SECURE 2.0 Act of 2022

IN DECEMBER 2022, THE SETTING EVERY COMMUNITY UP FOR RETIREMENT 2.0 ACT (SECURE 2.0) WAS SIGNED INTO LAW, HELPING MORE AMERICANS SAVE FOR RETIREMENT. The aim of SECURE 2.0 was to enhance retirement readiness for individuals by making it more attractive for employers to offer a retirement plan and for employees to save. SECURE 2.0 includes many provisions some of which are currently in effect while others will be implemented in the coming years.

ADP is currently conducting a comprehensive analysis and evaluation of the SECURE 2.0 provisions. Our main goal is to understand how these changes might affect our systems, processes and procedures and plan documents, as well as communication materials for Plan Sponsors and participants. Having more than 90 provisions, each with their own complexity, SECURE 2.0 requires us to prioritize those provisions that are mandatory based on effective date, and those optional provisions most in demand by our clients. In many instances, there is a need to receive further regulatory guidance before we can implement the new features. As we finalize our implementation strategy, rest assured that we will keep you informed along the way.

Most of these provisions will require a formal plan amendment. Based on recent guidance, plan amendments are generally due by the end of 2026.

Additional guidance is expected for other provisions, and a bill has been introduced to correct some provisions from SECURE 2.0. We'll provide more details as they're available.

NOTE: Plan document amendments for SECURE 2.0 are generally due by the end of 2026, but you can adopt certain provisions as they become effective. In the meantime, certain provisions will be available for adoption before the amendment is due. ADP will keep you updated as new features become available. There is additional guidance needed from the Internal Review Service (IRS) so that ADP and other companies in the industry can effectively prepare the Interim Amendments. For plans that use the ADP Prototype Plan Document, we will provide you with an Interim Amendment for provisions applicable to your Plan along with details about the changes needed. If your Plan uses a custom plan document, we recommend that you consult with your legal and tax advisors before taking any action.

This guide offers a summary of provisions that apply to 401(k), 403(b), and 401(a) plans only.

SECURE 2.0 Act of 2022: What's new — updated March, 2025

In early 2025, The IRS released proposed regulations on several SECURE 2.0 features including automatic enrollment and catch-up contributions. The proposed regulations are subject to change and the IRS has opened a period for the public to provide comments about the proposed regulations. The regulations will be effective 60 days after the final regulations are published, but employers can rely on the proposed regulations until they are finalized.

Automatic Enrollment: The IRS proposed regulations that the automatic enrollment provisions will apply to anyone in a plan that is subject to the rule who has not otherwise made an affirmative election. This means that existing employees who have not enrolled or declined enrollment will need to be automatically enrolled at the plan's default rate. The IRS also provided much needed guidance around the applicability of this rule for mergers, acquisitions and spin-off of plans. And they provided guidance on how to count the number of employees to determine if an employer normally employs more than 10 people using the existing regulations for COBRA continuation coverage.

In July 2024, the Treasury Department released final regulations related to Required Minimum Distributions (RMDs) that were prompted due to changes from the SECURE Act of 2019. Also released was a new set of proposed regulations for additional changes that are necessary in conjunction with the implementation of the SECURE 2.0 RMD changes. We are currently evaluating the final and proposed regulations and incorporating change into our RMD processes and procedures as necessary.

In May 2024, the IRS released guidance in the form of Frequently Asked Questions (FAQs) relating to the disaster relief provisions of SECURE 2.0. The guidance confirms that this provision is optional and an Employer can choose to offer some or all of the expanded distribution and loan relief provided for in SECURE 2.0. The guidance also allows an Employer to rely on an employee's reasonable representation that they are qualified for the special disaster relief. In addition, the FAQs provide information on how employees can apply the special taxation rules and treat repayments of qualified distributions when filing their income taxes using the new IRS Form 8915-F.

In December 2023, the department of labor and treasury department released additional guidance on several provisions.

