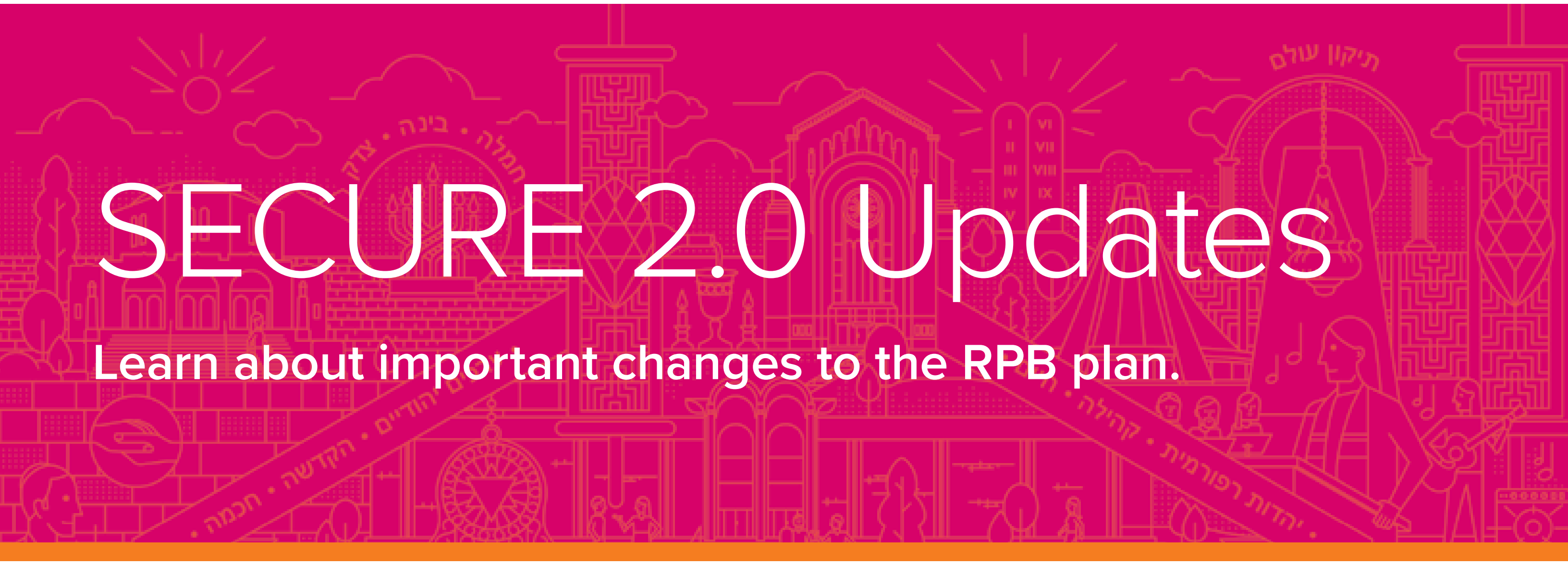
Invested in your future

RPB

SECURE 2.0 Updates

Learn about important changes to the RPB plan.



IN THIS DOCUMENT

Late last year, Congress passed the SECURE 2.0 Act to encourage more employers to offer retirement plan benefits and more employees to save for their future through their employer. It impacts all retirement plans, including RPB's.

RPB is here to ensure that employers—and their employees—can easily navigate and take full advantage of these provisions.

Some of the SECURE 2.0 provisions are already in effect, while others will roll out over the next few years. Ultimately, SECURE 2.0 will impact the following areas of RPB's plan:

- Employee eligibility
- Catch-up contributions for those 50 or older
- Required Minimum Distributions
- Withdrawal provisions

Questions? We're here to help.

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Action Item for Employers

Here is what employers need to know to ensure that they're getting the most out of the SECURE 2.0 provisions.

EFFECTIVE IMMEDIATELY

Enroll more part-time employees in RPB

More long-term, part-time workers are now eligible to enroll in RPB's plan after they've worked at a URJ-affiliated congregation for two years.

Employers can take advantage of this provision immediately and enroll more of your part-time employees, including seasonal workers.

Updated RPB plan eligibility:

Any employee of a qualified employer who is 18 years or older is eligible to enroll in the RPB Retirement Plan *if they meet* ***one*** *of the following requirements:*

- **Works in a role that requires membership in a Reform Movement professional organization** and is an active member *(see the table below).*
- **Works an average of 18 hours per week or more** (at least 936 hours annually) in a role that does not require membership in a Reform Movement professional organization, including those employees in administrative, finance, custodial, security, seasonal, or other positions.
- **NEW! Works an average of 9 to 17 hours per week** (at least 468 – 935 hours annually) with a minimum of **2 years of service** in a role that does not require membership in one of the Reform Movement professional organizations, including those employees in administrative, finance, custodial, security, seasonal, or other positions.
- **Works for a Reform Movement institution,** such as the URJ, CCAR, or RPB.

Want to start enrolling more part-time employees?

