



ANDY BESHEAR
GOVERNOR

Kentucky Deferred Comp

Kentucky's official supplemental retirement plan



WILLIAM C. BIDDLE
EXECUTIVE DIRECTOR

July 1, 2020

NOTICE OF NEW FEDERAL LAW -- PART-TIME EMPLOYEES

To: Participating Employers

This is notice about 401(k) Plan eligibility for part-time employees.

A new federal law, Setting Every Community Up for Retirement Enhancement Act of 2019 ("SECURE Act"), mandates 401(k) plan eligibility for certain part-time employees. This provision of the SECURE Act is effective January 1, 2021.

If an employee works at least 500 hours in each year for three consecutive years, he/she must be offered the right to make a 401(k) deferral election. In the Authority's 401(k) plan, this is done by completing a Participation Agreement/Enrollment Form (see attached copy). If you employ any such employees, you must ensure that each receives a Participation Agreement/Enrollment Form.

To comply with this new law, the Authority plans to request employee information each year and/or your certification of compliance. If you have any questions, please contact the undersigned or the Authority's legal counsel, Alan D. Pauw.

KENTUCKY PUBLIC EMPLOYEES' DEFERRED
COMPENSATION AUTHORITY

By: 
William C. Biddle, Executive Director

cc: Alan D. Pauw, Authority Legal Counsel
McBrayer PLLC
Phone: (502) 327-5400
Email: apauw@mcbayerfirm.com