



# Memorandum

**TO:** HONORABLE MAYOR  
AND CITY COUNCIL

**FROM:** Jennifer Schembri

**SUBJECT: SECURE 2.0 Act  
Amendments to Deferred  
Compensation, PTC and  
401(a) Plans**

**DATE:** November 25, 2024

Approved

Date:

12/4/24

**COUNCIL DISTRICT:** Citywide

## **RECOMMENDATION**

- a) Adopt a resolution approving an amendment to the Basic Plan Document for the Deferred Compensation Plan to comply with the mandatory and optional SECURE 2.0 Act and authorizing the City Manager or her designee to execute the amended Basic Plan Document and other documents as necessary to administer the Deferred Compensation Plan set forth in Chapter 3.48 of the San José Municipal Code.
- b) Adopt a resolution approving an amendment to the Basic Plan Document for the PTC Plan to comply with the SECURE 2.0 Act and authorizing the City Manager or her designee to execute the amended Basic Plan Document and other documents as necessary to administer the PTC Plan set forth in Chapter 3.50 of the San José Municipal Code.
- c) Adopt a resolution approving an amendment to the Basic Plan Document for the Defined Contribution Plan for Unit 99 Employees to comply with the SECURE 2.0 Act and authorizing the City Manager or her designee to execute the amended Basic Plan Document and other documents as necessary to administer the Defined Contribution Plan for Unit 99 Employees set forth in Chapter 3.49 of the San José Municipal Code.

## **SUMMARY AND OUTCOME**

The federal Setting Every Community Up for Retirement Enhancement Act (SECURE 2.0 Act) was signed into law on December 29, 2022. The SECURE 2.0 Act includes many provisions related to retirement plans and individual retirement accounts that

expand participant coverage, help participants preserve income, and simplify plan rules and administrative procedures.

The SECURE 2.0 Act has mandatory provisions that require amendments to the City's 457 Deferred Compensation Plan (457 Plan), PTC Deferred Compensation Plan (PTC Plan), and Defined Contribution Plan for Unit 99 Employees Plan (Tier 3 Plan). In addition to the required provisions, the SECURE 2.0 Act provides for optional changes that the Human Resources Department recommends the City implement. The SECURE 2.0 Act requires the amendments to the three plans no later than December 31, 2029.

## **BACKGROUND**

The City of San José established and maintains the following deferred compensation and defined contribution plans outlined below.

- 457 Plan for all employees to voluntarily contribute retirement savings.
- PTC Plan for employees who are not eligible to participate in the City's Police and Fire Department Retirement Plan and Federated City Employees Retirement Plan and City Councilmembers who did not elect membership in the California Public Employees' Retirement System prior to October 3, 2021.
- Tier 3 Plan for executive management and professional employees hired on or after January 20, 2013. Effective October 3, 2021, City Councilmembers who are not members of California Public Employees' Retirement System shall also become members of this plan.

The City's 457 Plan is available to all City employees on a voluntary basis. An employee who elects to participate must enter into a participation agreement that specifies the amount of the deferral and the investment options selected by the participant. 457 Plan participants can choose to make contributions on a pre-tax basis to a traditional 457 plan, on an after-tax basis to the Roth 457 plan, or a combination of the two. 457 Plan participants can adjust deferral amounts and investments. As of October 24, 2024, the 457 Plan had 9,059 members and \$1,510,957,622.26 in assets.

The City's PTC Plan is a mandatory plan in lieu of Social Security for certain classifications of employees and City Councilmembers that did not select membership in the California Public Employees' Retirement System-defined benefit plan prior to October 3, 2021. Current participants of the PTC Plan are required to contribute 3.75% of their salary into the plan and the City makes a matching contribution of 3.75%. As of October 24, 2024, this plan had 7,155 members and \$33,687,561.80 in assets.

In 2013, the City began offering a 401(a) defined contribution plan, known as the Tier 3 Plan for Executive Management and Professional Employees (Unit 99), to all new executive management or professional employees in Unit 99 who elect to opt out of the

City's defined benefit Federated Employees Retirement Plan. As of October 3, 2021, City Councilmembers who are not members of the California Public Employees' Retirement System became members of the Tier 3 Plan. Similar to the PTC Plan, staff participants in the Tier 3 Plan are required to contribute 3.75% of their salary and the City matches their 3.75% contribution. City Councilmembers in the Tier 3 Plan are required to contribute 3.75% of their salary and the City makes a 6.55% contribution into the plan. As of October 24, 2024, this plan had 174 members and \$5,169,562.29 in assets.

