National I&R Support Center
Webinar: Retirement Issues and Referrals: Resources for I&R/A Providers
November 7, 2018

Please stand by for realtime captions.
>> welcome to attendees who have joined us and we can see we still have participants joining the webinar and I think we will wait one more minute before we get started to allow people to come to the webinar.
>> [Captioner Standing By]

Welcome to all of our attendees. My name is Nanette and I manage the national information and referral support center administered here at NASUAD. I would like to welcome listeners to today's webinar on retirement issues and referrals and resources for information referral and assistance for I&R and a providers. Let me cover a couple of housekeeping items before we get started. The slides and audio recording and a transcript from today's webinar will be posted to the NASUAD website within the next several days. Please visit the national I&R project on the NASUAD website . The web link is posted in the chat box for your reference.

All of our listeners are on mute during the webinar to reduce background noise but we welcome your questions and comments through the Q&A function available on your screen. Please feel free to submit your questions at any time during today's presentation and we will address questions following the presentation. We also have real-time captioning for today's webinar. On your screen, you should see a Media Viewer panel on the bottom right for the captioning. You can minimize this panel or have it open and it will not block the slide presentation. You may need to enter your name and organization and click submit in order to view the captioning in the Media Viewer.

Around 10,000 individuals reach retirement age every day in the U.S.. This transition can bring individuals and families to I&R and A programs and programs may offer welcome to Medicare education workshops, and provide Medicare counseling. Along with health coverage transitions, many individuals and families are also transitioning their sources of income, even if they continue to work. Retirement can bring new opportunities but can also raise concerns and issues with retirement plans for workers and retirees and their families. We are so pleased you are joining us today to learn about the basics of retirement plans , common issues that are experienced by retirees and family members , resources that can help promote retirement security and referrals for pension counseling and help. Our presenter is Emily who is the legal program director with the Pension Rights Center . With that Emily I will turn it over to you to get us started with today's presentation.

Thank you. As mentioned my name is Emily and I direct the legal program at the Pension Rights Center and thank you for having me. By way of structure and setting expectations for the presentation, today I will tell you about the Pension Rights Center and talk about how retirement plans are structured and discuss current issues in the retirement world and discuss additional resources. >> The Pension Rights Center is a national nonprofit organization located in Washington DC. The center's mission is to protect and promote retirement security for all Americans. The center has policy program and legal programs in today's presentation is part of the legal program. The center legal program is funded by the U.S. Administration on Aging and surrounding laws around complex so much of her work and by providing training and technical assistance to other attorneys who may not be experts in the field of law but we do occasionally also represent clients and we provide referrals with basically confirmation of public education materials and other resources to thousands of individuals every year who need help understanding the retirement benefit rights.

The center also acts as a resource for federally funded counseling projects that served 30 states around the country. These pension counseling projects provide legal assistance free of charge to anyone who needs legal advice surrounding benefits and I'll talk about the pension counseling projects when we get to the resource section at the end of the presentation.

First I want to talk about the types of people who likely will reach out to you and the help they might need. There are typically three kinds of people who come to us for retirement help. There are three terms we refer to these three groups. First we may hear from a plan participant and a plan participant is anyone who is eligible for benefits under a particular retirement plan. That means someone working for an employer who has left the employer after earning a benefit but not old enough to take it or a retired person who is actively receiving benefit payment from the plan. Most of the time we hear from retirees because this is when the legal issues tend to arrive. A beneficiary as someone connected to a participant and entitled to a survivor benefit from the retirement plan if the participant dies. The beneficiary rights to benefit is dependent upon the right to benefit and in the vast majority of cases the beneficiary will be the participant's spouse and sometimes it could be someone else and I will explain later on. Beneficiaries have the legal rights as participants with the disclosures and information use of retirement plan formal claims and appeals process. The third group is alternate payee and alternate payee's are entitled to a share under a court order and on some rare occasions it may be a dependent child but in the vast majority of cases we're talking about a divorcees spouse. When the participant and beneficiary divorce the beneficiary ceases to be a beneficiary and the beneficiary is not anything at that point unless there is a court order making that person into and alternate payee. An alternate payee like beneficiaries also have legal rights and to use a plan for an appeals process.

Will talk more about divorce and retirement benefits later on. Retirement plans have to have a sponsor which typically means an employer and this is what distinguishes retirement plans and things like Social Security or veterans benefits. One of the things that makes this area of the law so complicated is what laws applies to your retirement benefit depend on what type of employee is sponsoring the plan. Private retirement plans are retirement plan sponsored by private employers and that is to say a company or corporation or non-organization not affiliated with the church and private retirement plans are heavily regulated and in fact they are regulated by three different federal

