The Coronavirus Aid, Relief, and Economic Security Act (CARES Act or Act), which was signed into law on March 27, 2020, contained as part of its financial relief, provisions for easier access to defined contribution retirement savings plans including the County's 401(a) and 457 plans. The CARES Act allows:

1. **The Waiver of Required Minimum Distributions (RMDs) due through December 31, 2020**

- Any RMD required to be made in calendar year 2020 is waived without regard to whether the individual is eligible for a "coronavirus-related distribution. This includes RMDs due as a death benefit in accordance with the five year rule, and those time limits are extended by one year.

- If a distribution is made in 2020 that would have been treated as an RMD but for the 2020 waiver, it can be indirectly rolled over in accordance with the 60-day IRS rollover rules, but may not be rolled back into the County's traditional 457(b) or 401(a) plans.

- This applies to the County's traditional 457(b) and 401(a) plans.

ITEMS BELOW MUST BE RELATED TO THE CORONAVIRUS PANDEMIC. PARTICIPANT'S MUST FALL WITHIN ONE OR MORE OF THE FOLLOWING CATEGORIES AND SELF ATTEST TO QUALIFY:

- Has been diagnosed with COVID-19 by a test approved by the Centers for Disease Control and Prevention

- A spouse or dependent who has been so diagnosed

- Has experienced adverse financial consequences as a result of; (1) being quarantined, (2) being furloughed or laid off, (3) having work hours reduced, being unable to work due to lack of child care, or (5) closing or reducing hours of a business owned or operated by the individual.

2. **Eligible participants may request in-service distributions up to the lesser of $100,000 or 100% of a participant's vested balance (in aggregate across all plans) for qualifying coronavirus related reasons**

- The distribution may be made from the County's traditional 457(b) and 401(a) plans.

- A distribution can be repaid within three years of the date of distribution to any eligible plan or IRA to which a rollover contribution can be made. Repayments will be treated as rollover contributions.

- The 20% withholding on distributions is not required; however, Empower will apply a 10% withholding amount unless directed differently by the participant at the time of the loan request.

- A "coronavirus-related distribution" includes any distribution made in 2020 to a person who self-certifies they are a Qualified Individual.

3. **Eligible participants may request qualified loans up to the lesser of $100,000 or 100% of a participant's vested balance (aggregated across all plans) for qualifying coronavirus related reasons.**

    - Qualified loans may be made from the County's traditional 457(b) and 401(a) plans.
    - A qualified loan is any new loan to a participant who is eligible to receive a coronavirus related loan as defined above.
    - The maximum loan amount for qualified loans is the lesser of $100,000 or 100% of a participant's vested balance. Loans may be taken during the period not to exceed 180 days after enactment of the law (March 27, 2020 through September 22, 2020).
    - This applies to the County's traditional 457(b) and 401(a) plans.
    - Eligible Participants who already have an existing loan and/or are requesting a new or second loan may defer loan payments that are due from the date of enactment through December 31, 2020. **Note** – loan interest will continue to accrue during the deferral period and will be added to the loan balance(s).
    - All subsequent payments will be adjusted to take into account the delay and the interest accrued during the delay. The five-year loan limit may be disregarded for this purpose.