Available starting in 2023				
Change	**Impact**	**Effective Date**	**Mandatory/Optional**	**Notes**
Qualified Birth and Adoption Distributions (QBAD) A participant who has taken a QBAD may repay that distribution to an eligible retirement plan accepting rollovers during the three-year period beginning on the day after the date on which the QBAD was received.	Establishes time limit for repayment of QBADs for those participants who wish to repay.	Retroactive effective date - QBADs made after December 31, 2019	Optional	
Self-certification of Unforseen Emergency Withdrawals A plan administrator may rely on an employee certification that a hardship withdrawal or unforeseen emergency distribution is based upon immediate and heavy financial need, as described in the Treasury regulations, and that the amount requested is no more than is necessary.	Allows plan sponsors the choice to accept self-certification for hardships and unforeseen emergency distributions.	Plan years beginning after December 29, 2022	Optional	
Treatment of Employer Contributions as Roth An employer may designate matching contributions or nonelective contributions as Roth contributions, provided that the participant is fully vested in such Roth employer contributions.	As drafted, Secure 2.0 created pending questions regarding the Employer FICA obligations for such contributions.	Contributions made after December 29, 2022	Optional	
Qualified Disaster Distributions and Loans Permits participants who meet certain criteria to take a distributions up to $22,000 (aggregated across all of a participant's plan accounts, including IRAs) due to a federal disaster declaration. Distributions are not subject to the IRS 10% premature distribution penalty tax and can amortized as income over a three-year period. Amounts distributed prior to the disaster to purchase a home can be recontributed. The employer is responsible for monitoring the $22,000 limit for each of the plans within its controlled group.		Retroactive application to disasters occurring on or after January 26, 2021	Optional	
Modification of "first day of the month" Requirement for Governmental 457b Plans Currently, governmental 457b plan participants must make a deferral election in the month prior to the month in which compensation is paid. Secure 2.0 changes this rule to deferral elections effective with respect to compensation not yet paid or made available.	Aligns deferral timing of deferral elections in a governmental 457b plan with elections under 401k and 403b plans	Taxable years beginning after December 29, 2022	Optional	

Available starting in 2024				
Change	**Impact**	**Effective Date**	**Mandatory/Optional**	**Notes**
Student Loan Payments for Matching Purposes Permits an employer to make matching contributions to a retirement plan with respect to "qualified student loan payments." - Qualifed student loan payment is broadly defined as any indebtedness incurred by the employee solely to pay qualified higher education expenses of the employee. - Separate nondiscrimination testing for employees who receive matching conributions on student loan repayments. - A retirement plan sponsor may rely on employee certification of payment. - Secure 2.0 directs Treasurty to publish regulations relating to this provision.	Assists employee who may not be able to save for retirement because they are overwhelmed with student debt and miss out on available employer matching contributions.	Plan years after December 31, 2023	Optional	
Withdrawal for Emergency Personal Expenses Provides an exception to the IRS 10% premature distribution penalty tax for certain distributions for emergency expenses, which are unforeseeable or immediate financial needs relating to "personal or family emergency expenses." - Only one distribution is permissible per calendar year of up to $1,000. - Taxpayer has the option to repay the distribution within 3 years. - No futher emergency distributions are permissible during the 3-year repayment period unless direct repayment occurs, or aggregate elective deferrals are contributed to the plan in at least the amount that was distributed and not repaid. - Plan administrator may rely on a participant's certification unless the plan administrator has actual knowledge to the contrary.	Reduce the tax penalty for participants taking a hardship distribution up to certain limitations	Distributions made after December 31, 2023	Optional	
Exemption for Certain Automatic Portability Permits retirement plan recordkeepers and other firms to provide employer plans with automatic portability services. Such services involve the automatic transfer of a participant's default IRA (established in connection with a distribution from a former employer's plan) into the participant's new employer's retirement plan, unless the participant affirmatively elects otherwise. Requirements: (1) must be an active participant in the new employer plan; and (2) the automatic portability provider acknowledges fiduciary status.	Creates a new option for plan sponsors to consider for small balance mandatory distributions with a goal to increase retirement savings by automatically transferring small balanace mandatory distributions to a particpant's new employer if applicable.	Transactions occurring on or after December 29, 2023	Optional	

Available starting in 2024				
Change	**Impact**	**Effective Date**	**Mandatory/Optional**	**Notes**
Emergency Savings Accounts under Defined Contribution Plans Retirement plans may offer their non-highly compensated employees plan-linked emergency savings accounts. (Once and individual becomes a highly compensated employee (as defined in the Internal Revenue Code), then contributions must stop). - Plans may automatically enroll employees into these accounts at no more than 3 percent of their salary. - The account is capped at $2,500 (or lower as set by the employer). The $2,500 cap is subject to IRS annual cost of living adjustments in $100 increments. - Once the cap is reached, the additional contributions can be directed to the employee's Roth defined contribution plan (if they have one) or stopped until the balance attributable to contributions falls below the cap. - Contributions are made on a Roth-like basis - Treated as elective deferrals for purposes of retirement matching contributions with an annual matching cap set at the maximum account balance of $2,500 or lower. - Allows at least one withdrawl per calendar month. The first four withdrawals from the account each plan year may not be subject to any fees or charges solely on the basis of such withdrawals. - Exempt from IRS 10% premature withdrawals penalty tax. - At separation from service emergency savings accounts can be distributed or rolled into a Roth source with a plan or IRA.	Provide an alternative source of money for particpants when an emergency arises so they do not have to tap into their retirement savings.	Plan years after December 31, 2023	Optional	
Increase in Small Balance Mandatory Distribution Threshold The dollar amount which a plan may authorize a distribution of a terminated participant's vested account without the particpant's consent increases from $5,000 to $7,000.	Increase the small balance mandatory distribution limit from $5,000 to $7,000 for inactive and dormant accounts in plans.	Distributions made after December 31, 2023	Optional	
Penalty-free withdrawal for domestic abuse cases Permits participants who self-certify they experienced domestic abuse to obtain a withdrawal (the lesser of $10,000, indexed for inflation, or 50 percent of the participant's account). - The distribution is not subject to the IRS 10 percent penalty tax on premature distributions - Additionally, a participant can repay the withdrawn money from the retirement plan over 3 years and will be refunded for income taxes on money that is repaid.	Provide a domestic abuse survivor with access to their retirement account for various reasons, such as escaping an unsafe situation.	Distributions made after December 31, 2023	Optional	

Available starting in 2025				
Change	**Impact**	**Effective Date**	**Mandatory/Optional**	**Notes**
Increased Catch-up Contributions Limits Increases age-based catch-up contribution limits to the greater of $10,000 or 50 percent more than the regular age 50 catch-up amount in 2025 (subject to IRS annual cost of living adjustments in $500 increments) for participants who have reached ages 60, 61, 62 and 63. - After age 63, the standard age 50+ catch-up limits will apply. - For eligible governmental 457b plan participants, this catch-up cannot be used in the same tax year as the Special I 457 Catch-up.	If adopted by plan sponsor, allows participants ages 60, 61, 62 and 63 to make additional catch-up contributions.	Taxable years beginning after December 31, 2024		