agencies which is another reason this is implicated. The plan sponsors responsible for funding and administering the retirement benefit that sometimes sponsors will hire another company
to act as a third-party administrator. Private plan sponsors get to set the roles of their plan as long as they comply with federal laws and for instance they can see who the plan will be and who it will cover and it is possible for one sponsor to have different retirement plans for extent it is common for one varied plan and hourly wage employment plan because they may be represented by a union negotiated on their benefit. Government retirement plans or public plans refer to retirement plan sponsored by a government employer for government employees. This refers to retirement benefits for federal employees and retirement benefits for state and local employees the plans are typically regulated by whatever government is sponsoring the plan and the Rules and procedures of the plan are written into law. For instance the retirement system is set by Congress and written into law in the office of personnel management is a federal agency administers those benefits and the united states cannot regulate plan sponsored by foreign government and certain international organizations and for instance the U.S. does not regulate retirement benefits for employees of the UN or the World Bank or International Monetary Fund under this legal framework. Finally there are church plans and when Congress was writing the federal laws that regulate retirement benefit sponsored by private employers, it wrote an exception for churches and church affiliated organizations. Retirement plans by churches go pretty much unregulated and have a lot more flexibility to do what they want and other private plans and we will have more on that later.

The next several slides I will focus on private plans because it is easy to cover them in one swoop because they fall into the same nationwide regulatory scheme as opposed to government and church plans which are all over the place. Private plans are required under federal law to have what is called a plan document. The plan document is like a constitution for the plan and sets forth all of the plans rules and
how generous the plan will be and can they take their benefit is a lump sum or medically and what kind of survivor benefits are available and who is covered under the plan in the first place and all of that is covered in the plan document. It is a provision comply with the law and federal law does set a lot of minimum requirements like it many years before they let that person have a benefit they can pretty much amend the plan document at will which includes making a plan less generous and it is important to remember amendments only apply going forward. A plan cannot use an amendment to take away a benefit someone has already earned. Retirement plans and the people administer them are legally required to follow the roles of the plan and if a plan has roles they are more generous than what the law requires and they are legally bound to follow those and left the plan document is
amended to change them in the plan that follows its rules can be sued and get into serious trouble with the agencies that regulate and face penalties. The problem however with plan document is there complicated and written using legal aids and a federal law requires private plans to also offer what is known as a summary plan description or SPD.

The SPD has to summarize the plan document in language the average plan participant can understand and if the average plan participant is Spanish-speaking for instance, the SPD needs to be available in Spanish. The SPD is the most important tool for people looking to understand what their Rules under the retirement plan and if they come to with questions you may want to refer them to their SPD and they are legally required to provide a SPD within 30 days of a written request but make them available and have them online.

Now talk about plan structure. There are basically two questions to understand the basic structure retirement plan which is how benefits are calculated and what type of survivor benefits are available limited people can take the benefit of a lump sum etc. The first question is whether it is a single employer or multiemployer plan and the single employer is simple. A single [Indiscernible] for Acme and that is pretty legit and can get a little more complicated if they have say a parent company or a subsidiary or merges with someone else and they are basically one employer sponsoring the plan. Like I said earlier it is not uncommon for employers to sponsor multiple plans. It follows that he multiemployer plan is one plan sponsored by multiple employers but the multiemployer plan also involve a union. >> It means we're talking about unionized industry and the union is primarily responsible for administering the benefit in managing the many and the employers responsible for contributing funding and these arrangements are important for industry where people frequently work on a get basis or otherwise tend to jump from employer to employer a lot so they never have a single employer to earn a benefit so construction workers are truck Rogers -- drivers or musicians on occasion they lost regulate multiemployer plans are different than single employer plans but they are usually and frequently the same.

One thing to note a trend the center policy is tracking is plans with multiple employers that don't involve a union and industry not typically unionize and these are called multiple employer plans and this is a policy solution getting traction lately in response to change in the economy but too soon to tell how far it will go.

The second question we need to ask about structure is whether the plan is a defined benefit plan or defined contribution plan. There are a lot of different types of plans like pension or 401(k) or 403B and 457 and for a one a etc. All you need to know most of the time is whether the plan follows to one of these two big umbrella categories.

Defined Benefit Plans are what we refer to as pension. The industry term for pension is defined as a benefit because the plan is structured in such a way we can actually calculate how much someone's benefit will be at retirement using a formula and plugging in different variables like the person's years of covered employment and interest rates. The idea employers want to sponsor plan guaranteed to provide employees with X amount in retirement if they work for the company for certain number of years can actually fill with a formula to ensure that happens.

These plans are designed to pay people a specified monthly benefit amount every month until that person dies. Print of all a large pool of assets and operate like insurance and some people are going to die young and not be paid the benefits and that is where the plan will have to pay out to the people longer than expected and the employer or multiemployer's, usually 100 were spent that 100% to plans where the particular pit -- participant has to pay and like insurance pensions can use actuarial science for accuracy how many people will die when or exactly what the plan will owe in this helps to know how much you put into from the plan. Because of the structure the defined benefit plan only pay out survivor benefits to a spouse who are not expected to survive benefits. Or children or any other beneficiary. Under federal law the defined benefit plan must supply the spouse at least half what the participant was receiving while allow. Multiemployer plans are typically Defined Benefit Plans and some of the biggest of mine plans in the country or multiemployer plans. Some of which are millions of participants.

