enough to be incorporated into 2027 enrollment and annual notice cycles.

- *Extend the model language beyond annual notices.* We ask for confirmation that the model language in Q&A I-3 of the Notice may be used, with appropriate conforming changes, in governmental section 457(b), 401(a), and 403(b) plan communications and in materials other than annual notices – including enrollment kits, summary plan descriptions, websites, account statements, and email and text campaigns – and that reasonable, good-faith modifications to fit the medium do not cause a loss of the safe harbor.
- *Do not condition education on acceptance.* A plan that does not accept Saver’s Match contributions directly should still be encouraged, and expressly permitted, to tell its participants that the Saver’s Match exists and how to claim it, including by directing them to an IRA. We ask that any safe harbor be available in that circumstance as well.
- *Provide parallel materials for IRA providers and state programs.* Model language addressed to IRA savers, and to automatically enrolled participants in state-facilitated programs, would be valuable and should be included in final guidance.
- *Provide co-brandable, plain-language materials and an eligibility estimator.* Treasury and IRS materials that NAGDCA and its members could reproduce or co-brand – including materials in languages other than English and at appropriate reading levels – together with a simple online eligibility and amount estimator, would substantially amplify member education efforts. We also encourage coordination with volunteer income tax assistance programs and tax preparation software providers, through whom much of the target population will file.

VII. Time is of the Essence for Guidance

Finally, we note that it is important that final guidance be in place as soon as possible so that plans, programs, and service providers have the necessary time to build the administrative systems and educational programs needed to support the Saver’s Match.

The first Saver’s Match contributions will relate to the 2027 taxable year and will first be paid in 2028, which means that systems must be specified, built, and tested during 2027, and participant education must begin before the 2027 plan year opens. Recordkeepers are currently in the process of finalizing information technology spending decisions for 2027 and once plans and budgets are set in place, they are very difficult to change. They will need final guidance early so they have the lead time to get the proper systems in place. It also will be critical that the guidance allows the applicable parties to be able to leverage existing infrastructure and processes as much as possible to reduce the necessary build times.

We respectfully encourage Treasury and the IRS to issue final regulations, registration procedures, and model language as promptly as possible, and to provide transition relief and good-faith compliance protection for the initial years while these entirely new processes are implemented. Treasury and the IRS should prioritize guidance related to contributions made through a payroll deduction as any changes to payroll processing must be implemented in short order to be in place by January 1, 2027.

As with prior SECURE 2.0 provisions and other retirement legislative changes, governmental plans will need additional time to implement the new requirements because of complexities in local law enabling requirements, payroll systems, and administration that most private sector employers do not face. In this regard, we note that state legislatures often must approve material amendments to governmental retirement plans and programs.

* * *

Thank you for your time and consideration. We would be happy to meet with you to discuss this matter further if it would be helpful.

Sincerely,

A handwritten signature in black ink, appearing to read "Matt Petersen", with a stylized flourish at the end.

Matt Petersen

Executive Director