The City Manager or her designee is the administrator of the three plans and is responsible for the operation of each plan in accordance with its terms, including determining all the questions arising out of the administration, interpretation, and application of each plan.

## **ANALYSIS**

The Human Resources Department worked closely with the plans' consultant and providers, the City Manager's Office, and the Deferred Compensation Advisory Committee to understand and implement all required provisions of the SECURE 2.0 Act, as well as to review the optional provisions.

The charts below outline the mandatory and optional provisions, including which optional provisions are recommended for adoption for each specific plan.

### **MANDATORY CHANGES WHERE PLAN AMENDMENT IS NOT NECESSARY**

<b>SECURE 2.0 Act § 302 Reduction in Excise Tax on Late Required Minimum Distributions (RMD)</b>		
<b><u>Description</u></b>	<b><u>City Plans Impacted</u></b>	<b><u>Effective</u></b>
<ul style="list-style-type: none"> <li>SECURE 2.0 Act reduces the excise tax for late RMDs to 25%.</li> <li>The excise tax is further reduced to 10% if the failure to take the RMD is corrected by the last day of the second taxable year that begins after the end of the taxable year in which the excise tax is imposed (or the earlier date that the Internal Revenue Service (IRS) notifies the taxpayer of or assesses the tax).</li> </ul>	<ul style="list-style-type: none"> <li>457 Plan</li> <li>PTC Plan</li> <li>Tier 3 Plan</li> </ul>	For taxable years beginning after December 29, 2022.

<b>SECURE 2.0 Act § 337</b>		
<b>Modification of RMD Rules for Special Needs Trusts</b>		
<b><u>Description</u></b>	<b><u>City Plans Impacted</u></b>	<b><u>Effective</u></b>
<ul style="list-style-type: none"> <li>SECURE 2.0 Act provides that, in the case of a special needs trust established by a beneficiary with a disability, if the trust names a charitable organization as a beneficiary, such organization will be treated as a designated beneficiary for purposes of these rules.</li> <li>This change will enable RMDs to a disabled beneficiary to be made over a longer period of time.</li> </ul>	<ul style="list-style-type: none"> <li>457 Plan</li> <li>PTC Plan</li> <li>Tier 3 Plan</li> </ul>	For calendar years beginning after December 29, 2022.
<b>SECURE 2.0 Act §§ 308, 329, 330</b>		
<b>Exception to 10% Early Distribution Penalty Tax for Public Safety Officers</b>		
<b><u>Description</u></b>	<b><u>City Plans Impacted</u></b>	<b><u>Effective</u></b>
<p>SECURE 2.0 Act expanded this exception to the 10% early distribution penalty tax as outlined below.</p> <ul style="list-style-type: none"> <li>It applies to a distribution to a qualified public safety employee who separates from service on or after age 50 <u>or 25 years of service under the plan.</u></li> <li>For a qualified public safety employee providing firefighting services, in addition to distributions from governmental plans, it applies to distributions from a non-governmental defined contribution 401(a) plan, defined benefit 401(a) plan, or 403(b) plan.</li> <li>The definition of a qualified public safety officer is expanded to include an employee of a state or political subdivision thereof who provides services as a correction officer or services as a forensic security employee.</li> </ul>	<ul style="list-style-type: none"> <li>457 Plan</li> <li>PTC Plan</li> <li>Tier 3 Plan</li> </ul>	For distributions made after December 29, 2022.