Defined Contribution Plans are not collected instead they structured like individual accounts. The most is the 401(k) plan. Each participant gets his or her own individual account and when it comes time for retirement the benefit is the account balance. There is no formula and it is a question what was contributed which is why it is called defined contribution and how they were invested. Defined Contribution Plans which have become increasingly popular since 1970 and are more common than Defined Benefit Plans shift the burden of running the benefit and sometimes investing the end -- [Indiscernible] which is a match which allows the employee to contribute first. Some are bad at preparing for retirement and we know there is a crisis and baby boomers who had they are expected to run out of money before they die. Defined Contribution Plans are designed to pay benefits and a one time lump sum payment.

They are therefore unlike pensions not designed to guaranteed lifetime income so if an individual spends all of the many that is it. Defined Contribution Plans are less protective of surviving spouses and by law the beneficiary is the spouse of the participant married and the participant is only allowed to designate a different beneficiary if the spouse consults by signing a waiver form but because Defined Contribution Plans are paid out in lump sum there is no guarantee the spouse will actually see that income or any income will be left for the spouse after the participant dies and we have seen cases where the participant spent on an affair or gambling or abusive and spent the money to keep the spouse from having it. That is a good segue into the common issues.

You will see lost plans recruitment spousal benefits and plan terminations are some of the most common problems we see and I will talk about each of those in turn.

For lost plans the easiest way to illustrate was to give a hypothetical case example. Jackie worked for Acme Corporation from 1970 through 1980. During that time she earned a retirement benefit. In 1980, she got a better job at Smith & Co. and worked until she retired in 2010. She now received retirement benefits she earned at Smith that rely she is not receiving the benefits she earned at Acme and she tried contacting collector retirement but learned Acme is out of business so what now? Jackie has what we call a lost plan. A lost plans Mary occurs when something changes for the sponsoring employer that makes it difficult for a participant or beneficiary to locate that employer in order to claim a benefit. This can include a move or rebrand a merger or other corporate restructuring. Retirement benefits are heavily regulated and the employer cannot just take off for the benefit. The money has to go somewhere so it is a matter of tracking it down any good news is it is not require legal expertise and also if you are not a lawyer but looking to help folks seeking help with return issues it's a great opportunity to be helpful. There is a free training how to locate lost plans and if you think you're interested you can reach out about setting one up for your organization but also it has a lot of googling and you may find the person contacting us just does not have Internet skills. Doing a little digging around online we can find information they need. Not always. Now what happens when you discover the plan is actually terminated? It means it has ended. It is possible to have a terminated loss defined contribution benefit and the defined contribution are portable and easy to roll over and I find terminated lost plan problems are much more common than benefit plans in which case there are two possible scenarios. First of all if a plan was terminated which means the employer does not want to offer it anymore, it is not going to do anymore going forward but still owes people they earn, if the plan was terminated because the employer was in poor financial shape and there was not enough money to keep the plan funded it is likely the plan is taken over by a federal agency called the Pension Benefit Guarantee Corporation or PBGC which ensures private benefit plans and this is called a distress termination. A standard termination where the plan has enough money to pay out the benefits does just that. It can pass the entire benefit of the lump sum or rollover and one problem with lost plan is sometimes that is what is happened and the participant doesn't remember and we do all of the work and we found out it was attributed and this is common when it is a smaller benefit. On the other hand the plans are retired Nashe required to pamper life and they are to ensure the participated once annuity to protrude Nashe the participant can have annuity and it means the plan has to purchase the person an annuity on the private market to provide benefits like the one the participant would have received under the plan and now a totally new company they have never heard of is responsible for benefits which can make it difficult to locate. One final note when people go to claim Social Security benefits the Social Security administration will send them a notice of potential private pension benefits if they worked long enough to earn a benefit. These notices have pros and cons. On one hand they were meant people to claim benefits they may have forgotten about and in some cases they end up running benefits for people who came to us after receiving the notice and that is good. On the other hand the notices are often misleading and track when someone earned if they earned a benefit but not if it was paid out and it because it is from a government agency people get excited because they think this is totally new money when in reality it is a benefit they may have received and also the notice can overestimate the value of the benefit and people get their hopes up so if someone comes to you with one of these you can subtly try to help the person from the benefit or refer them on if it seems promising but it is also important to set expectations and let people know just because this comes from the government does not mean it is guaranteed to be accurate.

