



# Deferred Compensation Board

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April 7, 2020

To New York State Deferred Compensation Model Plan Sponsors:

The New York State Deferred Compensation Board (“the Board”) held an interim Board meeting on April 6, 2020. At that meeting, the Board approved the authority for Model Plan sponsors to enact any provision of the CARES Act of 2020 (“the Act”) related to governmental section 457(b) plans.

There are a number of decisions for plan committees which should be made with advice from their legal counsel, investment consultant, trustee and recordkeeper. The Board will be amending the Model Plan document for the CARES Act and the SECURE Act in the future. Model Plan sponsors may enact provisions now and make necessary amendments to their plan documents when they are available.

Suspension of required minimum distributions (RMDs) does not require action. Expanded distributions and loan provisions apply only to "qualifying individuals" and only if the committee enacts them. It appears that separate approvals are required for distributions (and maximum level), expansion of loan dollar and percentage limits and extension of loan payments. It is up to each plan sponsor which, if any, of these provisions are in the best interests of their participants.

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