



Catch The Match, It's Back!

July 1, 2023

Frequently Asked Questions

What is the Match?

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.

Who is considered an eligible employee for the Match?

Full-time and Part-time employees who are members of the Employees' Pension System including:

- 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).

Employees who are members of the Employees' Retirement System (prior to January 1, 1980), subject to Selection C (Contribution Formula)

Exceptions:

- Participating governmental unit employees or a former participating governmental unit that has withdrawn.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.

What other requirements are there to receive the Match?

In addition to eligibility requirements, employees must defer/contribute to a MSRP 457(b), 401(k), or 403(b) plan(s).

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.

Do I need to contribute to a State supplemental retirement plan to be eligible for the Match?

Yes, to receive the Match, an eligible employee must be making deferrals/contributions to a State supplemental retirement plan through payroll deduction.

Can I open a new State supplemental retirement plan to receive the Match?	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.
Where will the State contribute my Match dollars?	A 401(a) plan account will automatically be funded when deferrals/contributions are made to a State supplemental retirement plan.
What is a 401(a) Plan?	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.
When will I see the Match contribution post to my 401(a) plan?	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.
When do I have access to the funds in my 401(a) plan?	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.
Can I borrow the money from my 401(a) plan?	No borrowing provisions, no in-service distributions, and no financial hardship withdrawals are authorized for your 401(a) plan account.
Can I contribute to a Roth Account and receive the 401(a) Pre-tax Match?	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.
How will 401(a) Match funds be invested?	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.
Does an annual leave rollover into a 457(b), 401(k), or 403(b) qualify for the Match, dollar-for-dollar, up to \$600?	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.



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