Recoupment is another topic I felt easy to illustrate a problem with a hypothetical case. Mike worked for TechCom from 1990 to 2000 and when he left he was told he earned a pension benefit worth $500 every month and he would begin receiving it when he turned 65 and 2010. In 2010, Mike began receiving his $500 a month. In 2018, TechCom sent Mike a letter saying it messed up and he will be getting $400 a month. TechCom now wants to reduce his benefit to $300 not $400 and to make back the money it overpaid him for the past eight years with interest. Recoupment is one of the biggest issues and we have been working to get this practice curtailed and it can happen at any time and sometimes it is the participant or beneficiary fault for getting

or giving misleading information but in the vast majority of cases the participant or beneficiary are innocent and they made a typo or calculation error that led it to overpay the participant and the participant does not know how to do complex benefit calculations and they have no idea it is wrong in the plan discovers it years later and go to the participant and says send us a check for $100,000.

If the plan is paying out of annuity it will recoup the overpayment by cutting the person's benefits going forward and this can be devastating and we have seen it down to zero for life. In the case of a lump sum overpayment the plan will send a threatening letter to the purchase. Or beneficiary they will sue. This is important. There is a strong language but it is just a threat and the plan is not going to see the participant and the participant will not hear from them except for a second or third threatening letter. In most cases the legal fees the plan would owe without way the plan to get back especially because most retirees don't have that kind of money and you can't get blood so the Supreme Court decision made it harder to win in these types of cases. We did see a cluster of cases where AT&T overpaid a lot of people buy a lot of money and suddenly decided instead of learning to sue they would have debt collectors and the Wall Street Journal published a journal and AT&T reversed course and I hope his other companies follow what happened to AT&T and decide never to try doing the same thing.

The Pension Rights Center is actively proposing regulatory solutions to government regulators and now you may be asking yourself how are these procurement practices legal and not only are they legal they are legally required. Or at least they were. The IRS plays a big role in regulating retirement plans because retirement plans enjoy special tax treatment and people get to defer income into retirement and don't have to pay taxes on the income until retirement and the [Indiscernible] is making sure they don't abuse the system and for more income than they are supposed to and they wrote a guidance stating if a plan overpays a participant and has to take the money back. The IRS was concerned about plans overpaying the highly compensated executives. We talked to Iris in 2013 and they were not aware the guidance was having a impact on innocent employees so in 2015 the IRS came out with new guidance stating no longer a required plans recoup overpayments from a participant and provided alternative methods of correcting the overpayment which included getting money from the employer instead and some plans change their tune many retirement plans to recoup and some engage in very [Indiscernible] practices. The IRS is now contemplating additional changes to guidance to actually put substantive limitations on recruitment and we have made recommendations which include things like reduction not only plans to charge interest in having a limit on how many years back they can go looking for overpayment and allowing participants to apply for hardship waivers. We are eagerly awaiting new guidance and while we cannot predict what Iris will do we believe they are giving's consideration to our suggestion so hopefully in the meantime the penciling counseling project to become good at disputing recoupment on a case-by-case basis for the retirement plan and appeals process so if anyone contacts you this issue please refer them to us. Return

the next common thing people contact is benefits for surviving spouses. As mentioned earlier Defined Benefit Plans have to provide surviving spouses with monthly benefit payments and they have to be worth at least 50% what the participant was receiving while alive and the plan will

reduce the upfront payment while he or she is alive in order to account for that survival benefit but it will not be that huge because it is perspective the surviving spouse will only live a few years past the potential event and it is only have payment and they offer larger like 75 or hundred percent to match what the participant was receiving while alive. Sometimes people don't want to take the survivor benefit because they don't want the upfront reduction and there are times when it makes sense for instance if the beneficiary spouses significantly older than the participant or has an illness and unlikely they will outlive the participant the married couple decides not to take the survivor benefit the plan has to obtain a signed waiver from the spouse think she is giving up the survivor benefits and one of the biggest, biggest files we encounter is a surviving beneficiary calling us years after the participant has died is in financial trouble because there is no income and they want to know if she is entitled to the survival benefit and we go to the plan and request a copy of the election paperwork and the waiver form and low and behold the plan provides us with a copy of the signed waiver form. I cannot tell you how, this is and sometimes they beneficiary does not remember but sometimes they just did not understand what they were signing in the first place.

Less common but more common when you would think the signature was forged and for instance we have seen cases where the participant was having an affair and other persons came posing as a spouse but here's the thing, once the benefit has been paid out at the higher rate

the benefit is considered paid in full and if there is a waiver form there's nothing you can do because the plan is not at fault. The waiver forms are to be notarized or the signature has to be witnessed by plan employee and if you can argue the form was invalid and it was wrong to accept that you may have a case. Am aware of a case where the plan is the beneficiary did not speak English but they forms in English which included a waiver form and