<b>SECURE 2.0 Act § 326</b>		
<b>Exception to 10% Early Distribution Penalty Tax for Terminal Illness Distribution</b>		
<b><u>Description</u></b>	<b><u>City Plans Impacted</u></b>	<b><u>Effective</u></b>
<p>SECURE 2.0 Act permits distributions from all retirement plans to terminally ill individuals who are otherwise eligible for a distribution under the following criteria.</p> <ul style="list-style-type: none"> <li>• This provision does not create a new distribution right under retirement plans, so participants must otherwise be eligible for a distribution to receive the tax benefits under this provision.</li> <li>• A terminally ill individual means an individual who has been certified by a physician as having an illness or physical condition that can reasonably be expected to result in death in 84 months or less after the date of the certification.</li> <li>• The employee must furnish sufficient proof to the plan administrator that the employee qualifies under this standard (self-certification not permitted).</li> <li>• The distribution is not subject to the 10% early withdrawal penalty tax.</li> <li>• The distributions can be repaid within three years.</li> </ul>	<ul style="list-style-type: none"> <li>• 457 Plan</li> <li>• PTC Plan</li> <li>• Tier 3 Plan</li> </ul>	For distributions made after December 29, 2022.
<b>SECURE 2.0 Act § 107</b>		
<b>Increase in Age for Required Beginning Date for RMDs</b>		
<b><u>Description</u></b>	<b><u>City Plans Impacted</u></b>	<b><u>Effective</u></b>
<p>SECURE 2.0 Act replaces "age 72" with the "applicable age," which is determined as follows:</p> <ul style="list-style-type: none"> <li>• For participants who turned age 72 <u>before 2023</u>, the applicable age is still age 72;</li> <li>• For participants who will turn age 72 <u>after 2022 and age 73 before 2033</u>, the applicable age is now age 73;</li> <li>• For participants who will turn age 74 <u>after 2032</u>, the applicable age is now age 75.</li> </ul>	<ul style="list-style-type: none"> <li>• 457 Plan</li> <li>• PTC Plan</li> </ul>	For RMDs made after 2022 for employees who turn age 72 after 2022.

**MANDATORY CHANGES WHERE PLAN AMENDMENT IS NECESSARY**

<b>SECURE 2.0 Act § 311</b>		
<b>Repayment of Qualified Birth or Adoption Distributions Limited to Three Years</b>		
<b><u>Description</u></b>	<b><u>City Plans Impacted</u></b>	<b><u>Effective</u></b>
<ul style="list-style-type: none"> <li>SECURE 2.0 Act amends the Qualified Birth or Adoption Distributions provisions to limit the recontribution period to three years from the date the distribution was received</li> </ul>	<ul style="list-style-type: none"> <li>457 Plan</li> </ul>	For distributions made after December 29, 2022 (retroactive effective date applies to distributions already made).

  

<b>SECURE 2.0 Act § 107</b>		
<b>Increase in Age for Required Beginning Date for RMDs</b>		
<b><u>Description</u></b>	<b><u>City Plans Impacted</u></b>	<b><u>Effective</u></b>
SECURE 2.0 Act replaces "age 72" with the "applicable age," which is determined as follows: <ul style="list-style-type: none"> <li>For participants who turned age 72 <u>before 2023</u>, the applicable age is still age 72;</li> <li>For participants who will turn age 72 <u>after 2022</u> and age 73 <u>before 2033</u>, the applicable age is now age 73;</li> <li>For participants who will turn age 74 <u>after 2032</u>, the applicable age is now age 75.</li> </ul>	<ul style="list-style-type: none"> <li>Tier 3 Plan</li> </ul>	For RMDs made after 2022 for employees who turn age 72 after 2022.

<b>SECURE 2.0 Act § 325</b>		
<b>Pre-death RMDs Not Required from Designated Roth Accounts</b>		
<b><u>Description</u></b>	<b><u>City Plans Impacted</u></b>	<b><u>Effective</u></b>
<ul style="list-style-type: none"> <li>To align with the rules for Roth individual retirement accounts, SECURE 2.0 Act eliminates the requirement that RMDs be taken from designated Roth accounts under a 401(k), 403(b), or governmental 457(b) plan during the participant's lifetime.</li> <li>Retired participants who want to minimize RMDs will no longer need to roll over their retirement plan Roth accounts to an outside Roth individual retirement accounts to avoid lifetime payments from those accounts.</li> <li>This may result in more participants keeping their accounts with their former employers/plans post-retirement.</li> <li>This change also is likely to increase the popularity of Roth accounts and in-plan Roth rollovers in retirement plans.</li> </ul>	<ul style="list-style-type: none"> <li>457 Plan</li> </ul>	For taxable years beginning after December 31, 2023, except that initial RMDs for 2023 that are delayed to 2024 must still be made.
<b>SECURE 2.0 Act § 327</b>		
<b>Surviving Spouse Election to Be Treated As Employee for RMDs</b>		
<b><u>Description</u></b>	<b><u>City Plans Impacted</u></b>	<b><u>Effective</u></b>
<ul style="list-style-type: none"> <li>Under SECURE 2.0 Act, if a participant dies before his/her required beginning date and the participant's designated beneficiary is his/her surviving spouse, the surviving spouse has the right to make an irrevocable election to be treated as the deceased employee for purposes of the RMD rules.</li> <li>If the surviving spouse makes such an election, then RMDs will begin on the later date that the participant or the surviving spouse would have turned the applicable age for RMDs (e.g., age 73), and the distribution period for RMDs will be determined applying the uniform life table (which will provide for a longer distribution period).</li> </ul>	<ul style="list-style-type: none"> <li>457 Plan</li> <li>PTC Plan</li> <li>Tier 3 Plan</li> </ul>	For calendar years beginning after December 31, 2023.

