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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

[House Officially Introduces Bill to Allow 403bs to Invest in CITs](#)

The bill, titled "The Retirement Fairness for Charities and Educational Institutions Act of 2023" and backed by House Financial Services Committee Member Rep. Frank D. Lucas would amend federal securities laws to enhance 403b annuity plans in part by adding a CIT option.

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

[State Auto-IRAs Are Flying High in 2023](#)

Retirement savings programs facilitated by the states had a banner year in 2022, and there's no reason to believe the momentum won't continue through 2023. And, several states will once again be pressing for the establishment of new state-run auto-IRA programs during their legislative sessions this year.

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

[Retirement Savings Gap Could Create \\$1.3 Trillion Burden by 2040](#)

Some disturbing projections came out of a study released this week. New research from Pew finds Americans' insufficient retirement savings could add a huge strain to state and federal budgets if the issue is not addressed.

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

[2 in 3 Small Businesses Still Don't Offer Retirement Plans: Fidelity](#)

The private retirement plan industry knows it has a coverage gap that needs to be addressed, and further evidence that the gap exists is out today with findings from the first-ever "Small Business Retirement Index" from Fidelity Investments.

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

FIDUCIARY AND PLAN GOVERNANCE MATERIAL

[A New Fiduciary Standard?](#)

Resistance to retirement plan innovations (like automatic enrollment) has long been excused as being too paternalistic, but there might be a better standard -- a maternal standard of care.

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

[DC Plan Sponsors Should Pay Attention to Increased Litigation, Low Retirement Confidence](#)

Increased litigation, regulatory and legislative changes, and a lack of retirement confidence among participants were common themes observed by defined contribution plan sponsor panelists on a recent Mercer webinar reflecting on key trends in the first quarter of 2023.

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

[Tax Credits for Starting Up Small Employer Plans](#)

Starting with tax years beginning after December 31, 2022, a small employer can take advantage of significant tax credits under SECURE Act 2.0 for establishing a new retirement plan. Broker-dealers and registered representatives will want to know about these credits to educate small businesses and assist them in establishing plans to take advantage of the credits.

Read the full article at [Broker Dealer Reg & Lit Insights](#).

[DCIIA Publishes Guide to Fiduciary Models](#)

The Defined Contribution Institutional Investment Association published this month a governance model guide for plan sponsors, "Defined Contribution Plan Governance Models: A Guide for Plan Sponsors." The guide outlines governance and fiduciary structures that plan sponsors can elect to fit their plan's needs.

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

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INSIGHTS; STUDIES, RESEARCH AND WHITE PAPERS

[Inflation, Depleted Savings Dent Workers' Confidence as Financial Literacy Remains Low](#)

Many American workers lack an understanding of their retirement plan investing options and do not use plan providers as an information resource, new data from EBRI and TIAA show.

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

[401k Costs Coming Down, But Small Plans Still Twice as Expensive](#)

Despite 401k plan investors paying less to invest than they ever have, even compared to just a year ago, the basis points saved are not shared equally by all DC plan participants. And while this isn't a new concept, the cost participants pay to invest in their DC plans continues to depend significantly on the size of their employer, according to Morningstar's 2023 Retirement Plan Landscape Report, which examines major trends in the U.S. defined contribution system.

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

[2023 Retirement Plan Landscape Report](#)

Millions of Americans rely on the retirement system to save and invest for their futures. Expanding access to employer-sponsored retirement plans is essential to ensuring Americans are saving enough for the future, but it's also necessary for the current system to address its weaknesses. In the second iteration of Morningstar's annual report, they take a comprehensive look at the overall health of the U.S. retirement system, cast a light on its weaknesses, and outline implications for the industry and policymakers alike.

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

[Many Plan Sponsors Hesitant to Offer Retirement Income, Study Shows](#)

Despite workers' increasing requests for personalized retirement income solutions, a significant number of plan sponsors are either in the preliminary stages of learning about the various options or do not even consider it a topic of interest or need, new data from PGIM shows.

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

COMPLIANCE AND REGULATORY RELATED

[DOL's Apparent U-turn in Court Hints at New Fiduciary Rule in Works](#)

The American Securities Association says the Labor Department voluntarily dropped its appeal of a Florida court's decision striking down DOL guidance making rollover advice fiduciary. In this surprising reversal, the DOL has backed off from defending its guidance around a Trump-era fiduciary rule in court, indicating that it could soon embark on a new rulemaking course for retirement account financial advice.

Read the full article at [Investment News](#).

[SECURE 2.0 Encourages Employers to Expand Employee Benefits](#)

401k plans are moving away from serving as voluntary retirement savings vehicles and towards a future where plans are mandatory and serve as a financial backstop to more than just retirement. The changes enacted by SECURE 2.0 show that this transition is picking up speed. It is going to be important for HR professionals to be ready for these changes, as retirement plans are increasingly no longer voluntary and no longer just for retirement.

Read the full article at [Benefits Pro](#).

[Minnesota Secure Choice Passes, Heads to Governor's Desk](#)

The Land of 10,000 Lakes is poised to become the next to adopt a measure creating a state-run retirement program that provides coverage for private-sector employees whose employers do not. The state Senate approved the bill that would do so on May 11, and the House had done so 10 days earlier.

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

[Plan Sponsors Should 'Definitely' Have Cyber Liability Insurance: Lisa Gomez](#)

At PSCA National just last week, ARA CEO Brian Graff and EBSA Assistant Secretary Lisa M. Gomez discussed a wide range of topics, including the many misunderstandings about cyber liability insurance (which could be a huge fiduciary failure) and the ESG rule.

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

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