they told her she needed to sign all of these forms to get the benefit and the waiver form was an there and that is I got signed and in that case I think there's a strong argument the plan was that followed a something that can be done but even in cases where the signature was forged if it was notarized by notary brought into the plan the plan is still not at fault and the court would tell you to D notary in the person with the forging. It is important whoever get someone to call and ask about the forms definitely make sure they understand what the waiver form is. >> The other issue which is trickier still is divorce and this is a huge problem. Early I mentioned when we decide alternate payee's the former beneficiary only becomes an alternate payee if the sure the benefit is specifically granted to that person by court order and for reasons I won't get into now because of time limitations a divorce decree alone is insufficient. The parties have to go and get a second order to order the retirement plan to divide benefits and that is where people run into all kinds of problems even if the divorce decree is assigned the benefit if you send it to the plan the plan will reject it until you do need to get a qualified domestic relations order or QDRO and they have never even heard of a QDRO and there are all kinds of bureaucratic problems surrounding QDRO and a lot of people never get the benefit because even though they are legally entitled under the term of the divorce and the whole presentation is on this problem and in fact the center is embarking on a large initiative to try to deal with this problem 15 to 20% of the people who contact us in any period is calling based on this issue and what we do outreach to organization the first thing they ask is if we drop Tran one and we know this is a huge issue that impacts a lot of people. We want to explore why people run into so many problems and I can tell you briefly it is because divorce attorneys don't have expertise to draft them and they have a hard time drafting them and a lot of parties represent themselves and they don't know they need to get a QDRO or no one tells them and they are really complicated and often divorce attorneys to attempt to draft them they script and the plenary tricks them and that is because they cost money and they're all kinds of reasons and there is a question mark next to upfront cost because some people claim plan will charge a fee to submit a QDRO and some say no they never do that and we offset the cost of reviewing the QDRO against the benefit but there are attorneys that say they charged many to look at it and review it and some get mixed reviews but I heard they can be very large. The biggest issue is lack of public information.

Once we have define the problem we want to have solutions and we are partnering with divorce attorneys and state judges and other organizations to try and tackle this issue but we are at the beginning stages. The number one thing I can tell you right now is if someone contacts you and mentions retirement benefits of divorce picture the person knows about QDRO and why it's important to submit one as soon as possible. They wait until the event happens to trigger the desire to get it and sometimes they have divorce decrees already and telling them to share but they never obtain and submit a QDRO and if the form is away from the participant who has taken the benefit out and there's nothing left to pay out the money is gone and it is designated to another spouse and it is reserved for someone else. Or if they die and had a pension benefit paid out as a single life it is gone. It is not only important to obtain a Tran one but to submit early on before any intervening circumstances can occur in impact the availability of the benefit.

>> The final common big issue we deal with a lot as plan termination problems and I talk about this earlier in the context of lost plans and plans will terminate and in some cases if the plan is underfunded the PBGC will be in charge of ensuring the benefit and if they are well-funded it will pie out/payout or purchase annuity and if everything with that annuity go smoothly they should not notice a difference but it does not go smoothly. Usually planned in bulk under one contract with a list of names to the annuity provider and in rare instances , the plan will accidentally need someone or leave someone's name off the list and they come to claim the benefit the annuity provider has nothing for that person. This is called animated participated, and I'm sorry I wrote missing participant which is a reported related issue

but this is a typo and omitted participants can make a claim to PBGC so if you run into this issue make sure to refer that person to pension counseling or rather to the Pension Counseling and Information Program which can help to make a claim. I want to touch I'm issues we see quickly and my expectation is not you will totally memorize this stuff but more just so it rings a bell if it comes up in the future. Some plans and this tend to be more common in multiemployer plans they have a provision if you retire but returned back to work in the same trader craft in the same industry in the same geographic area is when you're working under the plan they can suspend your monthly benefit. Each payment you get each month.

The idea is prevent double dipping where the participant earns a second benefit in the same plan. Geographic area under law brushes and a regulation is any state where there is a contributing employer and we run into a lot of problems defining trader craft and defining industry is subjective. For instance a truck driver who retired but goes to work driving a delivery van for a company that delivers within a three-mile radius, is that the same industry? They can generate a lot of [Indiscernible]. Benefit calculations are big one and sometimes it is the method itself like hours or years they worked for an employer because that is a factor that goes into the formula or in this case employer of a multi-and that can be even more complicated to prove but it can also be hardy for talking about records from 20 or 30 years ago. A question if someone earned a benefit the law states the players cannot discriminate on certain basis when letting people participate in the plan and obviously we are not allowed to discriminate on race or gender and plans also cannot discriminate part-timers for these purposes but when it is prohibited, for instance employers can terminate based on geography and can cover the West Coast but not the East Coast. They can also disseminate by job category and we will cover nurses but not PAs. Another factor is whether a person works long enough for the employer or worked for the employer to even be able to earn a benefit. Mentioned church plans but I want to elaborate further and as I said they are exempt from pretty much all of the laws and the church plan does not just apply to churches themselves but church affiliated organizations which today can include universities and community centers and multibillion-dollar hospital networks. These church and church affiliated employers are not legally required to fund their plans. They also do not have to make disclosures which means they do not have to tell their participants they are in an underfunded church plan so you can be an atheist working in a multibillion-dollar hospital network as an accountant and they may tell you you're earning a pension and when you go to retire you find out you never put any money into the plan and the benefit you are lying on does not exist. You are not insured by the PBGC because they are exempt from the requirement to pay premiums to the PBGC. This may sound outrageous but it is happening to hospital employees all over the country keeping amount religiously affiliated hospital networks are the only major employer. You may be asking yourself how is this legal and doesn't the First Amendment have something to say about this? Will that is a question for the Supreme Court and this is an issue currently the subject of a lot of litigation and a good chance eventually Supreme Court will have to settle the issue and it has been through to court once but they decided procedural issue and not a sub sensitive ruling.