Small incentives – Employers can provide a de minimis incentive of up to $250, which can be paid over time. If provided by the employer, this incentive is taxed as income.

Employer Matching and Nonelective contributions as Roth – Before making any contributions, the election must be made, and once contributed, it is irrevocable. Employer contributions made as Roth can only be made to participants who are 100% vested and are not subject to FICA, FUTA, or withholding. In-plan Roth conversions are reported on the 1099-R.

Terminal illness withdrawal – It is not mandatory for a qualified retirement plan to allow this option. However, the employee is allowed to consider an otherwise permissible in-service distribution as a terminally ill individual distribution. To be eligible for this option, participants must obtain a written certification from a physician that includes a detailed explanation of the basis for the determination. Since this option is not a new distribution event, participants may claim an exemption from the penalty tax when filing taxes.

Expanding plan coverage and boosting savings

SECURE 2.0 ACT PROVISION	PLAN TYPE	MANDATORY OR OPTIONAL	EFFECTIVE DATE	WHAT YOU SHOULD CONSIDER OR NEED TO DO	HOW ADP IS RESPONDING
Automatic Enrollment & Escalation for new plans — Employees must be enrolled in the plan automatically, at a 3% minimum deferral rate, not to exceed 10%. The deferral must increase by 1% each year, up to 10%, if it starts lower than that. Employees have the option to opt out of participation at any time. The proposed regulations clarify that the automatic enrollment provisions must apply to any participant that has not previously made an affirmative election under the plan. The proposed regulations also provide additional guidance on how to handle certain situations related to mergers and spin-off plans.	401(k), 403(b)	Mandatory	Effective January 1, 2025. Applies to all new retirement plans adopted after December 29, 2022. A plan adopted before December 29, 2022, but effective on or after January 1, 2023, would not be subject to Automatic Enrollment rules.	You will need to maintain these features in your plan if your plan is not otherwise exempt from this provision. You will need to amend your plan if you are subject to this provision. Note exceptions for plans not subject to the rule: ▪ Plans established before December 29, 2022 ▪ Employers with 10 or fewer employees ▪ Employers in business less than 3 years. ▪ Governmental plans and Church plans ▪ Certain mergers and spin-off's	For plans using the ADP Prototype Plan Document, we have made the necessary adjustments to plan provisions to accommodate these requirements for plans subject to the automatic enrollment provisions. If your plan is currently exempt, you must monitor when the provisions may apply to your plan (i.e. you have been in business for more than 3 years) and take the necessary steps to comply when this becomes applicable for your plan. If your plan goes through a spin-off or merger, ADP can help you determine what rules may apply to your plan.
Long-term, Part-time (LTPT) expanded eligibility — SECURE 1.0 Act required plans to allow part-time employees who work between 500 and 999 hours for three consecutive years to make contributions into the retirement plan. SECURE 2.0 reduced that time period to two years.	401(k), 403(b)	Mandatory	The two-year eligibility requirement for LTPT employees is effective for plan years beginning after December 31, 2024 (the original 3-year provision is still in effect through 2024)	Service prior to 2021 is disregarded for vesting and eligibility under the new LTPT rules. Determine whether LTPT participants should receive company matching or nonelective contributions. You may need to further amend your plan if you would like to provide for matching or non-elective contributions.	ADP has enhanced the Plan Sponsor Website with functionality to help you track part-time employee hours to easily monitor eligibility. You can view this by selecting Employees from the home page. Additionally, we are updating procedures and communication materials. For those using the ADP Prototype Plan Document, ADP will include your elections for the LTPT provisions in an Interim Amendment.