Learn more

Organization	Positions Requiring Membership to Enroll in RPB
Central Conference of American Rabbis (CCAR)	• Rabbis (all levels)
National Association of Temple Administrators (NATA)	• Executive Director/Temple Administrator (or equivalent)
Association of Reform Jewish Educators (ARJE)**	• Directors (all levels*) of Lifelong Learning / Education / Religious School • Directors (all levels*) and Coordinators of Youth Programming and Engagement
Early Childhood Educators of Reform Judaism (ECE-RJ)**	• Directors (all levels*) of Early Childhood Education • All Early Childhood Education teachers
Program and Engagement Professionals of Reform Judaism (PEP-RJ)**	• Directors (all levels*) of Programming • Directors (all levels*) of Membership & Engagement (other than Youth) • Directors (all levels*) of Communications
Advancing Temple Institutional Development (ATID)	• None (although all development professionals are encouraged to join)

This list may not be all inclusive. Each organization reserves the right to change its eligibility requirements.

* Director titles include all levels: Directors, Associate Directors, and Assistant Directors.

** Multiple member discounts may be available. Contact the organization for more information.

Good to Know

There are several provisions of SECURE 2.0 that don't require any employer action, and one that will require action starting in 2026. Employers should be aware of how these changes may affect their employees.

Catch-Up Contributions

Certain participants will be able to increase their catch-up contributions and higher earners must make their catch-up contributions on a Roth basis. RPB will notify the affected participants of these changes.

EFFECTIVE 2025 FOR PARTICIPANTS AGED 60 - 63

Higher catch-up amount. Participants between the ages of 60 and 63 will be able to make catch-up contributions up to $10,000 or 50% more than the standard catch-up amount, whichever is greater. (In 2023, the catch-up limit for people ages 50 and older is $7,500.)

EFFECTIVE 2026 FOR HIGH EARNERS

High earners must use Roth option for catch-up contributions. Beginning in 2026, participants aged 50 and older who earned more than $145,000 in the prior calendar year (indexed for inflation) will be required to make catch-up contributions on a post-tax Roth basis. While this will increase the immediate tax burden of high earners who are currently making catch-up contributions with pre-tax dollars, qualified Roth withdrawals, including earnings, are free from federal income taxes.

RPB and our recordkeeper, Fidelity, are working to ensure a smooth transition for employers and participants by the effective date. We will update employers on their next steps in the near future.

Keep in mind that RPB's plan currently allows all participants to make Roth contributions for their standard elective deferrals.

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Catch-up contributions allow participants aged 50 and older to make additional contributions from their paycheck to their retirement account above the standard IRS limit for that year. The IRS limit for elective deferrals and for catch-up contributions changes each year.

Learn more about contribution limits.

Start allowing employees to make Roth contributions today for their standard elective deferrals (if you don't already).

Learn more

Required Minimum Distributions

Over the next few years, the rules governing required minimum distributions (RMDs) will change. RPB will be notifying participants of these changes.

Required Minimum Distributions refers to the amount of money the IRS requires that participants withdraw from their retirement accounts each year once they've reached a certain age.

Learn more about how they work.

EFFECTIVE IMMEDIATELY

- **Increased starting age.** The age at which RMDs are payable has increased from 72 to 73 for participants turning 72 in 2023 or later and will increase to age 75 for participants turning 74 in 2033 or later. This helps participants who are closer to or at retirement keep their money in their tax-advantaged retirement account for longer.

Birth Year	Age at Which RMD Begins
1950 or earlier	72 (70 1/2 for those who turned 70 1/2 prior to 2020)
1951 - 1959	73
1960 or later	75

- **Reduced penalties.** The 50% excise tax imposed on recipients for late RMDs is now reduced to 25% and will be further reduced to 10% when a correction is made within a certain timeframe.

EFFECTIVE JANUARY 1, 2024

- **No RMDs for Roth 403(b) balances.** Roth 403(b) balances will no longer be subject to RMDs during a participant's lifetime. (However, for retirees who reach age 73 in 2023, Roth account RMDs must still be made by April 1, 2024.)
- **Flexible start date for surviving spouses.** The surviving spouse of a plan participant will be able to choose whether to use their own age or their deceased spouse's age to determine when their RMDs will begin. This may be used to delay the start of RMDs and/or increase the period of time over which the surviving spouse receives payments.

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Additional Early Withdrawal Options

Participants will soon have access to penalty-free early withdrawals under certain circumstances. **The following provisions are now part of the RPB Plan, but implementation is still in process. We will update employers and participants once they are live.**

Typically, participants face a 10% penalty for withdrawing funds from their account before the age of 59.5 if they are still working. Under Secure 2.0, that penalty will be waived if the participant is:

- **Diagnosed with a terminal illness** (effective immediately)
  - To qualify, the participant must provide sufficient evidence of the terminal illness as required by the IRS.
  - The withdrawal may be repaid within three years. If it is not repaid, the income will apply to the year of the withdrawal.
- **Impacted by a qualified federally declared disaster** (effective for disasters occuring after January 26, 2021)
  - The participant can withdraw a maximum of $22,000 without paying the 10% early withdrawal penalty and the withdrawal may be repaid. Additionally, the participant can take out a loan of up to $100,000 (double the normal limit) and has an extra year to repay that loan.
  - To qualify, the participant's primary residence must be located in the disaster area, they must have sustained economic loss because of the disaster, and the disaster must have occurred after January 26, 2021.
- **A victim of domestic abuse** (effective January 1, 2024)
  - The participant may request a withdrawal of up to $10,000 or 50% of their account balance, whichever is less. They will have the opportunity to repay the withdrawn amount to their retirement plan over three years and will receive a refund for income taxes on the money they repay.
  - To qualify, the participant can self-certify their status as a victim of domestic abuse within one year of the date they experienced the abuse.

Discover how participants can access their money when they need it most.

Learn more