Just because a regulated by the same people who are in charge of paying out the many it is not uncommon when a state or local government and financial difficulty for the legislature to not fund the plan. The most famous case is probably Detroit when it went through the large bankruptcy crisis a few years ago. The Multiemployer Pension Reform Act, union membership nationwide is down in between that and the economy over the last decade as a result

some not all they are in big funding trouble and there are some plans with millions of participants and beneficiaries that sit to run out of money with the current trends continuing as they are. If one of these plans goes under it will take the PBGC done with it and in 2014 Congress passed an act that gave these plans permission to cut benefits to people who are retired and receiving their pension benefit and this is something previously completely unheard of. Plans have to apply to the Treasury Department to be able to make these cuts and they have to be able to prove they are distributing fairly and they would actually have a probable chance of saving the plan. The law allows plans to apply kids more than two thirds of benefits and the treasury rejected a lot of applications but approved some in the big issue is one of these plans had

a plan rejected because they did not agree there into the cat would save it and now we are faced with the issue of saving PBGC and the policy program is working on this issue a lot and along with many other groups working on proposed legislative solutions and finally delinquent contributions. This is a contribution issue and basically when they sign up to participate in a 401(k) or other contribution plan the employer is to withhold money from their paycheck to immediately deposit it into their retirement account to be invested and start earning returns. Some employers are in the habit of taking the money and using it to bolster the cash flow first and some take months or years to contribute the money to the account and it is surprisingly common. It is also superduper illegal. Law is considered theft and in certain situations people can go to jail though the Department of Labor also gives employers opportunities to self-correct and repay the money with interest. If you talk to anyone who indicates this is happening to them you want to immediately refer that person to Department of Labor and I will provide that number in a moment when we discussed resources.

A big question for referral providers is what issues are nonstarters and should not be referred to know that you have background context and want to tell you what is not an issue , as I mentioned earlier Defined Benefit Plans only provide survivor benefits to surviving spouses. Nonetheless we frequently hear from children or grandchildren who believe they have a right to a deceased relatives pension and importantly that is a non-issue. It's important to distinguish between defined-benefit and defined contribution plan because as I covered Defined Contribution Plans to allow beneficiaries. Another nonstarter is when someone contacts you about obtaining a share of a former South -- former spouse but not only do they not have QDRO but they don't have a divorce decree and this is something , if it is not divided the only way to get a share is reopen the divorce which is very difficult and require the assistance of a divorce attorney in the referral if there is one is either back to the original divorce attorney or you can give the person the state bar or some other attorney referral hotline for a divorce attorney. We talked about the plans can require someone to work for some -- certain number of years and this principle is called vesting and under the law they can make you wait five years or they can let you vest in the percentage you earned every year over a longer period and of course they can be more generous and weight less than five years and they have shorter wait times for employer contributions and note the participants are always 100% vested. If someone tells you here see works for a company less than a year and they want to pension there is nothing vested so there's nothing. Also if they work for someone like three years and they talk to the defined benefit plan and they told them you have to work for five years during the benefit chances are there's nothing to do. Know before 1984 plans could make people wait 10 years to vest. Sometimes we get calls from people who dislike the way the retirement plan is investing and the law requires people in charge of the plan to invest the assets prettily do not have conflict of interest and be reasonable etc. As long as they're doing that the participant does not get to dispute how the funds are invested. If the plan is investing with a broker who happens to be the employer's CEOs brother and he bankrupted three other companies that is an issue and needs to get referred on. Also as mentioned earlier Defined Benefit Plans are designed to have plans and an annuity which is a plan for life but the law requires them to have two options a single life for unmarried participants and survivor annuity for married participants we discussed earlier and that's it. They are allowed other options but they don't have to and so the fact they don't have a lump sum is a non-issue but remember what I said about the plan document, if the plan document says the plan offers one of these optional forms of benefit they have to offer it and if someone says the plan offers a particular option and diss did not let him or her take it because they claim is not eligible that is an issue and needs to be referred. Note one form of benefit that comes up a lot in the situation is early retirement particulate what is known as subsidized early retirement. Finally we sometimes hear from participants who cannot get their spouse to sign a waiver form and want to get around it. No go. This is estranged spouses and you need to get a divorce.

