

PENTEGRA

Your AdvantEDGE

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The CARES Act

The Coronavirus Aid, Relief and Economic Security (CARES) Act into law. The CARES Act is the third round of federal government support in the wake of the coronavirus crisis and associated economic fallout.

The CARES Act provides further support to both individuals and businesses, including changes to retirement plan distribution and tax policy for individuals impacted by or who experience financial consequences as a result of COVID-19.

Key Provisions Impacting the Retirement Industry

- Expands the definition of hardship withdrawals from retirement plans
- Increases plan loan limits
- Temporarily Waives Required Minimum Distribution Rules (RMDs) for calendar year 2020
- Provides Funding Relief for Defined Benefit Plans

[Read more](#)



COVID-19 Resources

Navigating the CARES Act and COVID-19 resources for participants can be challenging. To make it easier, we've established a web page to make all of these resources available to you and your participants. Visit the Pentegra COVID-19 Resource page here:

<https://www.pentegra.com/expertise/covid-19-resources/>



Tips for Surviving Market Volatility During COVID-19 Virus Uncertainty

During this time, it may be somewhat comforting to remember that you are not alone. Everyone is wondering what the immediate future holds for the COVID-19 virus. Everyone else has the same fears and anxiety that you are feeling right now. When it comes to your investments, all you can really control is how you

react. Sticking to sound, fundamental investing principles and staying the course will help you make it through. Here are some sensible and practical tips for surviving market volatility in the face of what may seem like an extraordinary crisis right now. Add a link to the section on the COVID-19 resource page with this building blocks newsletter.

Tips for Surviving Market Volatility During COVID-19 Uncertainty." [Read More](#)



Addressing GenY Barriers to Retirement Savings

Employers tend to direct retirement education toward those who will soon exit the workforce — Baby Boomers and Gen Xers. That makes sense considering the nearness of retirement for those groups. But it's the Millennials who now make up the largest constituency in the American workforce, at one out of every three

workers. And it seems they need a little help when it comes to saving for their eventual retirement.

The Young and the Restless

Almost half of Millennials are worried about retiring on time, and two-thirds are concerned they will outlive their retirement savings.¹

Addressing the unique challenges Millennials face in saving for retirement is important for American businesses struggling to attract new workers. Among the challenges is student loan debt — but there are others. Housing costs are identified by 37% of Millennials as the primary reason they can't save enough for retirement, with 21% citing student debt.² Whatever the reasons, there are things employers can do to help. Here are a few to consider:

- Provide targeted financial wellness education. Break down your employee population into segments, such as by age, career stage, family status, etc. That way you can address specifics in your financial education, which may offer employees the information they need at just the right time.
- Keep social responsibility in mind. This is a subject often near to the hearts of younger workers. Consider including ESG (environmental, social and governance) funds among your retirement plan's investment options.
- Access to personalized investment advice. In spite of their reputation for doing everything electronically, Millennials appreciate personalized financial advice. Check with your plan advisor to find out how to incorporate it without breaking the rule against providing it yourself.

¹Thriving in the New Work-Life World, MetLife's 17th Annual U.S. Employee Benefits Trends Study, 2019, <https://www.metlife.com/content/dam/metlife.com/us/ebts/pdf/MetLife-Employee-Benefit-Trends-Study-2019.pdf>

² 2019 Retirement Pulse Survey "Catching Up On Retirement Savings"



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