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Welcome to Fiduciary Insights, the monthly newsletter that keeps you in touch with issues, trends, events, and insights of significance to individuals connected with the retirement plan industry. The articles have been carefully selected from a variety of high-quality sources.

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GENERAL ITEMS

[Emergency Savings and Retirement Planning Tightly Linked](#)

A new report from the BlackRock Emergency Savings Initiative emphasizes a finding many in the retirement space have been pushing, that emergency savings and retirement readiness are inextricably connected.

Read the full article at [401kSpecialistMag.](#)

[Lifetime Income for Employees Act Would Make It Easier to Use Annuities as QDIAs](#)

Representatives Donald Norcross and Tim Walberg re-introduced the Lifetime Income for Employees Act, a bill that would make it easier for annuities to be used as the default investment in 401k plans.

Read the full article at [PlanAdviser.](#)

[American Airlines Pilot Sues Company 401k Over "Woke" ESG Investing](#)

In a case sure to be closely watched by the retirement industry, a senior American Airlines pilot is suing his employer. Proposed class action claims airline's retirement plan is filled with investments that pursue "leftist political agendas" through environmental, social, and corporate governance strategies.

Read the full article at [401k Specialist Mag.](#)

[Fraudster's 401k Can Be Used for Restitution](#)

Evan Greebel, pharma bro Martin Shkreli's lawyer and co-conspirator, lost his bid to protect his 401k from garnishment to pay restitution to his victims. The Supreme Court declined to hear the case, effectively ending Greebel's quest to keep his retirement plan free from a \$10.4 million judgment found by a lower court.

Read the full article at [NAPA.](#)

FIDUCIARY AND PLAN GOVERNANCE MATERIAL

[ERISA Bond: What Is It and Do I Need One?](#)

Almost every sponsor of every tax-qualified retirement plan must obtain a fidelity bond under section 412 of ERISA. Despite the broad application of this requirement, a surprising number of plan sponsors are unaware of this requirement and do not have a bond at all or do not have a bond in the proper amount. This article helps explain the requirement to ensure that those who are subject to this requirement satisfy it.

Read the full article at [Legacy Retirement Solutions.](#)

[How Plan Sponsors Can Shift Focus to Decumulation](#)

The Senate Committee on Health, Education, Labor, and Pensions sent a letter to the Department of Labor on May 30 urging it to "effectively and expeditiously" implement SECURE 2.0. It also urged the DOL to prioritize six provisions related to the committee's mission.

Read the full article at [Plansponsor.](#)

[Senate Committee Urges DOL to Implement Six Specific SECURE Provisions](#)

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Read the full article at [ASPPA.](#)

[Use of RFPs Versus RFIs Contrast for Plan Sponsors](#)

When employers execute vendor searches for benefit providers, they must decide whether to RFP or to RFI, as plan sponsors use nuanced, different approaches to issuing a request for a proposal or one for information.

Read the full article at [Plansponsor.](#)

INSIGHTS; STUDIES, RESEARCH AND WHITE PAPERS

[22nd Annual Edition of How America Saves Report](#)

Participation rates in 401k plans record kept by Vanguard have reached an all-time high, driven by the continued power of design features like automatic enrollment and automatic annual increases. The firm's annual release of How America Saves also reports that employers are increasingly bolstering 401k plans with services designed to meet the broader financial needs of their employees, including advice.

Read the full article at [Vanguard](#).

[The Good Old Days: Was the Pension Era Really as Good as Its Reputation?](#)

Some in the retirement industry look back fondly on the days when company pensions guaranteed paychecks, but experts are not convinced the nostalgia is deserved. Experts point out the flaws in the often lauded 'pension past,' while discussing what the 401k present needs to be more impactful for more people.

Read the full article at [Planadviser](#).

[How Well Do People Perceive Their Retirement Preparedness?](#)

This article examines whether households have a good sense of their retirement preparedness, do their expectations match the reality they face? Understanding households' self-assessed retirement preparedness is important because misperceptions can distort saving behaviors. Households that are not worried enough about their retirement income may not save enough even if they have the opportunity; households that are too worried may unnecessarily sacrifice their pre-retirement standard of living.

Read the full article at [Center for Retirement Research](#).

[Robust Retirement Tiers Can Help Keep Participants In-Plan](#)

Research released by Cerulli Associates last month showed that more than half of plan sponsors (54%) would prefer to keep their retired participants' assets in their plan, rather than see them rolled into an individual retirement account or other plan. That's more than double the 26% who said the same in 2019. But plan sponsors will need to do some work to succeed in that goal.

Read the full article at [Plansponsor](#).

COMPLIANCE AND REGULATORY RELATED

[The New Roth Catch-up Requirement Needs Clarification-What Are Plan Sponsors to Do?](#)

Beginning in 2024, SECURE 2.0 significantly changes the rules for catch-up contributions. Although the majority of non-governmental plans already permit Roth contributions, there is no precedent for this new requirement and a great deal of confusion about plan sponsor options for compliance.

Read the full article at [Cohen & Buckmann, P.C.](#)

[The DOL's Fiduciary Interpretation and the Florida Court Decision](#)

The DOL's fiduciary interpretation and PTE conditions were opposed by some in the financial services industry. As a result, two lawsuits were filed in Federal Courts, one in Florida and one in Texas. The Florida court has reached its conclusion; the Texas lawsuit is still pending. Fred Reish discusses them.

Read the full article at [Fred Reish](#).

[SECURE 2.0 Guidance Process Begins: Self Correction for Eligible Inadvertent Failures Is First Up](#)

The IRS has issued interim guidance to address the changes made by section 305 of SECURE 2.0 to the self-correction program under the IRS Employee Plans Compliance Resolution System. While the IRS will issue guidance completely restating the rules of EPCRS to reflect the new statutory changes within two years, Notice 2023-43 provides initial guidance, in question-and-answer format, regarding what qualification failures can be self-corrected now.

Read the full article at [Groom](#).

[Five Tips for Documenting Missing Participant Searches](#)

If a search for a missing participant is not properly documented, is it a diligent search? To regulatory authorities who may scrutinize a plan sponsor's search efforts, the answer is decidedly no. For a regulator to consider a search to be diligent, it must be well-documented. Here are five tips for plan sponsors to better document their missing participant search efforts.

Read the full article at [401kSpecialistMag](#).

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