I want to start talking about resources and as I mentioned the Pension Rights Center works with six federally funded projects covering 30 states and they have for illegals -- free legal advice the answer questions about rights under the law and Triton retirement plans and all private and government retirement plans with claims and appeals process so if someone has wrongfully denied a retirement benefit for the benefit is too low or not given a form of benefit they entitled to the project can represent them in claims and appeals and finally when the claimant appeal process is exhausted and the case is appropriate for litigation they can refer to private litigators. We act as referral provider to the project and if you want to refer someone onto a project you can call us at the number on the screen.

Here is a map that shows the areas covered by a pension counseling project and the gray areas are uncovered states but want to say when a project covers estate it can mean several things. They can assist people who live in the state but they can also represent people whose retirement plan is sponsored by an employer at headquarters in that state or administers the benefit out of that state. In most cases we can usually get someone to a counseling project

and they may be able to provide some limited direct assistance or locate a pro bono attorney to assist to outside of making the referral if you think is a legitimate issue.

PensionHelp America is another referral tool where you may find this useful and is a separate website located at pensionhelp.org and individuals can answer a few demographic questions about themselves and they will provide a list of resources and they can reach out to you for help for pension issues and this can include projects or legal services and government agencies among other resources.

>> Here is a contact information sheet for resources I want you to know about. First of all you can always call the Pension Rights Center not for referrals and causing projects but we can answer technical questions about retirement issues or what to do in a particular retirement situation and also we provide free training on retirement topics and I mentioned PensionHelp America earlier and they operate the National Pension Lawyers Network which is approximately 500 private attorneys across the country specializing in retirement cases and if someone needs an attorney to represent a litigation or not eligible for help for counseling project we may be able to refer them to a private attorney with the necessary expertise. Sometimes people don't need legal help and what they need his help calculating a benefit so someone thinks the benefit was miscalculated or want to verify their plan did the calculation correctly or if the plan is claiming the benefit was miscalculated and seeking to recoup the Pension Assistance List is a great resource and made up of volunteer actuaries specializing in pension calculations and finally the benefits advisors program at the employee benefit security administration which is part of the Department of Labor and the benefit advisor program is a hotline to answer people's basic questions about the law throughout retirement and they are not able to give legal advice and cannot represent people but if you encounter someone who is looking to understand how retirement benefits and need actual resource it is a great resource to track down lost

plans and if you ever encounter a blatant legal violation rather than subjected benefit dispute like delinquent contributions into a defined contribution plan or any other type of like the CO taking everyone in their benefits and leaving the country which we have seen their visors can refer the cases to the investigative branch and they can then take the legal action.

With that I would like to open things up for questions. >> Great and thank you so much, Emily. As a reminder to our listeners you are welcome to ask questions. That was a really helpful set of topics to cover that again you can submit your questions to the Q&A and we will get to those and we have had some questions about where the slides will be available and again the slides, the audio recording and the transcript from the webinar today will be available on the NASUAD website in the next few days. As we're waiting to see if we have any questions from participants, Emily, I am wondering in terms of the Pension Counseling and Information Program that you shared, are there any particular reasons why some states are not covered by a program?

It is funding.

They are funded under federal grant programs and that is the , we are actually authorized by statute by federal statute that Congress back in the 90s and that is the amount of funding and the number of projects and marked by the government.

Okay that makes sense.

I want to go back to some earlier information and more towards the beginning part of the presentation of you -- as you were providing basic information and you talked a little about the transition from Defined Benefit Plans to Defined Contribution Plans and I think for many of us who are workers today are probably familiar with the 403b or 401(k) but it's interesting, we periodically do a national survey of I&R programs and among many questions that we ask, we ask about frequently requested services and the kind of unmet needs that programs often see and financial assistance is something that comes up in sort of both of those areas and it's a little undefined and we don't know exactly what that means for individuals but it is a reflection family seeking help is having financial needs or financial distress and I guess I am wondering from that shift from pensions into the environment that we are now with the contribution plan, at what age are workers impacted by that and for example by a I&R serving individuals coming into retirement needs or are they more likely to be impacted by the transition or in other words less likely to have a traditional benefit as opposed to maybe people in their 80s or 90s who are more likely to have a more traditional pension plan as well as medical coverage and retirement which I don't know if it exists anymore but I come from a manufacturing town where some of my husband's relatives do also have a health coverage .

I am hesitant to make statements because we get people who contact us in their 80s or 90s all the time and that is the think the longer you live the more risk you are running out of money that you save and the more likely you are to encounter health issues to up at what you have and health is a huge component of all of this which is health planning. Also recruitment, they can shut off your benefit. We have had people who were doing very well may be in their 80s who run a pension benefit for years and suddenly we overpaid and we overpaid a lot and we're paying you X amount every month if you multiply that times the months you have left to live we don't think we will get it back because you will die first so we will cut you down to zero. I'm hesitant to say it is easier for one group over the other because I think they both faced their own separate set of issues and we hear from people across the gammet. Some older groups within certain industries are more likely to have a pension benefit in a defined contribution benefit that there are a lot of people working in a time when labor lot was not robust or there was discrimination in employment and they did not have access to benefits. We do know however they shift from contributions is a new set of issues and there is a lot of academic material and hard numbers researched for those interested in exploring and if anyone wants to reach out I can connect them to look at it for more of an academic perspective and point you to papers and statistics. Return not thank you --

