

Auto IRA Plans an Option Under Proposed Retirement Legislation

On Sept. 9, the House Ways and Means Committee approved retirement provisions in President Biden's Build Back Better bill. The proposed legislation would require employers that are at least two years old that currently don't offer access to a retirement plan and employ five or more people to begin automatically enrolling their employees in IRAs or 401(k)-type plans, effective Jan. 1, 2023.

State-sponsored Auto IRAs Gain Momentum

The other part of the legislation encourages employees, especially minorities who lack access to a retirement plan, to participate in a state-sponsored auto-IRA plan. For small and midsized employers (between 5 and 250 employees) without plans, 86% support the state-sponsored concept.¹

And states, such as California, Texas and Oregon, are requiring that small businesses either provide their own 401(k) or enroll their employees in a state-operated IRA.

Pooled Employer Plans (PEPs) Offer Employers a Solution

Since the DOL began allowing companies to register last year as pooled plan providers, dozens have signed up, however not as many have launched PEPs, which represent an evolution in the 401(k) plan business.

Even without proposed retirement plan mandates, employers face pressure to offer retirement plans to workers, especially when trying to attract talented workers. PEPs also provide an easy answer for employers who don't want to handle the administrative and fiduciary responsibilities of their own 401(k).

Mariner Wealth Advisors Offers a PEP

If you are a small- or midsized business and need to establish a plan, the retirement team at Mariner Wealth Advisors can help. We offer a PEP, a fully outsourced employer retirement plan solution.



How Our PEP Works

The Mariner Wealth Advisors PEP is a type of Multiple Employer 401(k) Plan that allows multiple, unrelated employers to participate in a single plan trust, achieving economies of scale typically only attained by larger plans. In addition, this arrangement allows employers to outsource the primary fiduciary roles of the plan to industry experts.

Partnership With Third Party Provider

Mariner Wealth Advisors will partner with a third-party firm to provide administration and recordkeeping for the PEP. The third-party firm will assume the role of the ERISA 3(16) Plan Administrator and principal fiduciary for administrative functions of the plan, and Mariner Wealth Advisors serves as the ERISA 3(38) Investment Manager, taking full fiduciary responsibility and discretion regarding the selection and monitoring of investment options offered under the PEP.

Investment Platform

Our investment platform consists of mutual funds with an emphasis on index funds in an open architecture environment. The open architecture approach is designed to achieve high-level performance without a trade-off of high cost.

PEP Technology and Plan Compliance

The Mariner Wealth Advisors PEP provides participants with a website, educational resources, tools, market commentary and calculators, plus online access to their plan through a portal. In addition, each adopting employer will receive a snapshot of their plan's compliance testing results, plan financial and demographic data and educational content. This communication provides employers with an at-a-glance view of their testing pass/fail status without having to drill into the underlying data.

Plan Compliance

The third-party provider we will partner with will work closely with Mariner Wealth Advisors on the ongoing fiduciary responsibilities and liabilities associated with the PEP.

Connect With Our RPS Team

If you are interested in learning more about the Mariner Wealth Advisors PEP, please contact our Retirement Plan Solutions team at: retirement@marinerwealthadvisors.com, and they can provide you with more information.

For more information visit: marinerwealthadvisors.com

Sources

¹ ["Graff: Auto-IRA an Industry Gamechanger"](#)

² ["More Companies Planning PEPs"](#)

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