

The Administration's Retirement Policy Priorities

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Executive Order 12857

- Signed on September 3, 2018
- Second EO related to retirement policy
- Key issues
 - Multiple Employer Plans / Association Retirement Plans
 - Disclosures – types and methods
 - Required minimum distributions
- Agencies involved
 - DOL, IRS, Treasury

Multiple Employer Plans

- Potential benefits
 - Economies of scale
 - Efficiencies
 - Professionalization
- Current limitations on participation
 - DOL guidance
 - Tax qualification issues (*i.e.*, one bad apple rule)
- DOL proposed regulation
 - 83 Fed. Reg. 53534

Proposed Regulation

- Applies to DC plans only
- Bona fide groups or associations
 - Industry/trade/profession or geographical commonality
 - Substantial business purpose test
 - Financial institutions prohibited
- Bona fide PEOs
 - Must perform “substantial employment functions”
 - Two safe harbors
- Working owners
- Fiduciary responsibility

Proposed MEP Regulation

- Request for comments on specific issues
 - Comments due December 24, 2018
- Prospects for pending legislation
 - Retirement Enhancement and Savings Act
 - Family Savings Act