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Employer matching contribution for student loan payments — Employers can make matching contributions to their company retirement plan on behalf of eligible employees making qualified student loan payments.	401(k), 403(b)	Optional	Plan years beginning after December 31, 2023	Employees must be eligible to participate in the plan and receive the company match under the plan's terms to receive the match for student loan payments. Employees can self-certify that they are making student loan payments. These contributions must vest under the same schedule as other employer-matching contributions. This provision could benefit plan sponsors seeking to attract and retain employees who have student loans. You will need to amend your plan to add this provision.	ADP has partnered with a third party specializing in student loans to provide an all-in-one digital solution for recordkeeping purposes. ADP will address this provision in an Interim Amendment for plan sponsors using the ADP Prototype Plan Document.
Catch-up contribution increase, ages 60- 63 — Participants ages 60-63 can contribute up to $10,000 or 150% of the regular limit on catch-up contributions, if higher. Proposed regulations clarify that the catch-up contribution limit for ages 60-63 will be $11,250 for 2025 and will adjusted annual for cost of living changes.	401(k), 403(b)	Mandatory, if your plan offers catch-up contributions	Taxable years beginning after December 31, 2024	This provision gives those who have postponed or haven't begun saving for retirement, an opportunity to boost their savings.	For clients that use ADP payroll services, ADP has enhanced our payroll systems in anticipation of these increased catch-up contributions for the 2025 tax year. For clients using a third-party payroll provider for all or some of your employees' payroll, you will need to work directly with them to ensure that they are updating their systems to allow for the increased catch-up contributions for employees aged 60 to 63. For those using the ADP Prototype Plan Document, ADP will include this provision in an Interim Amendment.

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Pension-Linked Emergency Savings Account (PLESA) — Participants, classified as Non-Highly Compensated Employees, can make Roth contributions to a separate Emergency Savings Account within a retirement plan. The PLESA must be invested in either a Stable Value or Money Market Fund. Participants must be allowed to make one withdrawal a month of $2,500.	401(k), 403(b),	Optional	Plan years beginning after December 31, 2023	This provision will be complex to implement since it requires a new contribution account to be established with unique new features. There may also be concerns that participants will stop saving for their retirement and only contribute to the emergency savings account. Plan Sponsors may want to consider the Emergency withdrawal option discussed later in this guide. You will need to amend your plan to add this feature.	ADP, like other companies in the industry, is awaiting additional guidance from the DOL and Treasury Department on how to implement the feature. There may be Fiduciary implications with choosing the appropriate investment option for this account, and there are outstanding questions on how to handle excess contributions. We are assessing Emergency Savings account options and will have more details in the future. ADP will address this provision in an Interim Amendment for plan sponsors using the ADP Prototype Plan Document.
Saver's match — Low to middle-income employees will be eligible for a Federal matching contribution on up to $2,000 of contributions per year to their retirement account. The match phases out based on income.	401(k), 403(b)	Optional	Taxable years beginning after December 31, 2026	You may need to amend your plan to accept these additional matching contributions in the future.	ADP is currently evaluating this provision and will release more comprehensive information as we approach the effective date.
Small incentives — Employees may now receive small (de minimus) gifts, like gift cards, for attending enrollment meetings.	401(k), 403(b)	Optional	Plan years beginning after December 29, 2022	The incentives can be used to encourage eligible, unenrolled employees to participate in the retirement plan. However, plan assets cannot be used to pay for incentives. The maximum incentive dollar amount is defined as $250 and can be paid over time. It may be taxable income if provided by the employer.	If you're interested in developing an incentive program, ADP can help.

