UCRS Advisory Board

Meeting of March 3, 2023

AGENDA ITEM D

Retirement Saving Program – Legislative Update – SECURE Act 2.0

The board will be provided with a summary of the mandatory and optional retirement plan related provisions of the Securing a Strong Retirement Act of 2022 (SECURE Act 2.0), which was signed into law on December 29, 2023, and the proposed corresponding amendments to the UC Retirement Savings Program.

More specifically, UC is looking to allow earnings on employee contributions as an available source for hardship distributions from the 403(b) plan, permit penalty-free withdrawals for victims of domestic violence, remove the percentage limitation on the purchase of a Qualified Longevity Annuity Contract (QLAC), permit a free-look period when purchasing a QLAC, and add an additional contribution type (Roth) to the 403(b) and 457(b) Plans (to comply with restrictions on catch-up contributions as called for by the SECURE Act 2.0).

Since the majority of the provisions UC would like to implement are permitted, but not mandated, by the SECURE Act 2.0, they require Regental approval. The proposed amendments are to be presented to the Regents Finance and Capital Strategies Committee at the upcoming meeting to be held March 13-15, 2023 meeting. To view the item when presented to the Regents please use the following link; https://regents.universityofcalifornia.edu/meetings/

Attachment