



Hunter Benefits Consulting Group

Compliance Reminders

Cyber Security

Cyber security threats are constantly evolving and as a result we are continually updating our security measures to attempt to stay ahead of these cyber security threats. A common type of cyber security threat is phishing emails. If you ever receive any suspicious correspondence or emails that you are not sure are really coming from Hunter Benefits, please call us at **877-354-3849** to confirm.

Please use our portal to send us any documents with participant identifying information (SSNs, birth dates, compensation, etc.). Your annual census is available in the Hunter Benefits Secure Portal by pushing the button in the left-hand column to securely transmit data. To provide additional data send a message by clicking Inbox/Send Message and click the "Add Attachment" button.

Long-Term Part-Time (LTPT) employees

Effective in 2024, new rules relating to certain Long-Term Part-Time (LTPT) Employees go into effect. To be eligible to participate in the 401(k) Plan as a LTPT Employee, the Employee must have worked at least 500 hours of service in each of the previous three plan years (e.g. starting with the 2021 plan year).

NOTE: If an Employee has ever completed 1,000 hours of service in a year or is otherwise eligible for the plan, they are not an LTPT Employee. Likewise, if an Employee is otherwise eligible under the plans' terms, they are not an LTPT Employee.

Starting January 1, 2024, LTPT employees are eligible to save for retirement by deferring compensation to the Plan, but they are not eligible to receive any employer contributions, including safe harbor, matching contributions, or employer non-elective (profit sharing contributions).

SECURE Act 2.0 Updates

Congress has delayed the requirement for certain participants to make Catch-up contributions as Roth Contributions by two years. The language in the statute has been updated to allow for the continuation of Catch-up contributions going forward. If you're over age 50, you can still make Catch-up contributions on a pre-tax basis. There are many other changes coming in the next couple of years with regards to new SECURE Act 2.0 Plan elections, but until more guidance is provided by the IRS and Department of Labor, we will be holding off implementing these new provisions.

Mandatory Distributions (Force-Outs)

When your plan requires distributions to terminated participants with balances under \$5,000 (or under \$7,000 starting in 2024), you *must* make those distributions. Keep documentation of your efforts to communicate with the participant and, if they fail to respond, contact your Hunter Benefits administrator for help distributing Lost Participant accounts.

E-Mailing Your Participants

The Department of Labor now allows electronic communications to employees with less stringent requirements. Before you use personal emails, they must receive notice of the email address you intend to use and their right to receive paper copies. This applies to ERISA-related communications (Summary Plan Description, SAR, Account Statements, 404(a)(5) Fee Disclosures, etc.). The IRS allows electronic communications under older rules, which require annual permission from participants.