<b>SECURE 2.0 Act § 603</b> <b>Catch-Up Contributions Required to Be Made on a Roth Basis for Higher Income Earners</b>		
<b><u>Description</u></b>	<b><u>City Plans Impacted</u></b>	<b><u>Effective</u></b>
<ul style="list-style-type: none"><li>• SECURE 2.0 Act <u>requires</u> age 50 catch-up contributions to be made on a Roth basis for all participants whose wages (as defined for Social Security FICA tax purposes) from the employer sponsoring the plan exceed \$145,000 (indexed after 2024) for the preceding calendar year.</li><li>• Participants with wages below \$145,000 for the preceding calendar year must be given the option (but are not required) to make age 50 catch-up contributions on a Roth basis.</li><li>• SECURE 2.0 Act authorizes the Treasury Department to issue regulations that address circumstances where a participant is contributing age 50 catch-up contributions on a pre-tax basis for a year, but his/her wages change so that the contributions should have been made on a Roth basis.</li><li>• These regulations are necessary since elections are irrevocable as to compensation already paid.</li></ul>	<ul style="list-style-type: none"><li>• 457 Plan</li></ul>	For taxable years beginning after December 31, 2023. (Deadline extended to January 1, 2026.)



**OPTIONAL CHANGES WHERE PLAN AMENDMENT IS NOT NECESSARY**

<b>SECURE 2.0 Act § 301 Recovery of Retirement Plan Overpayments</b>		
<b><u>Description</u></b>	<b><u>City Plans Impacted</u></b>	<b><u>Effective</u></b>
<ul style="list-style-type: none"> <li>SECURE 2.0 Act amends Employee Retirement Income Act and the Internal Revenue Code to allow a fiduciary the discretion to <u>not</u> seek recovery of <u>inadvertent overpayments</u> from participants, beneficiaries, or the employer, assuming that the plan complies with the applicable IRS's limits and minimum funding rules (for Employee Retirement Income Act plans). Depending on the nature of the overpayment, the fiduciary may still need to make the plan whole for the overpayment.</li> <li>Significantly, rollovers of overpayments remain valid, but if the fiduciary chooses to recoup rolled over amounts, SECURE 2.0 Act permits the return of those amounts.</li> <li>SECURE 2.0 Act also permits the plan to be amended to increase past or decrease future benefits to adjust for overpayments.</li> <li>For Employee Retirement Income Security Act plans, the amendments also include protections to safeguard retirees who were not at fault for the overpayment, such as prohibiting the collection of interest, limiting the amount by which ongoing benefit payments may be reduced, limiting the number of years for which recoupment can be sought, and prohibiting the recoupment of overpayments from a beneficiary of the participant.</li> </ul>	<ul style="list-style-type: none"> <li>457 Plan</li> <li>PTC Plan</li> <li>Tier 3 Plan</li> </ul>	December 29, 2022.

<b>SECURE 2.0 Act § 305</b>		
<b>Expansion of Employee Plans Compliance Resolution System</b>		
<b><u>Description</u></b>	<b><u>City Plans Impacted</u></b>	<b><u>Effective</u></b>
<ul style="list-style-type: none"> <li>SECURE 2.0 Act expands the Employee Plans Compliance Resolution System to allow most inadvertent errors to be self-corrected so long as the error is (i) substantially corrected before the error is identified by an IRS on audit and (ii) corrected within a reasonable period of time after the failure is identified. All corrections must be made in accordance with general Employee Plans Compliance Resolution System principles.</li> <li>The IRS issued interim guidance on the expanded self-correction provisions in Notice 2023-43.</li> </ul>	<ul style="list-style-type: none"> <li>457 Plan</li> <li>PTC Plan</li> <li>Tier 3 Plan</li> </ul>	<p>December 29, 2022.</p> <p>The IRS is directed to update the Employee Plans Compliance Resolution System consistently with SECURE 2.0 Act by December 29, 2024.</p>