Increasing utilization of Roth in retirement plans

SECURE 2.0 ACT PROVISION	PLAN TYPE	MANDATORY OR OPTIONAL	EFFECTIVE DATE	WHAT YOU SHOULD CONSIDER OR NEED TO DO	HOW ADP IS RESPONDING
Employer Matching and Nonelective contributions as Roth — Employees can elect some or all their employer match and nonelective contributions to be Roth. Essentially, your employees can elect to pay the income tax now on the employer contributions they receive instead of when they are distributed.	401(k), 403(b)	Optional	December 29, 2022	Before making any contributions, the election must be made, and once contributed, it is irrevocable, meaning that it cannot be undone. For the employer contribution to be made as Roth, the employee must be fully vested. These contributions are not considered wages and are not subject to FICA, FUTA, or withholding. If the participant chooses to complete an in-plan Roth conversion, it will be reported on the 1099-R. You will need to amend your plan to implement this feature.	ADP is re-evaluating this provision in conjunction with the new guidance and will release more comprehensive information when this feature becomes available. ADP will address this provision in an Interim Amendment for plan sponsors using the ADP Prototype Plan Document.
Catch-up contributions as Roth — For any participant earning over $145,000 (indexed) in FICA wages for the previous tax year with the same employer, their catch-up contributions must be made as Roth contributions. The 2025 Guidance clarifies that FICA wages are Social Security Wages and wages are counted only for the employer that sponsors the plan. In addition, the $145,000 limit will be indexed for inflation. Plans that do not offer Roth can still allow catch-up contributions, however the high wage earners will not be allowed to make catch-up contributions. The guidance will also allow for a default election for participants who previously elected pre-tax contributions to allow them to be deemed Roth contributions if they are subject to these rules. The guidance also provides for additional correction methods if this rule is violated.	401(k), 403(b)	Mandatory, if your plan offers catch-up contributions	January 1, 2026	If you would like to add Roth to your plan, a plan amendment is necessary. If your plan does not offer Roth, you may want to consider adding it so high wage earners will be able to continue making catch-up contributions since wages for all employees must be tracked. The deemed Roth election will make it easier to continue deferrals for certain high wage earners who have elected pre-tax contributions. Those participants must be given the opportunity to stop contributions if they do want the default to apply.	ADP is enhancing its payroll services to review prior year FICA wages. Catch-up contributions will automatically be deposited into a Roth source for impacted participants taking advantage of the deemed Roth election. **NOTE:** Plan sponsors who use third party payroll providers will need to work directly with them to ensure that they are updating their systems accordingly, if you want to continue to allow your highly paid employees to make catch-up contributions. You must discuss with your payroll provider if you will default employees into Roth contributions and how that will be handled in payroll. ADP will provide additional guidance on how employee data will need to be formatted and transmitted to us in order to ensure that this information is properly integrated into our recordkeeping system. ADP will address this provision in an Interim Amendment for plan sponsors using the ADP Prototype Plan Document.

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Required Minimum Distribution (RMD) from designated Roth accounts — Roth amounts will no longer be subject to the RMD rules during their lifetime. Prior to SECURE 2.0, participants would have to roll their assets to a Roth IRA to avoid the RMD rules.	401(k), 403(b)	Mandatory	Taxable years beginning after December 31, 2023	Reduces the number of rollovers from designated Roth accounts in qualified plans to Roth IRAs to avoid RMD requirements from Roth accounts. This provision may encourage participants to convert their pre-tax account to Roth. You will need to amend your plan.	ADP has updated its systems and procedures to exclude Roth from future RMD calculations. We have also updated plan sponsor and participant communications accordingly. ADP will include this provision in an Interim Amendment for ADP prototype plan sponsors.

