

SECURE 2.0 Checklist – for provisions effective prior to January 1, 2025

The SECURE 2.0 Act of 2022 (SECURE 2.0) was enacted on December 29, 2022, and contains provisions that affect retirement plans and participants. If you wish to have something other than the OneAmerica FinancialSM default you must complete the Non-Default Election column. OneAmerica Financial will provide a SECURE 2.0 legislative plan amendment in the future to document the decisions.

Provision	Description	Effective Date	Impacted Plan Types	OneAmerica Financial Default	Non-Default Election
Section 110: Employer matching contributions for student loan payments	Employer contributions made on behalf of employees with qualified student loan payments are treated as matching contributions. A student loan payment is not considered an elective deferral; however, the match is taken into account on the actual contribution percentage test. Participants who receive a match on student loan payments may be tested separately.	Effective for plan years beginning after December 31, 2023	401(k), 403(b), governmental 457(b) plans, and SIMPLE IRAs	Not to allow employer matching contributions for qualified student loan payments	<input type="checkbox"/> Employer matching contributions will apply to qualified student loan payments
Section 112: Military spouse retirement plan eligibility credit for small employers	Provides small employers (less than 100 employees) a tax credit with respect to their defined contribution plans if the following criteria is met: 1. Make military spouses immediately eligible for plan participation within two months of hire, 2. Upon plan eligibility, make the military spouse eligible for any matching or nonelective contribution, and 3. Make the military spouse 100% immediately vested in all employer contributions.	Taxable years beginning after December 29, 2022	Defined contribution plans	Not to apply the special military spouse plan provisions	<input type="checkbox"/> The special military spouse plan provisions will be permitted.

Provision	Description	Effective Date	Impacted Plan Types	OneAmerica Financial Default	Non-Default Election
Section 115: Emergency expense withdrawals	Allows one penalty free withdrawal per year of up to \$1,000 for unforeseeable or immediate financial needs relating to personal or family emergency expenses. Withdrawal may be repaid within three years. No additional withdrawal is permitted during the three-year repayment period unless repayment occurs.	Effective for distributions made after December 31, 2023	401(a) (except pension plans), 403(b), and governmental 457(b) plans	Not to allow emergency expense withdrawals	<input type="checkbox"/> Allow emergency expense withdrawals
Section 125: Eligibility requirements for long-term part-time (LTPT) employees	SECURE 1.0, Section 112: LTPT employees who complete at least 500 hours of service in three consecutive plan years must become eligible to defer into a 401(k) plan. Service prior to January 1, 2021, is disregarded for 401(k) plans. Effective January 1, 2025, SECURE 2.0 applies to 401(k) and ERISA covered 403(b) plans and states employees who complete two consecutive years of service must become eligible to defer into the plan. Service prior to January 1, 2023, is disregarded for ERISA covered 403(b) plans.	Effective for plan years beginning after December 31, 2023.	401(k) and ERISA covered 403(b) plans	<ul style="list-style-type: none"> • Same entry date that applies to elective deferrals • Minimum age is 21 • Not eligible for employer contributions • Subject to automatic contributions arrangement if plan permits • Participants classified as union employees, nonresident aliens and any class of employees excluded from the plan not based on service will continue to be excluded. 	<input type="checkbox"/> I would like something other than the OneAmerica Financial default.
Section 304: Involuntary cash-out distributions	Increases the limit for involuntary cash-out distributions to \$7,000	Effective for distributions made after December 31, 2023	401(a), 403(b), and 457(b) plans	Plans that currently have a \$5,000 threshold will be increased to a \$7,000 threshold. Plans with any threshold other than \$5,000 will remain the same, unless you elect to increase the threshold to \$7,000.	<input type="checkbox"/> If current threshold is between \$1,000 and \$5,000, increase the limit for involuntary cash-out to \$7,000

Hold involuntary cashout limit at \$5,000 (excluding rollovers); allow distributions upon approval only.

Provision	Description	Effective Date	Impacted Plan Types	OneAmerica Financial Default	Non-Default Election
Section 306: Elimination of “First Day of the Month” Requirement	Prior to SECURE 2.0, participants in a governmental 457(b) plan could only modify deferral elections on the first of the month following the date they complete a salary reduction agreement. This provision removes the requirement and allows participants to change their deferral rate at any time.	Effective December 29, 2022	Governmental 457(b) plans	Keep prior deferral modification of the first of the month following the date the participant completes a salary reduction agreement	<input type="checkbox"/> Allow participants to change their deferral rate at any time
Section 308: Distributions for Firefighters	Extends the age 50 early withdrawal exception for qualified public safety employees to also apply to private sector firefighters receiving distributions from a qualified retirement plan.	Effective for distributions made after December 29, 2022	401(a) and 403(b) plans	Not to extend the age 50 early withdrawal exception for qualified private sector firefighters	<input type="checkbox"/> Extend the age 50 early withdrawal exception for qualified private sector firefighters
Section 314: Domestic violence victim withdrawals	Allows a penalty free withdrawal for victims of domestic abuse of up to the lesser of 1) \$10,000 (indexed for inflation) or 2) 50% of the participant’s vested account balance. Withdrawal may be repaid within three years.	Effective for distributions made after December 31, 2023	401(a) (except pension plans), 403(b), and governmental 457(b) plans	Not to allow domestic violence victim withdrawals	<input type="checkbox"/> Allow domestic violence victim withdrawals
Section 331: Qualified Federally Declared Disasters	Allows a penalty free withdrawal of up to \$22,000 to a participant impacted by a qualified federally declared disaster (inclusion of income may be spread over a three-year period). Withdrawal may be repaid within three years. Provides loan relief to any qualified individual whose principal residence is in a disaster area and who sustains an economic loss because of the disaster. Allows the employer to provide for a larger loan available amount up to \$100,000 and a longer repayment period that is extended up to the lesser of the amount to allow for loans for the loan requirement.	Effective for disasters occurring on or after January 26, 2021	401(a), 403(b), and governmental 457(b) plans	Not to allow declared disaster withdrawals or loan relief	<input checked="" type="checkbox"/> Allow declared disaster withdrawals and loan relief - County limits to \$5,000 per incident.


Authorization Page

I elect all defaults listed in the SECURE 2.0 Checklist – for provisions effective prior to January 1, 2025.

Please note: if a non-default election is selected that is not applicable to your plan type, OneAmerica Financial will not incorporate that specific non-default election.

Please visit our SECURE 2.0 [website](#) or contact your OneAmerica Financial representative if you have any questions.

As the employer, you have the ultimate responsibility to make certain that your plan is operated in good faith with all SECURE 2.0 provisions including the elections made in this SECURE 2.0 Checklist – for provisions effective prior to January 1, 2025.

Employer Signature:  Date Signed: January 6, 2025
Mark Henry, County Judge

Plan Name: The Alternate Plan for Galveston County Employees Plan/Contract Number WI971617