**OPTIONAL CHANGES WHERE PLAN AMENDMENT IS NECESSARY**

<b>SECURE 2.0 Act § 204</b>		
<b>Eliminating RMD Penalty on Partial Annuitization of Accounts</b>		
<b><u>Description</u></b>	<b><u>City Plans Impacted</u></b>	<b><u>Effective</u></b>
<ul style="list-style-type: none"> <li>SECURE 2.0 Act provides that a defined contribution plan may allow a participant to elect to have the RMD for the non-annuitized portion of the account be equal to the excess of the total annual RMD for the account (calculated under the defined contribution plan RMD rules and including the value of the annuity contract from which payments are being made under defined benefit plan RMD rules) over the annuity payment for the year.</li> <li>SECURE 2.0 Act requires the Secretary of the Treasury to amend the RMD regulations to address this change.</li> </ul>	<ul style="list-style-type: none"> <li>457 Plan</li> <li>PTC Plan</li> <li>Tier 3 Plan</li> </ul>	<p>December 29, 2022.</p>

<b>SECURE 2.0 Act § 331</b>		
<b>Qualified Federally Declared Disaster Distribution</b>		
<b><u>Description</u></b>	<b><u>City Plans Impacted</u></b>	<b><u>Effective</u></b>
<p>SECURE 2.0 Act creates a new distribution right from a defined contribution plan (<u>including</u> a money purchase pension plan) on account of a qualified federally declared disaster under the following criteria.</p> <ul style="list-style-type: none"> <li>• The distribution must be made within 180 days after the first day of the incident period or the date of the disaster declaration applicable to a qualified disaster, if the individual's principal place of residence is within the qualified disaster area and the individual has sustained economic loss due to the qualified disaster. The plan administrator may rely on the individual's written certification that the distribution qualifies under this standard.</li> <li>• The aggregate distributions for a qualified disaster for all taxable years cannot exceed \$22,000.</li> <li>• The distribution is not subject to the 10% early distribution penalty tax.</li> <li>• An amount distributed on this basis is not eligible for rollover.</li> <li>• The distribution is taxed over three years and can be repaid within three years.</li> <li>• This provision also permits (i) recontribution of qualified first-time homebuyer distributions, (ii) an increase in loans, and (iii) delayed repayment of loans during the 180-day period following the first day of the incident period.</li> </ul>	<ul style="list-style-type: none"> <li>• 457 Plan</li> </ul>	<p>For disasters occurring on or after January 26, 2021.</p>

<b>SECURE 2.0 Act § 201 (p. 872)</b> <b>Remove RMD Barriers for Life Annuities</b>		
<b><u>Description</u></b>	<b><u>City Plans Impacted</u></b>	<b><u>Effective</u></b>
SECURE 2.0 Act amends the RMD rules to permit defined contribution plans to offer commercial annuity products that provide for: <ul style="list-style-type: none"> <li>Increasing level annual payments of less than 5%;</li> <li>Certain lump sum payments that accelerate benefits;</li> <li>Dividends and similar distributions;</li> <li>A final payment on death that does not exceed the total purchase price of the annuity, less prior distributions.</li> </ul>	<ul style="list-style-type: none"> <li>457 Plan</li> <li>PTC Plan</li> <li>Tier 3 Plan</li> </ul>	For calendar years ending after December 29, 2022.
<b>SECURE 2.0 Act § 314 (p. 891)</b> <b>Domestic Abuse Victim Distribution</b>		
<b><u>Description</u></b>	<b><u>City Plans Impacted</u></b>	<b><u>Effective</u></b>
SECURE 2.0 Act permits a new in-service distribution right from a defined contribution plan (except a money purchase pension plan) to domestic abuse victims under the following criteria. <ul style="list-style-type: none"> <li>The distribution must be made within the one-year period beginning on the date on which the individual is a victim of domestic abuse by a spouse or domestic partner. The plan administrator may rely on the individual's written certification that the distribution qualifies under this standard.</li> <li>Aggregate distributions to a domestic abuse victim cannot exceed <u>the lesser of</u> (i) \$10,000 (indexed) or (ii) 50% of the present value of the participant's accrued benefit under the plan.</li> <li>The distribution is not subject to the 10% early distribution penalty tax.</li> </ul>	<ul style="list-style-type: none"> <li>457 Plan</li> </ul>	For distributions made after December 29, 2023.

