



Catch The Match, It's Back!

July 1, 2023

Frequently Asked Questions

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| <p>What is the Match?</p> | <p>As of July 1, 2023, the State will match eligible employee deferrals/contributions to the MSRP's 457(b), 401(k), or 403(b) plans or employing State higher education institution's 457(b), 401(k), or 403(b) plans (MSRP, TIAA or Fidelity Investments), dollar-for-dollar, up to \$600 each fiscal year. This means that for every dollar you defer/contribute, the State will contribute a dollar on your behalf until the maximum of \$600, per eligible employee, is reached.</p> |
| <p>Who is considered an eligible employee for the Match?</p> | <p>Full-time and Part-time employees who are members of the Employees' Pension System including:</p> <ul style="list-style-type: none"> ▪ Employees' Pension System Alternate Contributory Pension Selection (for members enrolled before July 1, 2011). ▪ Employees' Pension System Reformed Contributory Pension Benefit (for members enrolled on or after July 1, 2011). ▪ Employees' Pension System Non-Contributory Pension Selection (for active members of employers who did not elect to participate in the Contributory, Alternate, or Reformed plans). ▪ Employees' Pension System Contributory Pension Selection (for active members of employers who did not elect to participate in the Alternate or Reformed plans). <p>Employees who are members of the Employees' Retirement System (prior to January 1, 1980), subject to Selection C (Contribution Formula)</p> <p><u>Exceptions:</u></p> <ul style="list-style-type: none"> ▪ Participating governmental unit employees or a former participating governmental unit that has withdrawn. ▪ Members of the Employees' Pension System who transferred from the Employees' Retirement System after April 1, 1998. |
| <p>What other requirements are there to receive the Match?</p> | <p>In addition to eligibility requirements, employees must defer/contribute to a MSRP 457(b), 401(k), or 403(b) plan(s).</p> <p>Employing State higher education institution employees must defer/contribute to a 457(b), 401(k), or 403(b) plan through MSRP, TIAA, or Fidelity Investments.</p> |
| <p>Do I need to contribute to a State supplemental retirement plan to be eligible for the Match?</p> | <p>Yes, to receive the Match, an eligible employee must be making deferrals/contributions to a State supplemental retirement plan through payroll deduction.</p> |

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| <p>Can I open a new State supplemental retirement plan to receive the Match?</p> | <p>Yes, eligible employees must be enrolled in MSRP's 457(b), 401(k), or 403(b) plans or an employing institutions' 457(b), 401(k), or 403(b) plans (MSRP, TIAA or Fidelity Investments) and be deferring/contributing to the plan after July 1, 2023, to be eligible for the Match.</p> |
| <p>Where will the State contribute my Match dollars?</p> | <p>A 401(a) plan account will automatically be funded when deferrals/contributions are made to a State supplemental retirement plan.</p> |
| <p>What is a 401(a) Plan?</p> | <p>This is a separate defined contribution plan established for the employee deferral/contribution match and is funded with pre-tax <u>employer</u> contributions only.</p> |
| <p>When will I see the Match contribution post to my 401(a) plan?</p> | <p>For regular State employees, the matching contribution will occur beginning with the pay period ending 6/27/2023 with pay date 7/5/2023. For University System of Maryland employees, the matching contribution will occur beginning with the pay period ending 7/1/2023 with pay date 7/7/2023.</p> |
| <p>When do I have access to the funds in my 401(a) plan?</p> | <p>Once the State's contributions are made to your 401(a) Plan account, the funds are available once you meet the 401(a) plan distribution requirements.</p> |
| <p>Can I borrow the money from my 401(a) plan?</p> | <p>No borrowing provisions, no in-service distributions, and no financial hardship withdrawals are authorized for your 401(a) plan account.</p> |
| <p>Can I contribute to a Roth Account and receive the 401(a) Pre-tax Match?</p> | <p>Yes, Roth contributions will be allocated to your designated Roth accounts, as usual. The Match for Roth contributions will be allocated to a 401(a) pre-tax account.</p> |
| <p>How will 401(a) Match funds be invested?</p> | <p>If a participating employee already has a 401(a) plan account, the contribution to the 401(a) plan account will be allocated as already designated by the participant. If a new 401(a) plan account is established and there is no designation, the 401(a) money will be allocated to the 401(a) plan default option.</p> |
| <p>Does an annual leave rollover into a 457(b), 401(k), or 403(b) qualify for the Match, dollar-for-dollar, up to \$600?</p> | <p>Yes, if an Annual Leave payout is in the employee's last check from the State, and if contribution of the allowable amount into a Plan is done by payroll deduction.</p> |



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