UCRS Advisory Board

Meeting of June 19, 2020

AGENDA ITEM C

Retirement Savings Program – Amendments for Approved CARES Act Related Provisions – Update

At its ad hoc meeting of April 17, 2020, the UCRS Advisory Board (Board) was advised of several Retirement Savings Program (RSP) plan amendments that would be submitted for Regental approval that related to certain temporary relief distributions and loan provisions as provided for under the Coronavirus Aid, Relief, and Economic Security Act (CARES Act), which was signed into law on March 27, 2020. Additionally, the Board was reminded that the Bipartisan Miners Act of 2019, passed last December, permitted permanent in-service distributions under governmental 457(b) plans at age 59.5, which were already available under the UC Tax-Deferred 403(b) Plan and allowed, but not yet implemented, under the UC Defined Contribution (DC Plan). Since the Board felt that aligning the RSP in-service distribution rules was advisable, the Board was also informed that amendments to the UC 457(b) Deferred Compensation Plan and DC Plan to allow for permanent in-service distributions at age 59.5 would be included in the item being presented for Regental approval.

As subsequently relayed to the Board, those amendments were passed by the Regents on May 21, 2020. The temporary CARES Act-related distributions and loan provisions were made available by Fidelity the following week and the permanent (non-CARES Act) in-service distributions would be available around October 2020. As also relayed to the Board, the approval and availability of the CARES-Act-related distributions and loan provisions were announced via articles on UCnet and on the myucretirement.com site.

https://ucnet.universityofcalifornia.edu/news/2020/05/uc-regents-approve-loans-and-withdrawals-from-uc-retirement-savings-program-plans-for-those-impacted-by-covid-19.html

https://myucretirement.com/Resource/296

Director Hyun Swanson will provide a brief update on the CARES Act-related distributions and loans to date.