

What Washington Means to You: The Past, Present, and Future of 401k MEP/PEP Regulation

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What We'll Cover Together

Past: How Did We Get Here?

Present: So Where Are We?

Future: What Comes Next?

The Past

- MEPs are much like the evolution of retirement as a whole . . . Collective pensions, defined contribution, 401(k), and then back to where we started.
- Just one big circle.

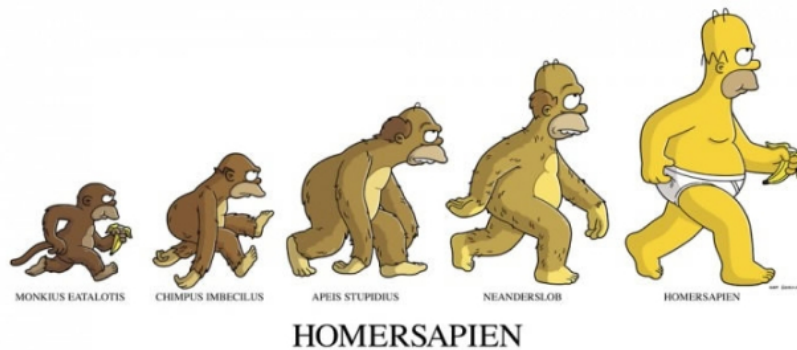


The Past

- Let's Group Into Buckets . . .
 - “Affiliated” MEPs
 - The Big Conglomerates – AIG, GE and More
 - Industry Specific MEPs
 - Professional Employer Organization MEPs
 - The IRS’ 2000s Guidance
 - “Open” MEPs
 - IRS Versus DOL Rules
 - 2012 Advisory Opinions and Post-2012
 - Association Retirement Plans



The Past



- Evolution From 2012
 - Restructuring of “Open” MEPs
 - RESA, SECURE and Various Legislative Proposals
 - Starts, Stops, Rinse and Repeat
 - Its Dead . . .
 - Its Alive – and Passed
 - Oops We Missed Something . . .

The Present

- SECURE's Two Paths
 - Pooled Employer Plans
 - "PEP" Light – Consolidated Reporting
- Pooled Employer Plans in 2021
 - More Acronyms Tied Together . . . PEP, PPP, 3(38), 3(16).
 - Are There Gaps?
- The Current Landscape
 - The "Blender"
- A Lawyer's Current Perspective and Role

The Present

- Internal Revenue Service
 - Topics:
 - “Cycle 3” Preapproved Plans
 - One Bad Apple - ARPs and PEPs
 - PPP Registration . . . See Department of Labor (and Why?)
 - Other “In The Weeds” Considerations
 - Immediate Impacts



The Present

- Department of Labor

- Topics:

- PPP Proposed Registration Guidance

- What Was Hoped For
 - What We Got

- PEP RFI and Responses

- PEP “Structures”
 - Prohibited Transaction Exemptions – Old/New

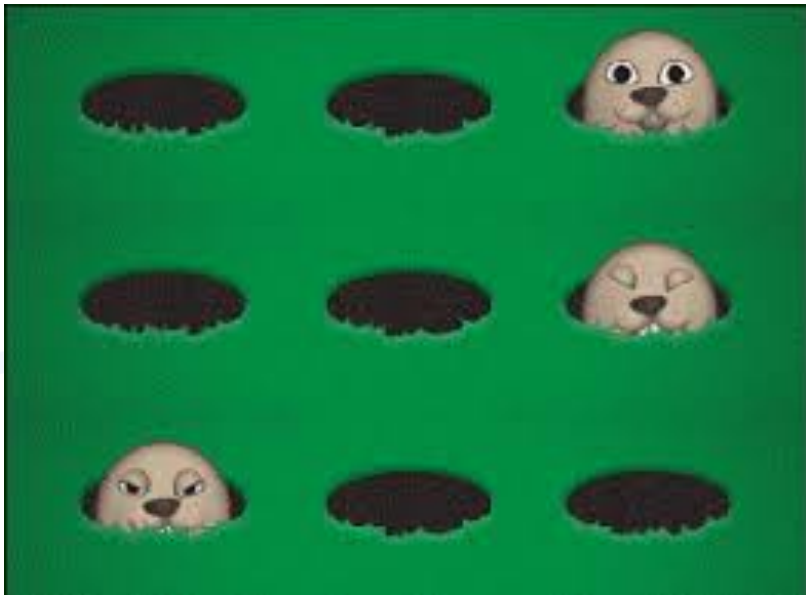
- Ongoing Open MEP Investigations

- “PEP Light”

- Immediate Impacts



The Present



- SEC
- Litigation
 - MEP Litigation
 - PEO Litigation
- The DC Lobbying Landscape
- Congress
 - Impact of COVID Relief Process
 - Additional MEP/PEP Legislation

The Future

- Do I Move Forward Now?
 - What Is Going On In The Market Now
 - Challenges
 - PEP Registration
 - Prohibited Transactions
 - All The “Pieces”
 - Potential Pros and Cons of Waiting or Moving Forward Now



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The Future

- Internal Revenue Service
 - How Does One Bad Apple End (Both IRS and DOL)?
 - Plan Documents
- Department of Labor
 - Registration and Disclosure
 - Investigations
- Litigation
 - The Continued Rise of MEP Litigation Plus What It Is Like to Defend A Case
- Closing Thoughts

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