Making it easier to manage your plan

SECURE 2.0 ACT PROVISION	PLAN TYPE	MANDATORY OR OPTIONAL	EFFECTIVE DATE	WHAT YOU SHOULD CONSIDER OR NEED TO DO	HOW ADP IS RESPONDING
Small balance cash out limit increased — Terminated participants' vested account balances can be distributed if under $7,000 without the participants' consent. This is an increase from $5,000. Participants who previously exceeded the $5,000 threshold but are still under $7,000 will be included under the new cash out provision.	401(k), 403(b), 401(a)	Optional	Distributions made after December 31, 2023	The higher limit allows for additional participant accounts to be paid out after termination of employment, therefore potentially reducing the number of participants for which you will need to maintain accounts.	ADP has updated its procedures and communications to incorporate the higher limit operationally. Additional details were sent out November, 2023. For those using the ADP Prototype Plan Document, ADP will include the increase to $7,000 in an Interim Amendment. We are also adjusting all required plan notices that reference this limit.
Auto portability — Participants may have their balances, up to $7,000, transferred to their new employer plan.	401(k), 403(b), 401(a)	Optional	December 29, 2022	This change has the potential to foster account consolidation and mitigate plan leakage, particularly for participants holding smaller balances who might otherwise choose to cash out. There's also potential to decrease the number of participants required to be search for and missing participants.	ADP is currently evaluating solutions to offer this service. We believe it is imperative to approach this provision with careful consideration of data privacy and participant asset security. Additional guidance from the DOL is necessary in order to proceed.

SECURE 2.0 ACT PROVISION	PLAN TYPE	MANDATORY OR OPTIONAL	EFFECTIVE DATE	WHAT YOU SHOULD CONSIDER OR NEED TO DO	HOW ADP IS RESPONDING
Notices to Eligible, Unenrolled Participants — Plan notices are no longer required for employees who are eligible for the plan but have opted not to enroll. Instead, Employers will only need to provide an annual eligibility notice, letting employees know they are eligible for the plan.	401(k), 403(b), 401(a)	Optional	Plan years beginning after December 31, 2022	Employees who have no balance and do not contribute to the plan will no longer need to receive required disclosures and notices. There is a new annual notice that will serve as a reminder of their eligibility. This may reduce hard-copy delivery costs for Plan Sponsors.	For plans that participate in ADP's Plan Notice Delivery Services, we have updated procedures to remove delivery of unrequired notices to eligible, unenrolled participants. We have also developed the new required annual notice that was made available in the fourth quarter of 2023. The new notice has been incorporated into our Plan Notice Delivery Service.
Top Heavy rules modified — Plans that cover otherwise excludable employees (employees who have not attained age 21 or worked a year of service) can perform separate Top-Heavy tests for excludable and non-excludable employees.	401(k), 401(a)	Mandatory	Plan years beginning after December 31, 2023	This will allow for an employer to potentially reduce the amount of Top Heavy contributions.	ADP is updating compliance testing procedures to support this option. ADP will include this provision in an Interim Amendment for ADP prototype plan sponsors.

Increase access to plan assets

SECURE 2.0 ACT PROVISION	PLAN TYPE	MANDATORY OR OPTIONAL	EFFECTIVE DATE	WHAT YOU SHOULD CONSIDER OR NEED TO DO	HOW ADP IS RESPONDING
Domestic abuse victim withdrawal — Participants experiencing domestic violence may take a withdrawal for the lesser of $10,000 or 50% of their account balance. The participant can self-certify and the distribution must be taken within 12 months of the domestic abuse incident. The distribution is not subject to the 10% penalty on early withdrawals. Participants can repay the withdrawal over a 3-year period.	401(k), 403(b), 401(a)	Optional	Distributions made after December 31, 2023	You will need to determine whether you wish to add this withdrawal feature to your plan. If you do, you will need to amend your plan to offer this withdrawal option.	ADP is reviewing this rule and will add a withdrawal option for participants on the website and app once more guidance is available. You will need to amend your plan to add this new feature.