<b>SECURE 2.0 Act § 109 Higher Catch-Up Limit to Apply at Ages 60, 61, 62, and 63</b>		
<b><u>Description</u></b>	<b><u>City Plans Impacted</u></b>	<b><u>Effective</u></b>
<ul style="list-style-type: none"> <li>SECURE 2.0 Act increases the age 50 catch-up limit for the years in which the participant attains ages 60, 61, 62, and 63. The increased limit is the <u>greater of</u> (i) \$10,000 (indexed after 2025) <u>or</u> (ii) an amount equal to 150% of the normal catch-up limit for 2024 (for example, this would be <math>1.5 \times \\$7,500 = \\$11,250</math> if it applied in 2023).</li> <li>Note that some clarification is needed with respect to this catch-up because the statute appears to tie the amount under item (ii) above to the normal catch-up limit for 2024, such that it would never increase after that date. For example, if the normal catch-up for 2024 is \$8,000, then item (ii) would be fixed at \$12,000 (<math>1.5 \times 8,000</math>), and after a few years, the amount in item (i) would always apply.</li> <li>Additionally, starting January 1, 2024, age 50 catch-up contributions are required to be made on a Roth basis for all participants whose wages (as defined for Social Security FICA tax purposes) from the employer sponsoring the plan exceed \$145,000 (indexed after 2024) for the preceding calendar year. Thus, these additional contributions would presumably need to be made on an after-tax Roth basis.</li> </ul>	<ul style="list-style-type: none"> <li>457 Plan</li> </ul>	For taxable years beginning after December 31, 2024.

The following SECURE 2.0 Act's mandatory provisions were implemented for the 457 Plan, PTC Plan, and Tier 3 Plan as applicable by the plans' recordkeeper and administrator, VOYA, on December 29, 2022.

- Exception to 10% Early Distribution Penalty Tax for Public Safety Officers.
- Repayment of Qualified Birth or Adoption Distributions Limited to Three Years.
- Exception to 10% Early Distribution Penalty Tax for Terminal Illness Distribution.
- Increase in Age for Required Beginning Date for RMDs.
- Reduction in Excise Tax on Late RMDs.
- Modification of RMD Rules for Special Needs Trusts.

The following SECURE 2.0 Act's mandatory provisions were implemented for the 457 Plan, PTC Plan, and Tier 3 Plan as applicable by the plans' recordkeeper and administrator, VOYA, on January 1, 2024.

- Pre-death RMDs Not Required from Designated Roth Accounts.
- Surviving Spouse Election to Be Treated As Employee for RMDs.

City Manager's designee recommends the adoption of the resolutions to amend the plans to incorporate the mandatory and optional provisions of the SECURE 2.0 Act as set forth above, and authorization for the City Manager or her designee to execute the amended and restated Basic Plan Document and other documents as necessary to administer the Deferred Compensation Plans set forth in Chapter 3.48, Chapter 3.50, and Chapter 3.49 of the San José Municipal Code

### **EVALUATION AND FOLLOW-UP**

If the City Council adopts the resolutions to implement the mandatory and recommended optional provisions, the amended and restated Basic Plan Document for each plan will become effective on December 17, 2024.

### **COORDINATION**

This memorandum has been coordinated with the City Attorney's Office and the City Manager's Budget Office.

### **PUBLIC OUTREACH**

This memorandum will be posted on the City's Council Agenda website for the December 17, 2024 City Council meeting.

### **COMMISSION RECOMMENDATION AND INPUT**

The Deferred Compensation Advisory Committee was presented with all required and optional provisions, as provided above.

### **CEQA**

Not a Project, File No. PP17-010, City Organizational and Administrative Activities resulting in no changes to the physical environment.

HONORABLE MAYOR AND CITY COUNCIL

November 25, 2024

**Subject: SECURE 2.0 Act Amendments to Deferred Compensation, PTC and 401(a) Plans**

Page 15

**PUBLIC SUBSIDY REPORTING**

This item does not include a public subsidy as defined in section 53083 or 53083.1 of the California Government Code or the City's Open Government Resolution.

/s/

JENNIFER SCHEMBRI

Deputy City Manager

For questions, please contact Amy Morton, Senior Analyst, at [Amy.Morton@sanjoseca.gov](mailto:Amy.Morton@sanjoseca.gov) or (408) 975-1425.