thank you. It seems like it is an issue are saying across the span of ages as people enter into retirement and issues depending on their work histories on the types of plans where they may have benefits. Another thing, go ahead -- >> one thing I will elaborate is younger retirees in order up series is the ability to return back to work -- older retirees is the ability to return back to work. If you work in a grilling industry because the health problems whereas other people who may have lucked out and worked a less strenuous job are able to work longer but in general earlier or younger retirees may have the ability to return back to work at they don't have a financial
or if they don't have a financial needs covered or they can work longer to earn a longer benefit in the problem for folks who are older or in their 80s or 90s and the ability to return is much lower especially if they have been out of the workforce for a long time so that is a group project deliverable because if they run out at that point there is no going back and getting more. I apologize I cut you off.

Actually I was going to ask a little bit of a related question and some people may work longer and they choose to work part-time longer so the I&R A specialist there working with an individual contemplating working longer are there particular issues with that family working in terms of longer but also retirement plans they may be currently vested in such as they should be mindful of particular ages when they need to draw down benefits or other things to make sure they retain retirement security even if they continue to work.

The two big issues are they benefits and if you go back to work for the same employer or go back to work for a unionized industry where they have a benefit provisions you run the risk of having the benefit payment suspended if an eight defined benefit plan. The important thing is if you draw a pension, people getting pensions are less at risk of running out of benefits and retirement if it is a sellable -- sizable and a pension but if you go back to work avoid the same industry. The IRS request they start building out at 70 1/2 and they go into required minimum distribution and it is not like you have to take all of your money out but if you have to start making required distributions at 70 1/2.

We do have a question that has come in from a participant who asks, how can employee find out if their plan is a single employer benefit plan or a multiemployer plan? >> Sometimes nothing is straightforward and employers don't do the best job explaining
     but in theory it should be straightforward because there should be direct interaction with the union in order to obtain that benefit . Whereas if you're a single employer plan, it is clearly coming from the employer and there are a number of disclosures and documents retirement plan has to do in the name of the plan itself will be on the document and usually will say such and such union pension plan for hourly employees or it will say the name of the union or industry where the employer had the name of the employer or subsidiary in the plan and there is a website online card [Indiscernible] that tracks filings that plans have to make which is 5500 and if you sign up for the
     website it will require you to register an email address but it is free and you can use it to look up benefit plans look at filings they have made with the government and it has helpful information about the plan type as well as how well-funded it is and contact information in charge etc. and that is another way but sometimes looking at the SPD or calling an employer or asking should be sufficient.

Great and thank you that sounds like a helpful resource. Maybe I will end with one last question and I will go back to my introductory notes and often times I&R programs or agencies will have events people reach retirement age for example welcoming people to Medicare or many programs also provide counseling
     under the [Indiscernible] program or the counseling program for Medicare beneficiaries. I am wondering for the similar life transition, if there are any good resources that may be referrals for individuals or more generally to learn about income in retirement and what I have seen are toolkits or workbooks or other things that are pending from private programs themselves or maybe like Fidelity or Vanguard or others and I don't know if they have a conflict of interest or if they remain good resources but if there are other good resources that programs may be able to use and to refer people so just for more general questions about thinking about income in retirement or that type of situation or if they have reach that lifetime transition.

I am sure the resources are out there that -- but none come to mind but I can get back to you but what I will say if we are talking about a group of people who have now retired and at an age where they are becoming eligible for these type of benefit,
     that is too late. They should be thinking about retirement planning earlier on because putting money away for retirement at a young age for

long. Of time in taking advantage of compound interest and employer match, that is really essential parts of retirement planning and we do have some very basic public education resources on our website we have one card roadmap to retirement and whether you should take your lump sum or annuity and that may actually be a good starting point but I can also look into other organizations specifically providing financial planning assistance where people who recently reach retirement.

Great. It sounds like a really helpful resource and what I was thinking about maybe is familiar is the idea of companies having literature and thinking about harvesting I think it is a use of income in retirement and again often times individuals who turn to I&R programs to get neutral and trustworthy information and that is often where I&R A programs are providing help but I do not see any more questions in the Q&A and we are actually at the top of the hour and I really want to thank you so much for joining us today and I think this is the first time we have provided a webinar that talks more specifically about retirement plans and issues and I am excited we were able to address those topic but also thank you for the very helpful resources you provided at the end of your webinar including of course your own center in the pension counseling program. I am sure it will be helpful to attendees who joined us today. With that I want to thank you and think our listeners and to think our captioner for being with us today as well and again all the materials from today's webinar will be posted to the NASUAD website with the next several days and I want to wish everyone a very good end of the week and thank you for joining us.

Thank you for having me. >>
>> [Event Concluded]