SECURE 2.0 ACT PROVISION	PLAN TYPE	MANDATORY OR OPTIONAL	EFFECTIVE DATE	WHAT YOU SHOULD CONSIDER OR NEED TO DO	HOW ADP IS RESPONDING
Self-certification for hardship withdrawal — Participants can self-certify in writing that they are experiencing an immediate and heavy financial need that does not exceed the amount needed.	401(k), 403(b)	Optional	Plan years beginning after December 29, 2022	This provision can help participants receive their hardship withdrawal funds quicker. It also eliminates the need for Plan Sponsors to review and approve hardship documentation.	ADP currently offers this feature. This provision formally puts into law previously provided informal guidance from the IRS.
Emergency Expense withdrawal — Participants can withdraw up to $1,000. The distribution is not subject to the 10% penalty on early withdrawals. Participants can repay the withdrawal over a 3-year period. However, if not repaid, a participant will need to wait 3 years before taking an additional Emergency withdrawal.	401(k), 403(b), 401(a)	Optional	Distributions made after December 31, 2023	This withdrawal option is in addition to the in-plan emergency savings account option described above. This provision provides an exception for certain distributions for emergency expenses, generally, unforeseen immediate financial needs relating to personal or family emergency expenses. You will need to determine whether you wish to add this withdrawal feature to your plan. If you do, you will need to amend your plan to offer this withdrawal option.	ADP has added Emergency Expense withdrawals as an available provision on the recordkeeping platform. Additional communications will be provided about how this provision will be rolled out to existing plans. You will need to amend your plan to add this new feature.
Federally declared disaster withdrawal options: **Withdrawals —** Participants may withdraw up to $22,000. The distribution is not subject to the 10% penalty on early withdrawals. Participants can repay the withdrawal over a 3-year period. **Loans —** Participants can take the lesser of 100% or $100,000. Repayment can be delayed up to one year.	401(k), 403(b), 401(a)	Optional	Retroactive to disasters that occurred on or after January 26, 2021. Effective January 1, 2023	You will need to determine whether you wish to add this withdrawal feature to your plan. If you do, you will need to amend your plan to offer this withdrawal option.	ADP is reviewing this rule and will add a withdrawal option for participants on the website and app once more guidance is available. You will need to amend your plan to add this new feature.

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Terminal illness withdrawal — Participants who have been certified by a physician as having an illness or physical condition that can reasonably expect to pass away within 84 months may receive special tax treatment for a terminal illness withdrawal. The distribution is not subject to the 10% penalty on early withdrawals. Participants can repay the withdrawal over a 3-year period.	401(k), 403(b), 401(a)	Optional	Distributions made after December 29, 2022	A participant must be otherwise eligible for a distribution under the plan in order to benefit from the favorable tax treatment. If an eligible participant receives a distribution, they must obtain a written certification from a physician that includes a detailed explanation of the basis for the determination. The participant may then claim an exemption from the penalty tax when filing their income taxes.	Since recent IRS guidance provides that participants can avail themselves to this special tax treatment outside of the plan, ADP will not be adding this as an optional provision at this time. There is currently pending legislation that would make terminal illness a new distribution reason and we will re-evaluate this provision if it does become a reason for distribution.
Qualified Birth or Adoption distribution (QBAD) — Participants may take a penalty free distribution, up to $5,000, for the expenses related to the birth or adoption of a child. The distribution must be requested within 1 year after the birth or adoption. SECURE 2.0 clarified that participants have 3 years to repay the QBAD distribution.	401(k), 403(b), 401(a)	Optional	Distributions made after December 29, 2022 Effective January 1, 2023	Participants who took a QBAD previously, now have until 2026 to repay the withdrawal amount. You will need to determine whether you wish to add this withdrawal feature to your plan. If you do, you will need to amend your plan to offer this option.	ADP currently has a process in place for this withdrawal type. The provision clarifies that the withdrawal can be repaid within 3 years. We have updated our participant form to include the repayment period. For plans on the ADP Prototype Plan Document, ADP will include this withdrawal type and 3-year repayment period as a default provision in the Interim Amendment for the SECURE 1.0 Act.
Long-term care premiums — Participants may request up to $2,500 a year, penalty free, to pay their premiums for qualified long term care insurance contracts.	401(k), 403(b), 401(a)	Optional	Distributions made after December 29, 2025	The amount that can be withdrawn is the lesser of: (1) the amount paid by or assessed to the employee during the year for long-term care insurance; (2) 10% of the employee's vested accrued benefit in the plan; or (3) $2,500. You will need to determine whether you wish to add this withdrawal feature to your plan. If you do, you will need t o amend your plan to offer this option.	ADP is currently evaluating this provision and will release more comprehensive information as we approach the effective date.

Required Minimum Distributions (RMD)

SECURE 2.0 PROVISION	PLAN TYPE	MANDATORY OR OPTIONAL	EFFECTIVE DATE	WHAT YOU SHOULD CONSIDER OR NEED TO DO	HOW ADP IS RESPONDING
RMD age increase — The age requirement for participants to begin taking RMD increased to age 73 beginning in 2023 and will increase again to age 75 in 2033.	401(k), 403(b), 401(a)	Mandatory	January 1, 2023, for individuals who attain age 72 on or after such date	This provision delays the RMD start date, which may allow funds within the retirement account to grow. No decision is required from the Plan Sponsor regarding this feature.	ADP has procedures in place to implement this provision for 2023. ADP communicated with Plan Sponsors and participants who are subject to these rules in the fall of 2023. For those using the ADP Prototype Plan Document, ADP will include this provision in an Interim Amendment.
RMD penalty reduced — The penalty for failing to take an RMD will decrease from 50% to 25% of the RMD amount not taken, and in some cases can be further reduced to 10%, if corrected timely.	401(k), 403(b), 401(a)	Mandatory	Taxable years beginning after December 29, 2022	Plan Sponsors do not need to do anything; this is a benefit to participants who fail to take their RMD in a timely manner.	ADP has updated communications in the fall of 2023.
RMDs for surviving spouses of deceased participants — Surviving spouses, who are the sole beneficiary of their deceased spouses' retirement account, can elect to delay the RMD payment until the deceased spouse would have reached RMD age had they lived, if later than the surviving spouse's RMD age. RMDs for the surviving spouse will be calculated using the Uniform Lifetime Table, resulting in a lower RMD amount.	401(k), 403(b), 401(a)	Mandatory	Calendar years beginning after December 31, 2023	You will need to amend your plan.	The IRS published proposed regulations in July,2024. We are currently evaluating those regulations and will make changes to processes and procedures for RMD and other death benefit payments when regulations become effective and are finalized. For those using the ADP Prototype Plan Document, ADP will include this provision in an Interim Amendment.

Timeline by effective date for SECURE 2.0 provisions (**M** = Mandatory; **O** = Optional)

December 29, 2022	2023	2024	2025	2026	2027
O Auto portability **O** Self-certification for hardship withdrawal **O** Terminal illness withdrawal **M** RMD penalty reduced **O** Employer Matching and Nonelective contributions as Roth	**O** Small incentives **O** Eligible, unenrolled participant notice requirements **O** Federally declared disaster withdrawal options **O** Qualified Birth or Adoption distribution (QBAD) repayment **M** RMD age increase	**O** Employer matching contribution for student loan payment **O** Pension-Linked Emergency Savings Accounts **M** Changes to RMDs from Roth assets **O** Small balance cash out limit increased **O** Domestic abuse victim withdrawal **O** Emergency Expense withdrawal **M** Changes to RMDs for surviving spouses **M** Top-Heavy rule modification	**M** Catch-up contributions increase for participants ages 60 – 63 **M** Long-term, Part-time expanded eligibility **M** Automatic Enrollment & Escalation for new plans	**O** Long-term care premiums **M** Annual paper statement required **M** Catch-up contributions as Roth (implementation delayed from 2024)	**O** Saver's match

We're here to help.

The SECURE 2.0 Act of 2022 brings big changes to retirement plans, and many of these changes are complex and involve long-term planning. We will continue to provide communications on SECURE 2.0 as new information from the IRS and DOL become available. ADP is committed to helping employers and their workers become financially prepared for retirement.

To learn how SECURE 2.0 impacts your retirement plan and what you need to do to prepare, please contact your ADP Client Services Team.

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